



EmployNet

Holiday Entitlement

- set to increase

The Government has announced that it intends to change annual leave regulations to make paid time for public and bank holidays additional to the current four-week statutory entitlement.

For a full time worker who works five days a week the holiday allowance will increase from 20 days to 24 days from 1st October 2007, with a further increase to 28 days on 1st October 2008.

Employers who include public and bank holidays as part of the four-week statutory entitlement will clearly be affected the most. Their employees will now be legally entitled to an additional eight days although it will still be up to the employer whether the additional days are on bank holidays.

Employers who provide a four-week statutory entitlement plus the eight days public and bank holidays will find that the new legislation will not affect them greatly. Depending on how each employer views the new legislation, the majority of work will involve changing the wording for holiday entitlement in their employee contracts. If it states 20 days plus bank holidays, the employee could argue that they should be allowed the additional eight days plus the bank holidays!

Even with this proposed increase the UK still falls short in contrast to the majority of our European neighbours. France and Sweden's full time workers are entitled to 36 days holiday, with the EU average currently at 33 days.



Key Proposals

- Paid statutory holiday entitlement will increase from 20 days to 24 days from 1st October 2007
- Paid statutory holiday entitlement will then increase from 24 days to 28 days from 1st October 2008
- Payment in lieu of holiday will not be permitted except on termination of contract
- Maximum statutory commitment of 28 days
- No right to take additional leave on public bank holidays.

Corporate Manslaughter and Corporate Homicide Bill

Corporate Killing legislation is expected to get the green light later this year with the Bill currently waiting a verdict from the House of Lords.

The key benefit will be to make it easier to prosecute organisations that are negligent to the point that it leads to a death. Under the old law organisations could only be found guilty of manslaughter if a single person was responsible - this doesn't represent a true reality of how organisations operate.

Those who already take their health and safety seriously will have very little to fear as the proposed new law is heavily linked to these areas. The offence is based on corporate liability and will not be on an individual basis, with the sentence being a fine rather than an individual custodial sentence.

Meet the team

Andrew & Co. have a dedicated team of employment specialists available to help you. Please contact us if you need assistance.



Phillip Hoskins

Phillip is Managing Partner of Andrew & Co and Team Leader for the Employment and Dispute Resolution Team.

Phillip specialises in employment law, general commercial work and commercial disputes.

He deals with the drafting of employment documents and policies and also handles employment disputes right across the employment law spectrum including cases on TUPE and union cogtion.

Contact Phillip on: 01522 781474; email: phillip.hoskins@andrew-solicitors.co.uk



Annette P Wood

Annette is a Partner in the Employment and Dispute Resolution Team; she is also an accredited Commercial mediator.

Annette specialises in employment law, general and commercial disputes, particularly property and partnership / business disputes.

She drafts employment contracts and policies and advises generally on non-contentious employment matters, but also employment disputes. She regularly advises regarding compromise agreements.

Contact Annette on: 01522 781476; email: annette.wood@andrew-solicitors.co.uk

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Smoking Ban

The ban on smoking in substantially enclosed work and public places in England (including company cars and other work vehicles) comes into force from 1st July 2007.



Employers should make sure they have clear signs indicating their premises and vehicles are smoke free - failure to do so could lead to a fine up to £1,000, and failure to prevent smoking in a smoke-free building will incur a fine of up to £2,500.

Ireland, Scotland and Wales have already introduced these laws and Northern Ireland will follow at the end of April.

Definitions

- Substantially enclosed - Premises with a fixed or moveable roof, including a canvas awning, and which are at least partially walled, meaning that the area of walling is greater than the area of permanent openings of walls
- Smoke-free vehicles - Roofed parts of all vehicles used by public or used for work unless used by just one person.

Main exemptions

- Private Dwellings - even if somebody is working there
- Designated bedrooms (but not dormitories) in hotels and clubs - provided they are completely enclosed and have self-closing doors
- Parts of Theatre - where smoking is appropriate for integrity of performance
- Designated room for research and testing of tobacco products
- Designated room in an offshore installation
- Shops of specialist tobacconists.

Death of the lunch break?

A recent poll, carried out by Peninsula BusinessWise, has revealed that the traditional lunch hour is dead. 73% of office workers stated that they skipped lunch on a regular basis and 71% of office workers admitted that they were simply too busy to take a break.



Employers are legally obliged to have health and safety measures in place. However the skipping of lunch is not the employer's fault.

Peninsula MD Peter Done has indicated employees need to realise that skipping lunch could affect performance and ultimately harm their health.

"The issue of office based employees not taking lunch is more serious than it may first appear.

It is important to note two possible main side effects this kind of attitude will have on an employee's health. Firstly and most obviously it is simply not healthy for any human being not to have a lunch, it will cause tiredness, feeling drained and lethargic, limited cognitive ability, and will have damaging effects on motor skills to name but a few possible side effects.

Secondly if members of staff prefer to spend time at their display screen equipment (DSE) they are possibly damaging the health of their eyes."

Statutory Increases

Minimum Wage Increase

The Adult National Minimum Wage will increase from £5.35 to £5.52 on 1st October 2007. For 18-21 year olds the new rate of pay will be £4.60 and for 16-17 year olds it will be set at £3.40. Ken Livingston has also increased the 'Cost of Living Wage' in London - new guideline in the Capital is now set at £7.20.

Sick Pay

The weekly rate of Statutory Sick Pay has recently increased from £70.05 to £72.55.

Redundancy Pay

From 1st February 2007 Statutory Redundancy Pay increased from £290 per week to £310 per week, with the maximum amount of Statutory Redundancy Payment set at £9,300.

Work in progress

Energy Saving (Daylight) Bill -

Proposing to bring the UK in line with rest of Western Europe by advancing time by an hour.

UK Borders -

Proposals put forward to extend power to arrest individuals who knowingly employ illegal workers.

Health & Safety (Offences) Bill -

Possible increase in penalties for Health & Safety breaches.

Tax increase - for private use of commercial vans

From 6th April 2007 basic rate taxpayers who choose to make unlimited private use of their company van will have to pay 22% of £3000, equal to £680 benefit-in-kind tax (up from the current £110 a year). If using company fuel this figure will increase further by another £110 a year.

HM Revenue & Customs (HMRC) has indicated that;

- a home to work journey is classed as private use
- van drivers, on their way to work, can still stop at their local newsagents without incurring a tax charge
- however, taking the van to do the weekly supermarket shop or take the family on holiday will incur a private-use tax charge

BUDGET 2007 - snapshot

- Corporation tax rate reduced to 28% from 2008/09
- Small Companies tax rate increased to 20% (2007/08), 21% (2008/09), 22% (2009/10)
- First year capital allowances for small businesses extended for one year
- Income tax basic rate reduced to 20% from 2008/09
- Income tax starting rate abolished