



HR Review of 2010

2010 saw many changes to UK employment legislation, with the most significant being the **Equality Act 2010**, which consolidated a number of pieces of legislation into one Act. The Act:

- Provides protection against direct and indirect discrimination, harassment and victimisation in services and public functions; premises; work; education, associations; and transport
- Changes the definition of gender reassignment by removing the requirement for medical supervision
- Improves protection from discrimination for people who are perceived to have, or are associated with someone who has, a protected characteristic
- Applies the EU definition of indirect discrimination to all protected characteristics and extends protection from indirect discrimination to disability
- Introduces 'discrimination arising from disability'
- Prevents employers asking job applicants questions about health, including any disability, before making a job offer, except in specific circumstances
- Introduces new powers for tribunals to make recommendations

Fit Notes – introduced in the UK during 2010 and allow a statement of fitness to work to replace the traditional sick note. GPs can indicate whether an employee is fit for some work and suggest changes that could be made to facilitate a return to work.

Welcome to SmartHR's first E-Newsletter!

From January 2011 SmartHR will distribute its E-Newsletter on a monthly basis, providing articles of business interest, HR news / updates and information regarding SmartHR's business solutions. *We hope that you find this newsletter of interest and share it with your colleagues.*

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What's new for 2011?

The IOM may see an update to its **equality legislation** in the form of an Employment Equality Bill following a previously completed consultation. This would likely strengthen the protection afforded to employees (and workers) who believe they have received less favourable treatment due to their: race, religion, sexual orientation, age or disability.

The IOM already has discrimination legislation that provides protection re the unlawful treatment on grounds of sex or marital status; and it is unlawful to dismiss an employee on the grounds of his / her sexual orientation.

It is unlawful to dismiss an employee on the grounds that he / she: professes or does not profess a particular religious belief, is or is not a member of a particular religious denomination, or attends or does not attend religious worship of a particular kind.

It is also unlawful to dismiss an employee on the grounds of his / her race – either **directly** (the employer treats the employee less favourably than if he / she had been of another racial group), or **indirectly** (the employer applies a standard which, although applied to all employees, can only be met by a considerably lower proportion of the employee's racial group, cannot be justified irrespective of the colour, race, nationality or ethnic or national origin of the person to whom it is applied, and cannot be met by the employee).

Under the Protection from Harassment Act 2000 an employer can be liable for the consequences of any harassment committed by an employee in the course of his / her employment that breaches the Act. Under the Act an offending course of conduct must involve conduct on at least two occasions. It should be noted that some forms of harassment could be a criminal offence

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January News - UK

This week bosses from Microsoft, Virgin, McDonalds, Jaguar, Land Rover, Tesco, Sainsburys, Morrisons and Asda met with David Cameron to discuss plans to create thousands of new jobs in the private sector.

Employers are expecting to receive additional government help this week in the form of a new '**employers' charter**' which will give companies more powers to dismiss under-performing staff.

Potential changes could include the ability for companies to dismiss workers during the first two years of employment without staff being able to claim unfair dismissal. Currently, workers can bring a claim for unfair dismissal after one year.

Fees could also be introduced for bringing employment tribunal claims in order to deter opportunistic, false or malicious tribunal allegations.

The UK Government is also reviewing whether to exclude small companies from some employment laws to bolster the economy e.g. reducing the period that small companies have to pay workers statutory sick pay.

February 2011 – Changes to UK Tribunal Compensation Limits

From 1 February 2011 the upper limit on a week's pay will increase from £380 to £400 (this figure is used to calculate statutory redundancy pay and the 'basic' award for unfair dismissal). The maximum redundancy payment / basic award will rise from £11,400 to £12,000. The maximum compensatory award for unfair dismissal will increase from £65,300 to £68,400. The maximum that an unfairly dismissed employee can recover (basic award plus compensatory award) will be £80,400.

What's new in UK employment legislation for 2011?

As you may be aware, amendments to UK employment legislation now usually take place twice annually in April and October. Below are details of forthcoming changes during 2011:

Equality Act 2010 – provisions to allow positive action in recruitment and promotion come into force from April 2011. The provisions in the Act requiring mandatory gender pay reporting will not be implemented for the time being and the Government will instead develop a voluntary scheme.

Additional Paternity Leave and Pay – up to 3 months' pay at the statutory rate and 3 months unpaid leave for parents of babies due (and adoptive parents notified of a match) on or after 3 April 2011. The new right applies where the mother ends her maternity leave early, which allows the father to take the remainder of the leave.

Flexible Working – the Government is planning to extend the right to request flexible working to all employees. As a preliminary measure the right to request flexible working will be extended to parents of children under 18 years old from April 2011. Currently, in the UK it is only available to parents of children under 17, disabled children under 18 and certain carers.

In the IOM, flexible working requests apply in relation to the care of a 'dependant' – the employee's husband or wife, a child under the age of 6, a disabled child under the age of 18, a parent, or someone who lives in the same household as the employee but is neither an employee, tenant, lodger or boarder of the employee nor a child who is excluded by age from eligibility.

Agency Workers Regulations 2010 are due to come into force on 1 October 2011. The regulations provide all agency workers with a right to equal treatment over basic employment and working conditions (working time, overtime, holidays, public holidays and pay) compared with their directly recruited counterparts after 12 weeks in a job.

Default Retirement at Age 65 – the Government has confirmed that it will abolish the default retirement age of 65 by 1 October 2011. From 6 April 2011 employers will not be able to issue any notifications of compulsory retirement. Between 6 April and 1 October 2011 only people who were notified before 6 April and whose retirement date is before 1 October can be compulsorily retired using the default retirement age. Although the Government is removing the default retirement age, it will still be possible for employers to operate a compulsory retirement age provided that they can objectively justify it.

Now is the time to review your policies and procedures, your performance management processes, and the capability of your Managers in managing performance. Age is not a key determinant of capability. Poor performers should be dealt with by Managers regardless of their age. For assistance, call Gail on 619619 or email gail@SmartHR.co.im.

Bribery Act 2010

In the UK, the Bribery Act 2010 will come into force from April 2011. The Act promotes anti bribery practices. Under the Act it will be an offence to fail to prevent bribery by persons working on behalf of a business. It will be criminal offence to give, promise or offer a bribe and to request, agree to receive or accept a bribe. There will be a statutory defence if the business has 'adequate procedures' in place to prevent bribery from occurring.

Now is the time to review your Company's policies and procedures (e.g. gifts from third parties, whistleblowing, anti-victimisation, disciplinary procedures) to ensure that they comply...

SmartHR can review and update your policies or create new policies and procedures tailored to your business needs. Call us now on 619619 or email Gail at gail@SmartHR.co.im

Do you need assistance in reviewing and updating your policies and procedures regarding forthcoming legislative changes e.g. Additional Paternity Leave, Flexible Working, Bribery Act, abolition of the Default Retirement Age??

Call Gail on 619619 or email Gail at gail@SmartHR.co.im

SPECIAL FEATURE: MANAGING ABSENCE

Are you managing absence well?

The CIPD recently surveyed 573 organisations regarding absence. Results show that private sector absence stands at 6.6 days per employee per year, and public sector absence 9.6 days per employee per year. The average absence level across all industries was reported as 7.7 days per employee per year. The median cost across all sectors being £600 per employee per year – *this could be much more for your organisation.*

Over a third of employers reported that stress-related absence has increased over the past year, with the most common causes of stress being: workload, external relationships, organisational change/restructuring, & management style.

The survey reports that public sector organisations have the most generous sick pay schemes, with two-thirds of organisations providing sick pay for more than 20 weeks. This figure compares with just one-third in manufacturing and production and one-fifth in the private sector.

So...what can you do to manage absence, reduce absence levels and costs?

Firstly, you need to identify what the absence levels, reasons and costs are for your department or organisation and compare these to the averages reported. Next, you need to create an **Absence Management Plan** to tackle any areas of concern, this could include:

- Reviewing and updating your current absence management policy and procedure (or introducing an absence management policy and procedure if you do not already have one)
- You may wish to set an acceptable absence level for your business
- Ensure that all your staff know the absence management policy and reporting procedures
- Make your Managers responsible for managing absence, provide them with access to absence information and train them in handling absence matters
- Introduce 'return to work interviews' – Managers are in a prime position to identify changes in employee behavior and performance. The quality of conversations held when managing absence is essential – as is asking the right questions...
- Monitor and analyse absence data on a regular basis
- Deal with absence concerns formally e.g. use your disciplinary procedure
- Promote health and well-being within your organisation
- Conduct a stress audit and train Managers on managing stress

SmartHR can assist you in reviewing your absence levels and costs, create an Absence Management Plan & Framework for managing absence – HELPING YOU TO REDUCE COSTS.

Template absence management documents can be downloaded & purchased from SmartHR's 'E-HR Shop' at www.SmartHR.co.im. We can also train your Managers in managing absence, stress and handling disciplinary matters.

Call Gail now on 619619 to set up a meeting to discuss.

Are your team meetings effective?

Meetings are a necessary part of a functioning organisation – everyone has them! *However, they can easily become time consuming, go 'off track' and become frustrating for people.*

An effective person will demonstrate that meetings can be organised, focused, time-effective and productive by appropriately planning, conducting, reviewing and taking follow-up actions. *Holding effective meetings enhances your reputation as a credible professional at work.*

On 10 March, SmartHR will be delivering an 'Effective Team Meetings' skills workshop (at The Empress Hotel – 9am to 12.30pm) in order to enhance skills in preparing for and conducting effective team meetings – *saving time and being more productive!* **At only £145pp this is excellent value for money to make meetings more effective for your organisation and improve the credibility of your Managers. To book, call Gail on 619619 or email gail@SmartHR.co.im**



SmartHR can assist businesses in many ways:

- Updating/creating HR policies & procedures
- Contracts of employment
- Employment documents e.g. letters, forms
- Employee handbooks
- Induction programmes
- Performance management/appraisal systems
- Managing absence
- Succession planning
- Managing discipline & grievances
- HR audits/health checks
- General HR support – onsite & offsite
- Management development/skills workshops
- Adhoc HR projects
- Approx. 250 template HR documents are available to be purchased & downloaded from SmartHR's E-HR Shop at www.SmartHR.co.im

SmartHR is delivering the following 'Skills Workshops' at The Empress Hotel in order to enhance people management performance:

8 Feb – Managing Performance Problems (half day £145pp)

16 Feb – Effective Recruitment & Selection (full day £225pp)

22 Feb – Train The Trainer (two days £375pp)

10 Mar – Effective Team Meetings (half day £145pp)

17 Mar – Managing Absence (full day £225pp)

24 Mar – Coaching & Feedback Skills (half day £145pp)

7 Apr – Managing Discipline & Grievances (full day £225pp)

14 April – Managing Stress (half day £145pp)

21 Apr – Effective Time Management (half day £145pp)

Further details can be found on the Events Page at www.SmartHR.co.im

