

Welcome to the May edition of the ELiAction newsletter for 2010, providing you with useful information regarding changes to employment legislation and best practice.

Coalition Employment Policies

The new Coalition Government has now published its proposals in respect of employment policies for the future, although this makes interesting reading it is likely to result in a whole raft of new legislation and obligations for employers. The proposals include:

- to phase out the default retirement age
- to extend flexible working for **all** employees
- to encourage shared parenting from the earliest stages of pregnancy by promoting flexible parental leave
- to review employment and workplace laws to ensure maximum flexibility for both employers and employees
- to promote equal pay generally
- to promote gender equality on the boards of listed companies
- to tackle 'unacceptable' bonuses in the financial sector

Further information in respect of the coalition programme can be found by following the link below:

http://www.cabinetoffice.gov.uk/media/409088/pfg_coalition.pdf

As the Government's plans unfold we will keep you updated on the impact this may have on your employment practices and policies.

Volcanic Ash

First we had snow and now companies and employees are having to cope with the impact that the Volcanic Ash is having on travel plans. Whilst many companies are endeavouring to put in place measures to reduce the impact that this has had and is likely to have in the future on their business, it is worth considering your obligations.

Where employees are stranded due to flight cancellations and delays there is not a statutory obligation to pay the employee for this time off.

However, as this situation is likely to continue for some time, companies need to give careful consideration to their absence management policies and what action might be taken where an individual may be affected, actions may include:

- whether the Company will treat such time off as paid or unpaid and if the time off is paid is this subject to an upper limit;
- whether any such time off should be made up at a later date, although this may be difficult if an employee is stranded for some time;
- whether such time off can be treated as annual leave, companies can only insist that this is taken as annual leave where the contract of employment makes a specific provision for this, however employees may opt to take the additional period of time off as holiday;
- in certain circumstances employees may be able to take laptops or arrange to pick up emails from an internet facility whilst they are away which would enable them to carry out work.
- it is imperative that Companies have clarity regarding the procedure for reporting any such absence and the expectations for maintaining contact during this period.

Equal Pay

In a landmark case against Birmingham City Council more than 4,000 female council workers have won their case for equal pay. The employees who included cleaners, cooks, care assistants and caretakers complained that they should have been entitled to bonuses enjoyed by male colleagues in the same pay grade. The bonuses were worth up to 160% of basic pay (an equivalent of four times the salary of a female working in an equivalent grade).

The claim is worth an estimated £200 million, however if further claims are raised as a result of this then the figure could rise to £1 billion.

The Council have changed their pay grading and bonus structure and the claim related to a previous structure that was in place. Employees can bring a claim relating to pay differences which have happened in the previous six years.

How robust are your pay and grading structures, if you would like advice on your pay practices please do not hesitate to contact one of the ELiAction team.



If you would like assistance in updating your policies, would like advice on any employment issues, or would like to discuss any other HR and legal requirements please contact Employment Law in Action Limited on 01494 817193 or email info@ELiAction.com.

In giving comment and advice in the newsletter, we do not assume legal responsibility for the accuracy of any particular statement. If you have specific views which you wish to discuss we would be pleased to assist you.