

# Headline

news from **Head  Office**

February 2009

**Case study – how  
Head Office helped  
a client ease the  
stress of an  
employment  
dispute**

**Short time  
working –  
an alternative  
to redundancy**



**Now is not  
the time to  
panic!**

**Homophobic  
banter constitutes  
harassment even  
if employee  
is not gay**

**Human Resources • Health and Safety**

**supporting your business piece by piece**

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# Introduction to

# Head Office

Head Office provides an innovative and effective way to ensure that your business complies with the legislative requirements of both Human Resources and Health & Safety.

Keeping up with the ever changing legislations and pressures faced managing a team of staff is very expensive, particularly with the use of ad hoc employment lawyers and HR / health and safety consultants.

Head Office aims to reduce these expenditures through a monthly subscription which provides an insurance policy against the costs of an employee taking you to an employment tribunal and any award payouts. On a day to day basis, Head Office supports the business by providing updated guidance on new legislation and case law, a dedicated helpline staffed by HR legal experts and a contract / letter template builder. This can be used both as a support mechanism for an existing HR team or as part of an owner managed business where there is no dedicated HR resource.

Key benefits include:

- **A safety net with our exclusive insurance policy that covers the costs of getting to tribunal and any award up to £250,000**
- **Minimising the risk to your cashflow (the average costs of attending a tribunal now stands at £9,500)**
- **Budgetary certainty without the need for adhoc HR consultants / employment lawyers**
- **Improved procedures resulting in increased productivity**
- **Easy access to commercial and practical legal advice**
- **More time to focus on managing your business.**

As part of the offer Head Office will provide an initial review of your current position with the aim of recommending the most appropriate solution for your needs.

Call us now on **0845 217 8650** to speak to one of our expert advisers.

## In this issue...

- How workplace banter cost one company a harassment claim
- Short time working – an alternative to redundancy
- Workers no longer lose their right to paid annual leave
- Our client study – Westwick Properties
- Company services – 7Side
- With working hours lost through the recent bad weather, we advise you on your rights as an employer
- Flexible working rule changes, we remind you of the procedure for handling a request
- Don't fall foul of the National Minimum Wage, we give you a refresher on the legislation
- Simon Wiltshire tells us "Now is not the time to panic!"
- Important dates to note for the next quarter

# Workplace banter

**Homophobic banter constitutes harassment even if the employee is not gay. Colleagues engaging in good humoured banter is often a sign of a well-functioning team. But take care not to let them overstep the mark – or you could end up in a tribunal!**



In a recent case, English v Thomas, the Court of Appeal found that the Sexual Orientation Regulations 2003 protect a heterosexual employee from homophobic banter.

Mr English claimed that he had been subjected to harassment by former colleagues in the form of homophobic banter and sexual innuendo.

Mr English had attended boarding school and had lived in Brighton and was taunted over his sexuality as a result. Although Mr English was not gay and accepted that his colleagues knew he was not gay and did not perceive or assume him to be gay, he was able to bring a successful claim for harassment on the grounds of Sexual Orientation.

The Court of Appeal found that in order for a person to be protected by the regulations, their sexual

orientation, whether real or supposed, must be the reason for the harassment. In this case the repeated use of the word 'faggot' constituted unwanted conduct towards him on the grounds of sexual orientation and he was able to raise a successful claim for harassment.

### What does this mean for you?

1. Employers must pay extra care and attention to the 'banter' that takes place in the workplace to ensure that no employees, regardless of their sexual orientation, are subject to harassment.
2. Employees do not have to be gay, be perceived as gay or believe that colleagues believe they are gay to raise a claim.
3. A successful claim at an Employment Tribunal for

harassment on the grounds of sexual orientation will have an unlimited compensatory award whether the employee is homosexual or not.

4. The Regulations in their literal reading provide protection for employees who are heterosexual, homosexual, bisexual and those who do not wish to disclose their sexuality. The Court of Appeal has followed this interpretation and therefore additional care must be taken by employers.

**If you have any questions about this article, please call our legal advice team on 0845 217 8650.**

# Short time working

**In the doom and gloom of the economic recession and with unemployment in the UK gradually reaching 2 million, redundancy is a word that is being used daily.**

**However, there is an alternative to redundancy and for many employers it may be an answer to surviving the financial strain upon them without the cost of redundancy payments and without losing key members of staff.**



Employers may have the option of placing employees on short time work or layoff (should their contract allow it). This may be a preferred option by both the employer and the employee as employment is maintained, cuts are temporary and a workforce is available should the volume of work increase. Employers will still have to pay a guaranteed payment to employees for the first 5 whole days an employee does not work which is currently set at just £21.50 per day.

As with any action that may be taken which affects an employment relationship there is a specific procedure that should be followed for short time work and layoff. However, provided the process is followed correctly, it can be a very effective method of relieving some of the pressures of the downturn and improving the financial status of a business.

In order for a reduction in hours to be made there must be an express contractual term allowing for the change. As long as a term exists, the reduction can be made following a consultation with the employees.

If only a restricted number of employees are affected a selection criteria matrix must be completed in order to assess which employees the reduction will be applicable to. This will follow a very similar basis to redundancy selection criteria and must be completed objectively and fairly.

The exact procedure to be followed will depend upon the circumstances. Therefore the actions to be taken may vary depending on the size of the workforce, the nature of the work undertaken, the number of hours to be reduced and whether it will affect the entire workforce or a select number.

If a clause is not written in the contract of employment there are exceptions permitting the employer to reduce hours. For example, if the business is in financial distress the parties can mutually consent to a reduction. This will have to be in writing and agreed by all the employees that will be affected by the change.

Short time work and lay off can be a very cost effective method of sustaining a business in the short term. However, there are some dangers and it is recommended that advice is sought

before any reduction is made. It must also be noted that it is not a long term solution as any affected employee has the right to request redundancy if hours are reduced to 50% or below the standard working week for 4 weeks continuously or for 6 weeks in a 13 week period. Further, if the employee cannot be provided with their normal hours within 4 weeks of a redundancy request being made, they must be given redundancy.

There are inherent dangers with short time work and layoff as taking action without a contractual right could give rise to claims for constructive dismissal and/or unlawful deduction from wages. However, the benefits can be vast provided the procedure has been completed correctly and employees are treated fairly. In the current economic turmoil, employers and employees may both find that this short term action will have greater long term effects.

**For advice on surviving the recession, please contact Damien Burns on 02920 478 779.**

# Workers no longer lose their right to paid annual leave

Following our article “Holiday on the Continent” (November issue, page 11) we bring you an update on the European Court of Justice decision.

The European Court of Justice (ECJ) finally handed down its Judgement on the 20th January 2009 in the case of *Stringer v HMRC* (formerly *Anisworth v Commissioners of Inland Revenue*). The decision is contrary to the current position provided by the Working Time Regulations and is likely to be unfavourable to employers due to potential cost consequences.

The UK’s position on annual leave has always been simple. If a worker failed to take any Statutory annual holiday, they did not have the right to carry that holiday over into the next leave year. The ECJ has now decided that this prevented those workers absent from work from having the benefit of paid annual leave. The ECJ concluded that the right to take annual leave should not be extinguished at the end of the leave year where the worker has not had the opportunity to benefit from paid annual leave due to sickness.

It is worth noting that the decision only relates to the four weeks minimum holiday entitlement that workers are entitled to under the Working Time Directive. The decision didn’t offer any assistance as to how employers should deal with the additional 0.8 weeks (soon to be 1.6) that workers in the UK are currently entitled to or any contractual holiday entitlement.

The ECJ decision has confirmed that all workers are entitled to up to four weeks holiday for each year they are on sick leave. Whilst employers can prevent workers from taking annual leave while on sick leave, workers will



accrue holiday for the duration of the sick leave and must be allowed to take it upon their return. Those workers whose employment has ended before they were able to take their leave, will be entitled to be paid an allowance in lieu.

Commentators have not been shy about sharing their opinions about this case. Some hail it as a great victory for employees’ rights, others suggest that it represents another nail in the coffin for small business. What is clear, is that it will financially penalise businesses who don’t manage their employees’ absence effectively, as inaction will allow the employee to accrue a far greater holiday entitlement which they will either be able to take upon their return, or be paid for upon their dismissal.

The case will now return to the House of Lords to give a ruling in light of the Judgement. It is recommended that employers ensure that a review of all holiday, sickness and maternity policies is carried out.

**If you would like a review of your HR policies and procedures, please contact our HR consultant Wendy Stamp on 0845 217 8650.**



# Head Office

## Cutting the cost of employment disputes

**At the end of last year Westwick Properties (Holdings) Ltd, a Bristol-based lettings agent, faced a complex and costly employment dispute but with the help of Head Office they managed to successfully defend a claim and reduce their costs.**

Employment law is an increasingly complex area for any employer and even the most meticulous employer can face claims from a determined employee. That is why, when Westwick first discovered a serious problem with a senior employee, they instructed legal representation to help them handle the disciplinary.

It took considerable time, effort and cost to ensure the nine allegations against the employee were properly investigated and the employee was invited to a disciplinary hearing in line with the statutory requirements. The employee declined to take part in the disciplinary and handed in a written response to the allegations. Westwick's costs started to escalate when the employee, unsatisfied with the outcome of the disciplinary hearing, in which they had decided not to fully participate, opted to appeal the decision. A third party was brought in to chair the appeal and after another hearing it was decided that the original decision to dismiss should stand. It was upon the failure of the appeal that the employee decided to lodge a tribunal claim alleging unfair dismissal against Westwick.

"There is no charge to file an unfair dismissal claim with an employment tribunal and as each side bear their own costs there is little risk of an aggrieved employee having to pay their employers costs should they lose" said Neil Berry of Head Office.

With this in mind any employer wishing to defend a claim must make a choice whether to settle and draw a line under the matter or defend and risk incurring substantial legal costs that they are unlikely to recover.

With Westwick determined to pursue the case because of their confidence in their original decision to dismiss

the employee, it seemed likely that they would incur an even greater cost using their current legal advisers.

Westwick Director, Krysia Piotrowska, therefore arranged a meeting with Head Office to see whether there was an alternative. She was pleased to find that not only would Head Office's outsourced HR and employment support service be able to assist with the upcoming tribunal, but would also be a cost effective solution for Westwick.

Head Office's associate legal firm, employment law specialists NewLaw, was also brought on board to assist Westwick in preparing its case for the December tribunal.

Krysia Piotrowska explains: "It was a major decision for the company to switch advisers at such a late stage, particularly as our original solicitor had been doing a good job. But we were becoming increasingly concerned about our costs. From a purely commercial standpoint, appointing Head Office made sense, their fees were very competitive."

"But cost effectiveness always has to be complemented by capability. As Head Office was an unknown to us, we had to be confident of its ability to pick up and run with a complex case and secure a favourable outcome. Legally trained, I know how difficult it is for an employer to win at a tribunal, but I was reassured when I first spoke to Head Office's Katrina Canning – she really knew her stuff."

"I also appreciated the quality of Head Office's day-to-day communication with Westwick. I was always kept fully informed and there were no delays in providing information."

"In short, I was very impressed by their expertise, their overall level of



service and, obviously, by the cost-effectiveness of the exercise. I wouldn't hesitate to recommend them."

Damien Burns, Head Office's legal advice manager, says: "This was a demanding assignment. We had a very short time to retrieve preparatory material from Westwick's previous advisers and then to immerse ourselves in the case and fully understand it."

"This wouldn't have been possible without the hard work Head Office had undertaken in bringing all the aspects of the claim together."

When the case came to court in December, Westwick won on two counts. First, the Claimant's claim was dismissed with Westwick's actions deemed reasonable by the tribunal. Second, Westwick's costs were reduced considerably from what they might have been, had they continued with their original advisers. Now with Head Office's package fully in place they can look forward to unlimited advice on any future employment problem without the worry of unexpected costs.

**If you have an employment dispute call us on 0845 217 8650 for expert advice.**

## Head Office

Head Office can provide all the expertise you need, when you need it, at a fraction of the cost of an in-house resource, or ongoing costly solicitors' fees and retainers.

Our HR packages have been designed to suit all businesses and budgets and depending on which package you choose include the following key features:

- Employment tribunal insurance cover for costs and compensation
- Unlimited telephone helpline for day to day HR support and guidance
- Health check of current policies and procedures
- Unlimited online access to the Head Office document builder allowing you to create bespoke documents
- Access to tailored consultancy advice from Head Office HR professionals at preferential rates.

## Westwick Properties (Holdings) Ltd

Westwick Properties is the holding company for the Rentsdirect brand, which is a Bristol based high street and online residential lettings business. Operating throughout the Bristol area since 1999, Rentsdirect offers both tenants and landlords an alternative to the usual high street agent's approach.

In addition to this, Westwick Properties manages a range of residential and mixed use developments throughout Bristol, offering company secretarial services as well as the customary management services.

Westwick is committed to providing a very personal service that is geared to the demands of the client, whether large or small, giving tenants, landlords and leaseholders a fair deal.

# Company Services

**In the current economic climate, how can you protect your business against potential bad debt risks or the knock-on effect of a failed supplier?**

They say that keeping a customer is cheaper than getting a new customer and on occasion that is the appropriate strategy for business. But as we all know, at some time or other a company will need to acquire new customers to grow and build their business.

Accepting customers is only part of the success of your business. Ensuring their ability to pay within your terms is critical to your success, as is ensuring your suppliers (on who you rely or pre-pay) are solvent and will not let you down. Head Office, in association with 7Side, offer low cost checks through

the most sophisticated credit data and information retrieval service available.

**Through this service you can:**

- Know exactly who you are supplying
- Know the risk you are taking in allowing Credit Terms
- Get guidance on how much credit to extend your customers
- Gain assurance that your suppliers are not going to let you down

Other services offered include same day Company Formations and providing a Company Secretarial service to relieve you of the administrative burden of complying with your statutory filing requirements.



**To access the preferential rates we have negotiated with 7side for these services visit [www.askheadoffice.co.uk](http://www.askheadoffice.co.uk) or if you wish to discuss your requirements further, please call one of our advisers on 0808 168 0380.**



# It never rains but it pours!

**Not only are employers having to cope with a disastrous economy, but 2009 has also been a battle against all that Mother Nature has to throw at us too.**

The UK is not unfamiliar with extremes of weather. Over the years we have seen temperatures range from -26.1 to +38.5 Degrees Celsius, experienced rainfall of 279mm within 24 hours and been battered by winds of 118m.p.h. However, it is not just extreme weather that affects businesses; snowfall, black ice, flash flooding, fog and even periods of hot weather can all have an impact on businesses and employees.

Bad weather is likely to increase instances of lateness, may prevent attendance completely or result in employees leaving work early. Parents may also be called upon to collect their children during work hours due to school closures, etc.

## **What can employers do to minimise the weather's impact on their business?**

All employees have a duty to make every reasonable effort to report for work at their usual start time and location each day. However, it is recognised that there may be occasions when weather conditions make this difficult or even impossible. 'Reasonableness' will depend on various factors including; the type of weather, availability of public transport; the distances to be travelled; any advice given by the police or any other relevant authority, etc.

A reasonable effort would include making alternative transport arrangements when their normal transport method has been disrupted or walking to their place of work or nearest available transport. Employers must consider factors like the nature and distance of the route, prevailing weather conditions and any disabling medical conditions.



The obligations of health, safety and welfare of employees are clearly imposed by Health and Safety law and implied into contracts, therefore employers should allow an early departure from work where deterioration of the weather poses a risk to health and safety.

Where weather conditions affect the care of an employee's dependant(s), e.g. the closure of schools and where no immediate alternative arrangements can be made, this will trigger the employee's right to emergency time off for dependants and the usual rules will apply.

**On no account should employees be asked or encouraged to place themselves at risk as this could leave an employer liable should accidents occur.**

If an employee is late or unable to attend work due to bad weather and the employee is satisfied that this is reasonable in the circumstance, they are still not automatically entitled to payment. However, should the employer decide to close the business or require employees to go home, then they may still be entitled to payment. Those needing to leave to make arrangements for dependants will be entitled only to

reasonable unpaid leave unless otherwise specified in the contract. It is recommended that employers give their employees the opportunity to avoid losses by allowing them to work back the time lost or take annual leave when they are unable to attend work.

## **What should you do?**

The first thing to do is implement a clear policy to give guidance to employees as to what is expected from them in given situations. This should include how and when to report lateness and absence, give examples of what they may be reasonably expected to do to attend the workplace and the penalties for not following procedures. The policy should be flexible as each occasion of severe weather and its effects, as well as the circumstances of each employee, will be different.

In addition, failing to follow procedure by, for example; not calling the workplace, will be regarded as unauthorised absence and treated in the usual manner so the employee may be subject to disciplinary action.

**If you have any questions on this issue, please call our legal advice team on 0845 217 8650.**

# Head Office Handy Guide – Number 3

## Procedure for flexible working

In the last issue we highlighted changes to flexible working which may come into force in April 2009. In this issue we remind you what an employer needs to consider when faced with a request for flexible working.

### Who Can Make a Request?

#### Generally an individual must:

- Be an employee
- Have worked for the employer continuously for 26 weeks by the date the application is made
- Not have made another flexible working application in the last 12 months
- Be applying for the purpose of providing care for a child or for an adult in need of care.

#### Parents must:

- Have a child under 6 years old (due to be increased to 16 years in April 2009) or under 18 if the child has a disability
- Be making the application to provide care for that child
- To have or expect to have responsibility for the child's upbringing
- Be the mother, father, adopter, guardian, special guardian, foster parent or private foster carer of the child or a person who has been granted a residence order in respect of a child, or be married to or the civil partner of any of those listed.

#### Individuals must be:

- Married to, or the partner or civil partner of the employee or
- A "near relative" of the employee (relative is defined as mother, father, adopter, guardian, parent-in-law, son, son-in-law, daughter, daughter-in-law, brother, brother-in-law, sister, sister-in-law, uncle, aunt or

grandparent as well as step relative and half blood relatives) or

- A person living at the same address as the employee.

### Requests

Where an employee wishes to make a flexible request they must initially put that request to the employer.

#### That request must:

- Be in writing, dated and state the application is being made under a statutory right
- Confirm on what basis the employee is eligible to make the request
- Confirm the date of any previous application
- Set out the proposed working pattern and address the impact this could have upon the employer
- State the date they propose the change to take effect.

### Procedure for Dealing with a Request

- 1. Meeting** – Once an employer receives a request they should acknowledge that request and a meeting must be held with the employee within 28 days. This is not necessary if within those 28 days the employer sends the employee written notice agreeing to the contract variation proposed. The time and place of the meeting must be convenient to both parties and the employee must be given the right to be accompanied.
- 2. Decision** – Once the meeting has taken place the employer must respond to the employee in writing with their decision within 14 days. Should the employer accept the request the confirmation letter will need to be dated, provide a detailed description of that pattern and a start date for the new working pattern. Should the employer refuse a request the confirmation must be

dated and specify the grounds for refusal which apply, give sufficient detail as to why these grounds apply and set out the appeal procedure.

- 3. Appeal** – If an employee wishes to appeal they must send their grounds to the employer within 14 days of receiving notification of the employer's decision. The employer must then arrange an appeal meeting within 14 days. Again the employee can bring a companion. Once the appeal meeting has been held the employer should notify the employee of their decision within 14 days of the meeting.

**If you have any questions about this article, please call our legal advice team on 0845 217 8650.**



# Head Office Handy Guide – Number 4

## National minimum wage update



It has been 10 years since the introduction of the National Minimum Wage ('NMW'). The majority of employers are keeping up with the rules but there are still some that are getting caught out.

### Current rates

From the 1st October 2008 the following rates apply:

- The adult rate – workers aged 22 years and older = £5.73 p.h.
- The development rate – workers aged 18-21 inclusive = £4.77 p.h.
- Workers under the age of 18 (no longer of compulsory school age) = £3.53 p.h.

### Future rates

The new rates for October 2009 are likely to be released in the early summer. However, there is already a large amount of debate about the level of the new rates, an issue amplified by the current state of the economy. The British Chambers of Commerce has called for a freeze in the rate for 2009 to help businesses survive the next year. In contrast, the Trade Union Congress is calling for a 6.4% increase to £6.10p.h. (up from 3.8% last year) and a further increase to £6.50p.h. the following year to help employees. Ultimately, it will be up to the Low Pay Commission to decide the rates due in October 2009.

### The basics

The NMW applies to those workers in the UK who are over school leaving age and is calculated by:

- Identifying the relevant pay reference period – this will be one month or, if the worker is paid more frequently, say weekly, it will be the shorter period
- Calculating the total pay received during the pay reference period
- Identify the total gross pay which includes basic salary, bonuses, commissions, incentives and tips if they are paid through payroll (currently consultations are underway seeking to disallow this)
- Add any payments that should be taken into account e.g. accommodation allowance (currently £4.46 per day or £31.22 per week)
- Deduct any payments or deductions that should not be taken into account, e.g. charges for cleaning uniforms, provision of tools, etc. Complex rules apply.
- Determining the hours that should be counted during the pay reference period
- Consider what type(s) of work the worker undertakes and the hours that count for each relevant type of work e.g. work time, on-call time, travel and training.
- Calculating the worker's hourly rate of pay – by dividing the total pay received during the relevant pay reference period by the number of relevant hours worked during the same period.

Sufficient records must be kept to show that workers have received the national minimum wage, therefore recording the hours worked and the payments made to workers will be

a requirement. Pay received should be contained in a single document. Failure to keep true and accurate records (for a minimum of 3 years, but 6 years is recommended) is a criminal offence, punishable by a fine of up to £5,000. Workers also have the right to see and take copies of such records within 14 days of making a request.

Workers may bring claims at a tribunal for unfair dismissal or victimisation if they are dismissed or subject to any detrimental action because they try to enforce their rights under the NMW legislation. These dismissals are likely to be automatically unfair and therefore there will be no qualifying service period or age limits imposed for claims. Compensation will be awarded on a case by case basis.

### Changes for April 2009

From the 6th April 2009 the Employment Act 2008 will make changes to the NMW legislation. Employers will be liable for all arrears at current rates should they fail to pay the NMW, even if the underpayment was for a period where a lower rate was payable. Also, officers of HM Revenue and Customs will have new inspection powers and the criminal sanctions will be strengthened. In addition to paying any arrears, fines may be imposed up to 50% of the underpayment, subject to a minimum penalty of £100 and a maximum of £5000.

**If you have any questions about this article, please call our legal advice team on 0845 217 8650.**

# Now is not the time to panic!

## I am going to ask for your forgiveness on two fronts during this article.

Firstly, you are going to have to excuse me for using an image from a film, not everyone is a fan, and you may not know the one I will mention. Secondly, given the nature of the conflict across the world you are going to have to give me a pass for using a military film. If you know it you will have one of those 'ah ha' moments, if not bear with me, I am using it to make a point about leadership in tough times.

Throw out all your academic books on models of leadership, traits, types, behaviours, all this confuses the real issue which is that people know good leadership when they see it. In difficult times there is a need for us to draw from personal resources that we might not have called upon for a long time, perhaps we never have had to call upon them. There is no doubt though that when it gets rough you find out things about yourself and others.

The scene is from the film 'We Were Soldiers'. It is based on a book by Col Hal Moore who was one of the first to use airborne assault in the Vietnam War. I will spare you the detail, but there is a moment in the film when his company is under attack from all sides and it seems that they are being overrun. The forces threatening their survival are overwhelming and there is the very real risk that the story for them will end there.

In the midst of the rising chaos and confusion, the Company Commander (Col. Moore, played by Mel Gibson) stops, and calmly makes an assessment of the situation. Despite the rising panic around him you can see that he is taking the time to think through what options he has given the reality that he faces. He swiftly moves to begin a decisive command of the situation and to get what the British Military call 'grip'. What is significant is that he provides an impact and decisiveness that



gives confidence to those in his command that, in the end, brings the company through the experience.

Whilst there are not life and death consequences for leaders and managers facing what is the biggest downturn since the WWII, there is now the very real need for leadership and command skills that in the past have been in the 'nice to do' rather than the 'need to do' column. Lets face it, everyone is going to go up with the tide of a growing economy and as I read somewhere 'we only find out who is swimming naked when the tide goes out'. This is not going to be a time for management by rhetoric, or a 'do as I say but not as I do' style, but a time when clear thinking, facing up to realities, proper evaluation of the options, decisive execution and real demonstration of command are needed.

In the Jim Collins book 'Good to Great' there is a mention of 'facing up to the brutal facts'. My experience however has shown that whilst this may sound obvious, there is a real tendency for people to find a large pile of sand and then insert their heads very firmly into it. Don't think that you are not immune from this. Unless you were a leader or manager in c 1946 what you were facing you are doing for the first time

and so you will need something more than what has been tried and tested.

If you are running a business (or department) others are going to be looking to you to provide a way through. 50% of businesses in the UK have said that they are going to be making job cuts so there is a great deal of anxiety out there, and people want and need leaders they can look up to and whom they are prepared to follow.

So now is not the time to panic, but it is the time to provide the kind of leadership others can believe in. There are difficult decisions to be made and the way you make them and the way you focus and provide the 'grip' will determine not only whether your organisation survives this downturn, but more importantly its capability and capacity going forward. Get it wrong and the good people will stay until things pick up and then bail out on you. Get it right and you can build loyalty and enthusiasm and an 'esprit de corps' that is priceless.

**Simon Wiltshire is a Director for Insight Human Resource Consulting Ltd. You can contact him on 01633 222 006 or [simon@insight-hrc.co.uk](mailto:simon@insight-hrc.co.uk)**

# Seminar schedule

**Our hugely successful half day seminars are relaxed and extremely informative.**

Free of charge to attend, they cover the essentials of your responsibilities as a business owner or manager to your staff. Small and friendly, we ensure that we talk individually to everyone that attends and if there are any burning issues, find a practical and commercial solution. If one of

our legal advisers can't advise you there and then, we will arrange for you to see them at a later date.

For dates and venues please drop an email to [seminars@askheadoffice.co.uk](mailto:seminars@askheadoffice.co.uk) or phone **0845 217 8650** to be put on our circulation list.

## Dates to note for early 2009

### February

**1** Compensation limits have changed for dismissals and other 'trigger events' occurring after the 1st February 2009.

#### The key increases are:

- Maximum basic award for unfair dismissal/ maximum statutory redundancy payment: £9,900 to £10,500;
- Maximum compensatory award for unfair dismissal: £63,000 to £66,200 (exceptions can apply removing this cap);
- Statutory cap on a 'week's pay' when calculating the basic award and redundancy payments: £330 to £350;
- Guarantee pay for short-term working or temporary layoff: £20.40 to £21.50 per day (up to 5 days).

**19** PAYE/NIC payment for previous month's salary (or quarter if paying quarterly) to reach the Inland Revenue Accounts Office.

**End** Order all the forms that you need for the end of this tax year and the beginning of the next from HMRC, including multiple copies of P11s and P14s for each of your employees.

### March

**19** PAYE/NIC payment for previous month's salary (or quarter if paying quarterly) to reach the Inland Revenue Accounts Office.

**29** British Summer Time clocks + 1 hour.

**End** Expect to receive a P35 employer's annual return from HMRC. Start preparing end-of-year returns.

**End** Start filling in employee details on their P11 sheets for the coming tax year. Register to use HMRC's PAYE Online for Employers service if you want to file or are required to send you end-of-year returns online, to allow time for your user ID to reach you by post.

### April

**6** From this date there are a number of changes to the following:

- Statutory Maternity Pay – first 6 weeks paid at 90% of the employee's average weekly earnings and the remaining 33 weeks at the lesser of 90% of their average weekly earnings or £123.06 per week (currently £117.18);
- Adoption and Paternity Pay – the lesser of 90% of the employee's average weekly earnings or £123.06 per week;
- Statutory Sick Pay increases from £75.40 to £79.15. The lower earnings limit will also rise from £90 per week to £95.

# Head Office

supporting your business piece by piece

Human Resources • Health and Safety

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