



Paid Bank Holidays

Full time employees, under current regulations, are entitled to a minimum of 20 days paid holiday per year which can include the 8 statutory public holidays. As we highlighted in our April Law Update, 1 October 2007 sees the implementation of the amendments to the Working Time Regulations 1998, meaning full time employees will be allocated a minimum of 24 days paid annual leave per year (including bank holidays), rising to 28 days (including bank holidays) by April 2009. Part-time workers will receive a pro-rata entitlement and where workers normally work on bank holidays, they can continue to do so, provided they are offered sufficient paid time off at another time. Where current holiday entitlements do not meet the new requirements employers will initially need to calculate entitlement as a proportion of the days left in their holiday year although there is no obligation to round the figure up to the nearest full day.

Racial and Religious Hatred Act

This Act comes into effect on 1 October 2007 and introduces a new criminal offence of stirring up hatred against a person on religious grounds. Whilst not limited to employment, an act of religious discrimination in the workplace could constitute an offence under the Act and have a significant impact on the employer. Employers should be mindful that where an offence is shown to be committed with the consent of a director, manager or other similar officer, of the employer, then both that officer and the employer will be guilty of the offence. For further information on our Equal opportunities training courses, please contact your Consultant.

Data Protection Act 1998 comes fully into force

From 24 October 2007, all manual files containing personal data and in a 'relevant filing system' that was in existence before 24 October 1998, are now required to comply fully with the Data Protection Act. For further information or training, please contact your Consultant.

The Commission for Equality and Human Rights (CEHR)

The CEHR comes into force on 1 October 2007. This single equality body will bring together the work of the Commission for Racial Equality, the Disability Rights Commission and the Equal Opportunities Commission. The CEHR will take responsibility for new discrimination laws in relation to age, religion or belief and sexual orientation. It will also be responsible for promoting Human rights.

Minimum Wage Increases

Employers are advised that from 1 October 2007 National Minimum Wage will increase as follows:

- Increase to Adult Workers rate (aged 22+) to £5.52
- Increase to Development Rate for 18-21 year olds to £4.60
- Increase to Development Rate for 16-17 year olds to £3.40

Pay In Lieu of Notice (PILON) and Sickness Absence

A confusing area of employment law relates to PILON and Sickness Absence. We are often asked by employers if they should pay an employee who is dismissed whilst on sick leave or is signed off sick once given notice by their employer. Because of a legislative quirk, where the employee's contractual notice period does not exceed his statutory notice entitlement by at least one week, he is entitled to be paid full salary for the period of sickness assuming he is on sick leave for the period of notice. If however, his contractual notice is greater than his statutory notice entitlement then he would only be paid contractual or statutory sick pay. Employers are therefore well advised to tread carefully when considering issues of sick pay and notice, particularly in the case of workers who have shorter contractual notice periods. A simple checklist to determine where contractual notice should be paid is to ask:

Is the employee on sick leave? Is the employee serving their notice period? Does the employee's contractual notice exceed his statutory notice entitlement by at least a week?

If the answers to the above questions are yes then the employee will only be entitled to be paid sick pay.