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Voluntary Overtime May Need To Be Included In Holiday Pay

The Employment Appeal Tribunal has held that where voluntary overtime is normally worked it should be taken into account when calculating holiday pay. Remuneration linked to overtime work that was performed on a voluntary basis could be included in normal remuneration for calculating holiday pay.

In this case each of the employees had normal working hours but the payments in issue related to hours which were not normal working hours and therefore are not included in a week's pay for holiday pay calculation purposes.

Employers should take specific legal advice if they are unsure as to whether they should take into account voluntary overtime when calculating holiday pay.

Beware Social Media Job Snooping

You may have seen press reports recently in respect of the potential pitfalls faced by employers who use social media to check on potential job candidates.

An EU data protection working party has rules that employers require "legal grounds" before carrying out such activity which can be deemed as "snooping". Currently, these recommendations are not binding but will most likely influence changes to data protection laws, due to come into force in May 2018.

Existing guidance for employers in terms of data protection should continue to be followed. This means that employers need to inform job applicants if they are proposing looking at social media profiles to enable the applicant the opportunity to comment. It goes without saying that any searches should be proportionate and relevant to the role being applied for.

It is highly likely that the changes to data protection rules next year will tighten the enforcement of these guidelines. Employers would therefore be wise to stay ahead of the game to avoid potential pitfalls.

School's Out For Summer!!

You wouldn't think it by looking out of the window but it actually is summer! Don't let the rain and thunderstorms fool you.



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Summer has its highs and lows with holidays and of concerns over child care for the ever-increasing working parent population.

As a former working parent, I can sympathise with the latter. Annual holiday entitlement barely covers the approx. 13 weeks that the schools are off. Then you also have to consider inset days.

One way is to introduce term time only contracts. This can form part of your flexible family policy. If used correctly this can benefit both employee and employer. Best practice is to have an annual review on term time contracts as employees' circumstances can change.

Changing to a Different Holiday Year

The most common holiday years are 1st January to 31st December or 1st April to 31st March. However, some companies run holiday years from the date each employee started with them and others match the holiday year to their financial year. It is possible to change your holiday year but only following consultation and agreement with the employees. The reason for this is that your holiday year will be set out in your employment contract which is legally binding.

It is a good idea to have a transitional arrangement for the next holiday year which could be to extend the year to, say 18 months, rather than 12 months and then reset the holiday year from that point. In this example, an employee would be entitled to 150% of their normal paid holiday entitlement for that year.

If you do decide to change your holiday year, plan well ahead and start talking to your employees about your proposal months ahead of when you want it to take effect.

How to Build Health and Well-Being in Your Workforce

The focus on employee engagement to build happy, successful, competent employees will always be vital for organisations, but employers must now recognise that well-being is essential to holistic engagement and organisational success.

What is Health & Well-being? Health and well-being relates to our day-day lives and how we cope with stress. It is about our working environment and how we communicate and develop relationships.

Why is it important? It reduces absenteeism, increases productivity and improves moral, which inevitably leads to better customer satisfaction and happier employees who are greater advocates of the business.



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How can employers help?

- Create an open, transparent environment where employees can learn and share well-being ideas
- Help people to identify and understand the personal, positive effects of change
- Implement ideas for improving happiness and well-being at work – for example; Team brainstorming sessions to identify what can be done to help and improve employees
- For each employee – look at organisational systems including material and work productivity, income levels, stability etc and how it interacts with employee personal resources such as autonomy and competence, feeling safe and secure, connected with others to create happiness at work
- Develop an action plan, with the aim to close the gap in areas identified on an individual and organisational level.

Some implementation ideas to build resilience, wellness and happiness

- Enable employees to cope with pressure or manage pressure points out of the role
- Introduce flexible working hours; this is beneficial to aid work-life balance
- Re-evaluate salary distribution to measure overall well-being
- Job security is linked to higher job satisfaction; ensure staff know what they need to do in their jobs to enable security
- Allow greater autonomy; increases staff morale and performance
- Practice participative management style; strengthens well-being
- Safe working environment which is free of abuse and confrontation; increases job satisfaction
- Design roles to suit strengths and increase happiness
- Create office space and opportunities which is conducive to improving employee relationships and communication, particularly with line managers.

CIPD encourages employers to consider the wellbeing of their workforce

National Minimum Wage – Update

You may recall the Government naming and shaming 360 businesses earlier this year which had failed to pay the National Minimum Wage (NMW). In light of this, we have set out below a reminder of the rates of pay applicable from April 2017. The rates of pay are amended annually.

Apprentices aged under 19 years, or over 19 in the first year of apprenticeship **£3.50**

Workers aged between 16 and 17 who are not apprentices **£4.05**

Workers aged between 18 and 20 **£5.60**

Workers aged between 21 and 24 **£7.05**



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The National Living Wage (NLW) applies to workers aged 25 years or over and the current rate is **£7.50**.

It is important for employers to have systems in place to trigger when a worker has a birthday and an entitlement to move to the next rate.

Bereavement Leave And Pay

Employed parents who have lost a child will be entitled to statutory paid leave to grieve under a proposed new law. The Parental Bereavement (Pay and Leave) Bill, is a private member's bill but has the support of the government. The draft bill is expected to be published shortly before its second reading, which is expected to take place this Autumn. Currently employees have the right to take a 'reasonable' amount of unpaid time off work to deal with an emergency involving a dependant, including making arrangements following the death of a dependant. ACAS has published good practice guidance for employers on managing bereavement in the workplace.



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