



*Getting your Human  
Resources in Order  
4th Edition  
June 2019*

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## 1.0 Introduction

These are significant times for the advisory profession as regulation continues to drive financial services to the brink. Consequently it is of great importance that adviser firms have the right people in place and know how to get the best from their staff.

This is why we have developed this new guide, 'Getting Your Human Resources in Order', to try and help clear up any human resource ambiguity, as effectively managing HR is essential.

This guide takes business owners through the basic principles of how to hire, manage and get the best from their employees, to dealing with disciplinary issues, maternity leave and subsequent return to work, and finally how to handle redundancies. All key factors to ensure your workforce remains a contented one and you are safe in the knowledge that you are doing things in accordance with employment law.

In an industry where regulation is ever changing, it is important that staff do not, for they are one of a company's best assets and when treated fairly, a business is more likely to succeed.

This guide is intended for small firms, and line and team managers in larger organisations.

**Please note that this HR Guide contains the correct HR information as of June 2019.**

Please be advised to check with [www.acas.org.uk](http://www.acas.org.uk), as laws and legislations may change from time to time.

*We suggest you print it out, keep it to hand, then pick it up and put it down as needed.*

## 2.0 Recruitment & interview process

### **Step 1: Identify the vacancy and recognise the needs**

You can identify a vacancy by:

- ▶ replacing someone that has left a role
- ▶ where there is a skill set lacking within the company
- ▶ increased workload of a particular staff member

Recruiting additional staff can provide opportunities for both departmental and individual growth.

Suitable planning and evaluation of the need will lead to employing the right person for the role and team.

### **Step 2: Create job description**

A job description is the vital part of a successful recruitment process. It is used to identify prospective candidates, develop interview questions, interview evaluations and reference check questions. In order to do this firstly you will need to:

- ▶ categorise duties and responsibilities
- ▶ determine job purpose
- ▶ set important job roles
- ▶ outline desired qualifications
- ▶ also include line manager and details of who, if anyone, the jobholder will manage

### **Step 3: Job role and implement recruitment plan**

Once the job description has been written, the role can then be advertised. Every effort should be made to ensure the accuracy of the job description and posting text.

### **Step 4: Asses applicants and create a short List**

Once the position has been advertised, candidates will apply, it will be down to the Line Manager of the role and the HR Department to select the suitable candidates to interview. A matrix with weighed scoring can help with the decision making process and demonstrate fairness.

**Step 5: Conduct Interview**

The interview is the most important part of the recruitment process. It is the opportunity for the employer and the candidate to learn more about each other and digest information provided by both.

Once you have decided upon your shortlist of applicants the interview process can begin. It is important to thoroughly prepare for the interview as this is the opportunity to assess the skills and competencies of the candidate and compare the information the applicant has provided in their application and resume. Choose one or two questions from each skill needed to develop your interview questions.

**Step 6: Job offer**

Following the interview(s) you will need to offer the job to the successful candidate and follow it up with a letter to confirm the offer along with a contract that will outline all the relevant information (see next chapter for further information). References will then be requested and an induction plan will be put in place.

### 3.0 Preparing for new starters

You have recruited the best candidate for the role and they have accepted your offer of employment. Now you are keen for them to start and they in turn are enthusiastic, motivated and eager to impress.

However, you are also conscious that they have a lot to learn about their new job, and most importantly have yet to build working relationships with colleagues or make contact with customers.

First impressions are vital and what kind of start they have will play a significant part in forming their attitude towards your company and their new job. In order for them to become a valued member of staff and be happy and content, yet still productive will mostly depend on how you help settle them in.

The first few weeks setting in period are very important that you ensure staff remain happy and motivated as it is proven that eight out of ten employees who leave their employer, leave within the first few months of being hired.

Consequently, always ensure that:

- ▶ new employees are fully aware of what is expected of them and their new role
- ▶ you have prepared a well organised induction timetable
- ▶ you conform with the law surrounding contracts of employment and working hours. Details of which can be found at <https://www.gov.uk/browse/employing-people/contracts>

### 3.1 Before they start

Send the new employee a joiner pack. This should include:

- ▶ offer letter
- ▶ Terms and Conditions of Employment (employment contract)
- ▶ information that will provide them with a basic understanding of the business
- ▶ details of any company benefits schemes in place

The offer letter should include:

- ▶ the main details of their contract i.e. proposed start date, place of work, job title, hours and pay
- ▶ details of who they should report to on the first day and at what time
- ▶ details of what they need to provide either before the start date or on their start date
- ▶ request references which where possible should be requested from previous employers. For staff with controlled functions the reference should also ask for details of any complaint history. Technical staff should also be asked for their last three years CPD/training records which the previous employers are bound to give under FCA rules.
- ▶ the FCA indicates that they expect new staff members to provide a credit check. You can ask the person to obtain this themselves free of charge if you do not subscribe to a credit checking service.

This will ensure there are no misunderstandings or confusion at the outset.

Once a job offer has been received, accepted and a start date agreed, you will need to then plan a well-thought-out induction so the new employee becomes clear on:

- ▶ their terms and conditions of employment
- ▶ who's who at the business
- ▶ the performance and behaviour you expect from the employee
- ▶ company rules and what happen if they are broken. These should include the company policies and procedures such as IT use, BYOD, dealing with vulnerable customers, anti-bribery etc
- ▶ company strategy
- ▶ health and safety.

Customise the induction to suit the new employee – a new joiner who is straight out of university is likely to need a different induction to a new joiner who has a wide-range of experience with other companies, or someone returning to work after a long period of absence.

Assign a colleague to act as a mentor to help with the new employee's day-to-day questions after the induction.

Decide who will greet the new employee on their first day and who will carry out the induction.

1. Different parts can be handled by various staff depending on their expertise.
2. If you are the owner and manager, it may be advisable that the induction is carried out by you, with contributions, if appropriate, from any other colleagues you may have.
3. Put together how long the induction should last - it does not have to be limited to the first day. It may be that it is needed to be spread over several days or weeks, depending on how it ties in with training for the role.

### **3.2 Their first day**

First impressions do count, so don't forget to ensure the new employee is greeted with a warm welcome and is shown your enthusiasm for the Company.

Provide the new employee and all colleagues involved in conducting the induction a copy of the checklist to enable them to keep track of what has been covered and by whom.

Also, ensure the new starter's documents are all as they should be; that the candidate knows to bring with them their National Insurance number and P45, which will need to be provided by their past employer and goes to the Payroll Department.

You are also required to identify the new employee - as per usual AML requirements. This can be via electronic check or manual - search HMT Sanctions list and obtain copies of original photo and address ID documents.

Ensure that they are introduced to the head of the business, department heads and colleagues within their team, plus any other personnel they will need to have contact with.

The initial induction piece should then be around who's who and an introduction to the business, its operations and strategy.

### **3.3 Putting a face to a name**

Make it easier for your new employee by providing them with job titles, names, phone numbers, email addresses and photos, they will not want to appear rude should they forget names or their colleagues position within the company. This could be via a hard copy directory or by way of the company intranet.

### **3.4 The next few days**

Tell them more about the job.

- ▶ Explain the role fully, what is expected from them, how their performance will be assessed and possible opportunities for development, training and routes for promotion.

Explain the company's important rules and ask them to read the HR Guide/company handbook.

- ▶ Include confirmation of the behaviour that is expected, what is not acceptable, and work practices
- ▶ How you carry out problems concerning performance, discipline and absence, and serious complaints against staff and the way in which they are handled
- ▶ Any other important policies such as the use of the company internet, email and phones
- ▶ Cover the small details such as dress code, car parking and canteen facilities
- ▶ Staff joining FCA authorised firms should have a training needs analysis and a T&C plan put in place. Data protection, financial crime and complaints procedure should form part of their training and regular refresher plan.

#### Cover health & safety

- ▶ Outline any health and safety precautions employees must take to protect them from harm
- ▶ Ensure employees know what to do if there is a fire or another emergency
- ▶ Show employees where they can find toilets, washing and first aid facilities, and drinking water

#### **3.5 Ongoing support**

- ▶ Have regular review meetings (once a month) throughout their probationary period to check with the new employee how they are getting on and discuss any concerns that they or you may have.
- ▶ During your first meeting ask how useful they found the induction to be. In the last review meeting ensure that you include a decision at the end of any probationary period.

#### **3.6 Special attention**

Some new employees may need special attention to address issues of confidence or anxiety, particularly:

- ▶ School and college leavers
- ▶ Employees with disabilities
- ▶ People returning to work after a break in employment, or changing their work situation
- ▶ Management/professional trainees
- ▶ Minorities

#### 4.0 Leading & motivating your staff

Low motivation indicators include:

- ▶ high staff turnover
- ▶ low productivity
- ▶ a poor workplace atmosphere
- ▶ a lot of employee grievances to deal with

This could be caused by:

- ▶ tedious work
- ▶ lack of praise
- ▶ feeling ignored
- ▶ a poor reward structure
- ▶ lack of advancement

In order to get the best from your staff, you need to motivate them and get them to emotionally engage with your company. You can do this by:

- ▶ Proactive, regular communicating the overall goals of your business to staff, and how you want it to progress and improve. Enabling staff to feel like part of a team gives them a sense of loyalty.
- ▶ Providing a clear outline to each member of staff as to what role you expect from them and how you want them to achieve it. Provide a consistent and genuine leadership with no ambiguity.
- ▶ Identifying any training and development that staff may need to overcome any difficulties that are facing with their workload. Development needs can be identified through regular appraisals.
- ▶ Ensuring that you praise and encourage staff and provide positive feedback for both individual and team performances via regular appraisals and team meetings.

- ▶ Organising regular social events to develop team bonding.
- ▶ Rewarding and recognising achievements through salary, benefits and via recognition schemes.

## 5.0 Performance Management

Managers need to be aware that performance management is an ongoing process of communication between a Manager and an employee that happens throughout the year, in support of achieving the strategic goals of the business.

The communication process includes clarifying expectations, setting objectives, identifying goals, supplying feedback, and evaluating results.

### 5.1 The performance management process

Managing performance and providing feedback is not just a one-off event, focused in an annual/bi-annual performance review. The Performance Management process is a sequence, with discussions varying year-to-year based on changing objectives.

The sequence includes Planning, Checking-In, and Review:

- ▶ To begin the planning process - you and your employee review company expectations, which includes working together on the development of performance objectives. Individual development goals are also updated. You then develop a performance plan that leads the employee's efforts toward accomplishing specific results to support Company excellence and employee achievement.
- ▶ Goals and objectives are discussed throughout the year, during catch-up meetings. This provides a programme to ensure employees achieve results through training and mutual feedback.
- ▶ At the end of the performance period, you review the employee's performance against expected objectives, as well as the methods used and actions demonstrated in achieving those objectives. Together, you create new objectives for the next performance period.

Performance expectations = Results + Actions & Behaviours

- ▶ Results are often measured through the use of goals and standards
- ▶ Actions and Behaviours can be measured through the use of performance dimensions.

Written, supportable mutually understood performance expectations:

- ▶ Serve as an objective basis for communicating about performance
- ▶ Allow the employee to differentiate between acceptable and unacceptable results
- ▶ Increase job satisfaction because employees know when tasks are performed well
- ▶ Inform new employees of your expectations about job performance
- ▶ Encourage an open and trusting relationship with employees

To perform well, employees need to understand what is expected of them. The starting point is an *up-to-date job description* that describes the necessary roles, tasks, and responsibilities of the job. It also outlines the general areas of knowledge and skills required of the employee and the attributes to make them successful in the job.

Performance expectations go beyond the job description. When you think about high quality on-the-job performance, you are really thinking about a range of expected job outcomes, such as

- ▶ What services should the job produce?
- ▶ What impact should the work have on the Company?
- ▶ How do you expect the employee to act with clients, colleagues, and supervisors?
- ▶ What are the Company values the employee must demonstrate?
- ▶ What are the policies and procedures the employee is expected to use?

When discussing performance expectations an employee should understand why the job exists, where it fits in with the Company, and how the job's responsibilities link to Company and department objectives.

The range of performance expectations can be broad but can generally be broken into two categories:

- ▶ **Results** (The services produced by an employee often measured by *objectives* or *standards*).
- ▶ **Actions & Behaviours** (The methods and means used to make a product and the behaviours and values demonstrated during the process. Actions and Behaviours can be measured through *performance dimensions*.)

Performance expectations serve as a basis for communicating about performance throughout the year. They also serve as the basis for reviewing employee performance. When you and an employee set clear expectations about the outcomes that must be achieved and the procedures or tactics needed to achieve them, you establish a path for success.

## 5.2 Expectations

### Put Expectations in Writing

A written summary of your discussions during the planning process serves as a record of your mutually understood expectations.

Mutually developed written expectations also help focus feedback and minimize uncertainty when it is time to assess results.

### Confirm Expectations

Performance expectations should be demonstrable. Early in the performance management, you, with input from the employee, should identify how and where evidence about the employee's performance will be collected.

Measurable expectations are the easiest ones to confirm. Frequently, however, expectations cannot be put into measurable terms easily or accurately. At this point,

Consider developing qualitative expectations, which can generally be made verifiable by spelling out the criteria to be fulfilled, behaviours to be demonstrated, and/or target dates to be met.

Outlining how performance expectations will be verified at the time the responsibility is allocated helps employees keep track of their progress and makes check-in meetings and performance status updates much more focused and effective.

There are many ways to verify performance; some of the most common are:

- ▶ Specific work products (solid evidence that can be reviewed without the employee being present)
- ▶ Reports and records, such as time keeping & attendance
- ▶ Checklists that can be carried out by a supervisor listing specific, observable criteria that need to be met in order for an expectation to be considered complete. Criteria usually require a “yes” or “no” answer, such as: “implement a new program by [x] date.”
- ▶ Direct observation
- ▶ Rating scales that define, as precisely as possible employee behaviours
- ▶ Commendations or constructive or critical comments received about the employee's work

Managers and employees should work together to create development plans as part of the annual performance management process. The plan can focus on skills aimed to improve professional development skills.

- ▶ Professional development skills are the skills and knowledge that go beyond the scope of the employee's job description, although they may ultimately improve job performance.

Once performance goals and standards are established, you should observe an employee's performance and check-in with them regularly, providing feedback. You have a responsibility to recognise and reinforce strong performance by an employee, and identify and encourage improvement where it is needed.

### **5.3 Providing feedback & coaching**

As a manager, you are most likely providing informal feedback almost every day. By observing and providing detailed feedback, you play a critical role in the employee's continued success and motivation to meet performance expectations.

Effective observation and feedback can:

- ▶ Strengthen communication between you and the employee
- ▶ Help the employee accomplish performance objectives and meet standards
- ▶ Increase employee motivation and commitment
- ▶ Maintain and improve the employee's self-esteem
- ▶ Provide support

Coaching is a method of strengthening communication between you and the employee, and can be used during catch up sessions. Coaching helps to shape performance and increase the likelihood that the employee's results will meet your expectations. Coaching sessions provide you and the employee the opportunity to discuss progress toward meeting mutually established standards and objectives.

- ▶ A coaching session focuses on one or two aspects of performance, rather than the total review that takes place in a performance appraisal.
- ▶ Review is the final phase of the performance management cycle. It provides an excellent opportunity for you to communicate with the employee about past performance, evaluate the employee's job satisfaction, and make plans for the employee's future performance.
- ▶ Performance appraisal is the process of assessing an employee's performance in the current position. Many terms are used for this process, including evaluation,

appraisal, and assessment, and usage varies depending on policy and/or contract language.

- ▶ The performance appraisal summarises the employee's contributions over the entire **review** period. While policy and contract state that an employee should be assessed at least once a year, it is strongly suggested that employees receive some form of review on a more frequent basis. It may occur as often as you believe is necessary to acknowledge the employee for accomplishments and to plan together for improved performance.

Some goals of the performance **review** process are to help the employee:

- ▶ Feel positive about the job
- ▶ Feel appreciated for specific contributions
- ▶ Benefit by specific, constructive feedback
- ▶ Keep informed about current and future performance objectives
- ▶ Keep motivated to do well and to develop
- ▶ Stay involved as a participant in the process

A key goal for you and the employee is to know the degree to which an employee was successful, or how well the employee met expectations, be they objectives, standards, performance standards or some other measure.

Both you and the employee play an important role in creating a productive performance review process. Here are some suggestions to get the employee involved:

- ▶ Schedule a mutually convenient time and place for the performance review discussion. Allow enough time and ensure privacy.
- ▶ Explain that you would like the discussion to be participation from both of you and an appraisal form to be completed.
- ▶ Give the employee some options about how to prepare for the chat. For example, ask the employee to prepare a self-appraisal using the same form you will use for

your draft. The employee can address accomplishments and things that could be done better. Explain that you will be doing the same and that you may exchange these documents a few hours before your meeting

- ▶ Give the employee a list of questions to consider to evaluate their own performance. Sample questions might be:
  - What have been your major accomplishments?
  - What could you have done better?
  - What could I do as your supervisor to help you do your job better?

Prepare the review document, including as much information as possible:

- ▶ job description
- ▶ professional development over the review period
- ▶ performance standards and objectives
- ▶ previous assessment
- ▶ letters of commendation and/or criticism
- ▶ input provided by key clients and colleagues
- ▶ samples of work
- ▶ records of disciplinary action

Consider the question: “What can I do to help the employee do the job better and achieve developmental goals?”

#### **5.4 Managing Rating Scales and appraisal forms**

In preparing for the appraisal conversation, you will be completing a form which generally involves rating an employee’s work using a rating scale.

Continue the drive you have established throughout the year with your ongoing discussions about performance. You want to set the tone for an open and productive discussion. Outlined below are some steps you can take to make it as successful as possible.

- ▶ Create a supportive environment by stating clearly the purpose of the discussion. Be as non-threatening and open as possible since the employee may be tense or uncomfortable.
- ▶ Discuss key areas of responsibility and give examples of specific results. Have the employee go first, based on the self-assessment or the questions you provided in advance. Be sure to ask clarifying questions - if needed - to make sure you understand the employee's opinions.
- ▶ Readily acknowledge performance that strengthens the goals set at work.
- ▶ Discuss what could have been done better. Identify your concerns and listen to the employee's explanations.
- ▶ Focus on future performance. Involve the employee in developing action plans, identifying problems and resolution options. This can help the employee identify where s/he needs to take responsibility for improvement.
- ▶ Make sure you and the employee have a common understanding of future expectations regarding performance.
- ▶ Discuss the employee's interests and potential new responsibilities. Discuss both of your roles in achieving new objectives while maintaining ongoing responsibilities.
- ▶ Conclude on a positive note. Emphasize the benefits of your conversation and be clear that you remain available to respond to suggestions, questions or concerns.

Ask the employee to sign and date the appraisal form and explain that this signature acknowledges discussion of the contents, not necessarily agreement with them. Management will then make the final signatures. Give a copy of the signed appraisal form to the employee and place a copy in the personnel file.

## 6.0 Managing staff absence

### 6.1 Sickness

Staff are going to be off sick from time to time. Most employees feel guilty about letting down their colleagues and most employers are reasonably understanding and sympathetic about their staff's welfare.

However, for many employers, particularly those running a small business, trying to work around sickness or unauthorised absence can be very difficult. Absence due to sickness, or another unexpected reason, can place your business in a tricky situation, particularly if you have no policies and procedures in place for dealing with it.

You need to ensure that staff are aware that should they become unwell or need to take an unexpected day off that they inform their Manager of why they are off and when they will return.

Staff will also need to be aware of how the company deals with:

- ▶ short-term sickness absence which lasts less than a week
- ▶ repeated short-term sickness absences which may follow a pattern
- ▶ long-term sickness absence lasting several weeks or more
- ▶ unauthorised absence for other reasons

Sickness absence can be caused by a mixture of:

- ▶ an employee's general physical condition
- ▶ working conditions including health and safety standards, levels of stress, and harassment and bullying
- ▶ family or emotional problems, or mental health issues other than stress

There may be some legal issues to take into account over sickness absence, but ensuring that your staff are well, happy and working effectively is largely a matter of doing the right thing and using common sense.

Consequently it is advisable that companies have a clearly laid out policy and procedure for managing sickness absence and unauthorised absence. This should include:

- ▶ how employees inform the company they are sick
- ▶ the latest in which the company should be informed
- ▶ the nature of the illness
- ▶ a likely return date
- ▶ the purpose of 'return to work interviews'
- ▶ triggers towards disciplinary action

If the illness lasts less than seven days, the employee will need to provide a self-certificate.

If the illness lasts seven days or more, they must provide a Statement of Fitness for Work (or Fit Note) from their GP. The Fit Note allows the doctor to advise you if the employee is 'unfit for work' or 'may be fit for some work'. GPs now have to advise on fitness for work in general rather than fitness for the employee's specific job.

For example, it may be possible for the employee to return to work gradually or lighter duties, and not necessarily in their normal job. The GP can help advise on this.

If the employee cannot give you a Fit Note, you need to find out why. This matter could actually be a conduct issue where you should consider taking disciplinary action.

## 6.2 When to start paying Statutory Sick Pay

You are required to start paying Statutory Sick Pay (SSP) when the employee is sick for at least four days in a row (including non-working days). You will start paying SSP from the fourth qualifying day' (day an employee is usually scheduled to work). The first three qualifying days are called 'waiting days'.

The weekly rate of statutory sick pay is currently £94.25.

You should not count a day as a sick day if an employee has worked for a minute or more before they go home sick.

If an employee works a shift that ends the day after it started and becomes sick during the shift or after it has finished, the second day will count as a sick day.

### Exception

You don't usually pay SSP for the first three qualifying days unless the employee has been off sick and getting SSP at any point within the last eight weeks.

## 6.3 Long-term illness

Dealing with long-term absence is a delicate and sensitive matter:

- ▶ the illness may be serious, and also involve an operation and recovery time, or could be a mental health problem. These require a sympathetic and understanding approach.
- ▶ or you may suspect an illness is being drawn out to delay a return to work.

Although very different, both of these scenarios still mean the absence can be a considerable strain on smaller businesses. Additionally, how you manage them can be similar to a degree. But remember, these situations are poles apart and will require sensitivity to be used in very different ways.

When dealing with longer-term absence:

- ▶ Consider if staff can manage for a while without a replacement, or whether you need to hire someone on a temporary contract.
- ▶ Keep in regular contact with the employee about their position, be clear about their sick pay and explain any updates - for example, promotion opportunities or any other important workplace changes.
- ▶ Make a judgment on whether it might be best, in some cases, to simply keep in touch and give the employee the time they need to get better.
- ▶ If a member of staff has been absent from work for as long as a month due to illness you may need to consider about asking the employee for permission to contact their GP, or whether they would see the company doctor, to assess:
  - When a return to work will be possible?
  - Will there be a full recovery and is a return to the same work advisable?
  - Should it be phased - may be part-time or flexible hours to begin with?
  - Whether the employee is disabled - if so, what adjustments need to be made so they can return to work?
  - Whether a return to lighter, less stressful, work would be advisable?

#### **6.4 Hold a return-to-work interview**

Use return-to-work interviews:

- ▶ To welcome the employee back, check they are well enough to resume duties, focus on their value to your Company and update them on any changes.
- ▶ If they have a Fit Note, then discuss the details. If it says 'may be fit for some work', you will need to discuss a new working arrangement. For example, if it says the employee must avoid lifting, it may be more advisable for them to do more administrative duties until they are feeling better.

- ▶ To get a better understanding of their problem. They may tell you, for example, that their sickness is a result of them being run-down through having to care for an elderly relative or through stress caused by bullying at work. If being a carer is the root of the problem, see if they have any ideas for overcoming it so it does not affect their work, or you could make suggestions. If the root cause is bullying, you need to discuss it with them and then consider your next move and take action. But deal with these matters - they are only likely to recur if you don't.
- ▶ In cases where there is room for improved attendance, an employee must be informed of what is expected and the likely consequences if this does not happen. They should also be informed if their level of absence is putting their job at risk.

### **6.5 Taking action if the problem persist**

If an employee is absent continually and the return-to-work interviews are failing to result in an improvement in their attendance record, you will need to take further action.

- ▶ Agree trigger points with your employees, making it clear that when repeated absence occurs it automatically leads to formal action. For example, if an employee has had four separate periods of absence in a set period i.e. over a one year period, you may ask them to:
  - forward their doctor's notes to you or their manager, but they need to agree to this
  - sit down with you or their line manager and talk about the causes of their absence and if anything can be done to improve their attendance.
- ▶ You must ensure that you are always sensitive about reasons for repeated absences. For example, if an employee has regular hospital appointments, it would not be appropriate to quiz them about their attendance record.
- ▶ However, repeated unexplained or unjustified absences may be treated as a conduct issue and lead to disciplinary action and ultimately dismissal.

## 7.0 Handling disciplinary issues

Here are some helpful tips for handling disciplinary issues in the workplace.

Find out the facts of each case - It is vital that you carry out the necessary investigations of potential disciplinary matters in a reasonable time span too establish the facts of the case.

The best way to achieve this is by holding an investigatory meeting with the employee before proceeding to any disciplinary hearing.

The investigatory stage will also be a collation of evidence by the employer for use at any disciplinary hearing. It is recommended that where possible that different people should carry out the investigation and disciplinary hearing.

If an investigatory meeting is carried out this should not be mistaken as disciplinary action.

Although there is no statutory right for an employee to be accompanied at a formal investigatory meeting, this may be allowed under an employer's own procedure. In cases where it is considered necessary for a colleague to be on a period of suspension with pay, this stage should be kept as short as possible, during this stage investigations are continuing to be carried out and it should be made clear that this suspension is not considered a disciplinary action.

If it is decided that there is a disciplinary case to answer, the employee must be informed of the disciplinary and advised of this in writing.

This notification should contain adequate information about the alleged misconduct or poor performance and its possible outcome to allow the colleague to prepare to answer the case at a disciplinary meeting.

It is recommended and considered appropriate to provide copies of any written evidence, which may include any witness statements, with the Disciplinary invite.

In the letter it should also advise of the time and venue for the disciplinary meeting and advise the employee of their rights to be accompanied at the meeting.

The meeting should be held within a prompt timescale allowing the employee reasonable time to prepare for their case.

Employers and employees (and their representatives) should make every effort to attend the meeting. At the meeting the employer should explain the complaint against the employee and go through the evidence that has been obtained. It will then be the employee's opportunity to put forward their case and answer any allegations that have been made. The employee should also be given a reasonable opportunity to ask questions, present evidence and call relevant witnesses. They should also be given an opportunity to raise points about any information provided by witnesses. Where an employer or employee intends to call relevant witnesses they should give advance notice that they intend to do this. Allowing the employee to be accompanied at the meeting.

Workers have a statutory right to be accompanied by a representative where the disciplinary meeting could result in either:

- ▶ a formal warning being issued
- ▶ the taking of some other disciplinary action
- ▶ the confirmation of a warning or some other disciplinary action (appeal hearings)

The statutory right is to be accompanied by a fellow worker, a trade union representative, or an official employed by a trade union. A trade union representative who is not an employed official must have been certified by their union as being competent to accompany a worker.

Employers must agree to an employee's request to be accompanied by any representative from one of these categories. Employees may also alter their choice of representative if they wish. As a matter of good practice, in making their choice employees should bear in mind the practicalities of the arrangements. For instance, an employee may choose to be accompanied by a representative who is suitable, willing and available on site rather than someone from a geographically remote location.

If an employee chooses the statutory right to be accompanied, employees must make a reasonable request. What is reasonable will depend on the circumstances of each individual case. A request to be accompanied does not have to be in writing or within a certain timeframe. However, an employee should provide enough time for the employer to organise with the representative's attendance at the meeting and organise cover for their position, (should this be needed) whilst they are away from carrying out their working role.

Employees should ensure that how they make their request is clearly understood, letting the employer know in advance the name of the representative where possible and whether they are a fellow employee or trade union official or representative.

If an employee's chosen representative will not be available at the time proposed for the hearing by the employer, the employer must postpone the hearing to a time proposed by the employee, provided that the alternative time is both reasonable and not more than five working days after the date originally proposed.

The representative should be allowed to address the hearing to put and sum up the employee's case, respond on behalf of the employee to any views expressed at the meeting and confer with the employee during the hearing. The representative does not, however, have the right to answer questions on the employee's behalf, address the hearing if the employee does not wish it or prevent the employer from explaining their case.

Once the meeting has concluded, it will need to adjourn, during this time it will be the responsibility of the person who is conducting the meeting to look at the evidence and read through what has been discussed and then decide what disciplinary action is to be taken if any at all. The employee would then be called back in to the meeting and the outcome of the disciplinary meeting would be given and followed up in writing.

Where misconduct is confirmed or the employee is found to be performing unsatisfactorily it is common to give the employee a first written warning. Should a further act of misconduct occur or failure to improve in their performance within the set period would normally result in a final written warning.

If an employee's first misconduct or unsatisfactory performance is sufficiently serious, it may be necessary to move directly to a final written warning. This might occur where the employee's actions have had, or are liable to have, a serious or harmful impact on the organisation.

A first or final written warning should explain in detail the nature of the misconduct or poor performance and the change in behaviour or improvement in performance required (with timescale). The employee should be told how long the warning will remain valid (this tends to be for 12 months and in some cases 18 months). The employee should be notified of the consequences of further misconduct, or failure to improve their performance, within the set period following their warning.

Following a disciplinary meeting, If it is decided that the employee should be dismissed for their actions the employee should be informed as soon as possible of the reasons for the dismissal, the date on which the employment contract will end, the appropriate period of notice and their right of appeal.

In some cases, should an employee be terminated for gross misconduct, this will result in instant dismissal without notice for a first offence. But a fair disciplinary process should always be followed, before dismissing for gross misconduct.

All employees have the right to appeal against any decision made against them, this must be explained to them once their warning has been delivered and again confirmed in their outcome letter. It is best to set a time scale for their opportunity of appeal (5 days on receipt of their letter, tends to be a fair amount of time).

## 8.0 Maternity & Paternity leave and pay

### 8.1 Maternity Key Points

- ▶ Pregnant employees have the right to 52 weeks maternity leave.
- ▶ 39 weeks can be paid, which may be statutory maternity pay, maternity allowance or contractual maternity pay (contractual pay may be more than statutory pay or could be paid for longer than 39 week - this will depend on the terms of employment).
- ▶ During maternity leave employee and employer can agree to have up to 10 keep in touch days.
- ▶ Paid reasonable time off for antenatal care.
- ▶ Employee has the right to return to original job or suitable alternative.

### 8.2 Maternity leave and pay

A pregnant employee has the right to both 26 weeks of ordinary maternity leave as well as 26 weeks of additional maternity leave. To qualify for maternity leave, an employee must tell their employer by the end of the 15th weeks before the expected week of childbirth:

- ▶ That she is pregnant.
- ▶ The expected week of childbirth, by means of a medical certificate if requested.
- ▶ The date she intends to start maternity leave. This can normally be any date which is no earlier than the beginning of the 11th week before the expected week of childbirth up to the birth. It is best to advise the employer as soon as possible.

Once notification has been given to the employer they must then write to the employee, within 28 days of her notification, setting out her return date.

The employee must give eight weeks notice if she wishes to change the return date.

All pregnant employees are entitled to reasonable time off with pay for antenatal care made on the advice of a registered medical practitioner, which may include relaxation classes and parent-craft classes. Except for the first appointment, employees should show the employer, if requested, an appointment card or other documents showing that an appointment has been made.

### **8.3 Reforms and Shared Parental Leave**

You and your partner may be able to get Shared Parental Leave (SPL) and Statutory Shared Parental Pay (ShPP) if you're having a baby or adopting a child.

You can share up to 50 weeks of leave and up to 37 weeks of pay between you.

You need to share the pay and leave in the first year after your child is born or placed with your family.

You can use SPL to take leave in blocks separated by periods of work, or take it all in one go. You can also choose to be off work together or to stagger the leave and pay. To get SPL and ShPP, you and your partner need to meet the eligibility criteria – there is a different criteria for birth parents and adoptive parents, for more information on this click on the Acas link attached for further details Acas - [Acas shared parental leave](#)

### **8.4 Statutory maternity pay**

Statutory maternity pay (SMP) will be payable if the employee has been employed continuously for at least 26 weeks ending with the 15th week before the expected week of childbirth, and has an average weekly earnings at least equal to the lower earnings limit for National Insurance contributions.

SMP is payable for 39 weeks; for the first six weeks it is paid at 90 percent of the average weekly earning. The following 33 weeks will be paid at the SMP rate or 90 per cent of the average weekly earnings which ever is the lower. The SMP rate is currently £148.68 per week. The standard rate for SMP is reviewed every April.

### **8.5 Maternity Allowance**

Women who do not qualify for Statutory Maternity Pay may be entitled to Maternity Allowance, paid by the Benefits Agency, for up to 39 weeks. To qualify, they must have been employed or self-employed for 26 weeks out of the 66 weeks before the expected week of childbirth.

### **8.6 Paternity Key Points**

If your employee is a father-to-be or will share the responsibility with a partner for raising a child, they may be entitled to Statutory Paternity Leave and Pay. This includes those who are adopting a child.

Paternity leave is offered to employees who:

- ▶ have or expect to have responsibility for the child's upbringing.
- ▶ are the biological father of the child or the mother's husband or partner (including same sex relationships).
- ▶ have worked continuously for their employer for 26 weeks ending with the 15th week before the baby is due or the end of the week in which the child's adopter is notified of being matched with the child.
- ▶ give the correct notice.

Employees should notify their employer as soon as possible that they wish to take paternity leave, but no later than the end of the 15th week before the expected week of childbirth. They should say when the baby is due, if they're going to take one or two weeks off, and when they expect their paternity leave to commence.

Those who are eligible can choose to take either one week or two consecutive weeks' paid paternity leave (not odd days). Employees may be entitled to Statutory Paternity Pay which is £148.68 per week or 90 per cent of their average weekly

earning, if that is less. Employers may, however, give more and this may form part of the terms and conditions of employment.

Employees will need to take their paternity leave within 56 days of the actual date of birth of the child. Paternity leave cannot start until the birth of the baby; employees may be able to take some annual leave before.

### **8.7 Antenatal Appointments**

Fathers and partners of pregnant women are entitled to unpaid time off to attend two antenatal appointments.

There is no legal entitlement to paid time off for antenatal appointments. However, employers may allow this time off with pay under the terms and conditions of employment, or allow employees to take annual leave, swap shifts or make up time.

### **8.8 Adoptions**

The main adopter will be able to take paid time off for up to five adoption appointments. The secondary adopter will be entitled to take unpaid time off for up to two appointments.

The right to two unpaid antenatal appointments will also extend to those who will become parents through a surrogacy arrangement, if they expect to satisfy the conditions for, and intend to apply for, a Parental Order for the child.

Employees may be entitled to Statutory Adoption Pay which is £148.68 per week or 90 per cent of their average weekly earning, if that is less.

### **8.9 Shared Parental Leave**

**Shared Parental Leave** is a new entitlement that allows eligible mothers, fathers, partners and adopters to choose how to share time off work after their child is born or

placed. This could mean that the mother or adopter shares some of the leave with her partner, perhaps returning to work for part of the time and then resuming leave at a later date.

## 9.0 Returning to work from Maternity Leave

All employees returning from Maternity leave have the right to ask for part-time or flexible hours and as an employer you have the responsibility to seriously consider their request.

If a reason for refusing is not a good enough business reason, the employee applying may be able to rely on sex discrimination law to challenge the Company's decision.

Staff that are requesting flexible working hours need to follow a clear procedure that has been set in place by the Company, which the Company and colleague must follow. It can take up to 14 weeks and needs to be in place before the employee returns to work.

Once the Company has received a written application from the employee they must then arrange a meeting to discuss it within 28 days of the employee's request.

These are the following options available to an employee:

- ▶ **Part time** - only working part of the week
- ▶ **Home working** - working some or part of their week at home
- ▶ **Job sharing** - sharing their role responsibilities with someone else
- ▶ **Compressed hours** - working their hours over fewer days
- ▶ **Flexi time** - choosing when to work as long as it amounts to a set number of hours
- ▶ **Annualised hours** - their hours are worked out over a year
- ▶ **Staggered hours** - different starting, break and finishing times

As a Company, you will need to consider what is being requested from your employee and what will work best for needs of the business.

## 10.0 Flexible working

There are many practices of flexible working. It can describe a place of work, for example home-working, or a type of contract, such as a temporary contract. Other common variations include: part time working, flexi time, job sharing and shift work.

### 10.1 Key points

- ▶ Requests should be in writing stating the date of the request and whether any previous application has been made and the date of that application.
- ▶ Requests and appeals must be deliberated and decided upon within three months of the receipt of the request.
- ▶ Employers must have a sound business reason for refusing any request.
- ▶ Employees can only make one request in any 12-month period.

### 10.2 Making a request

Although employees with less than 26 weeks service do not have a statutory right to request flexible working, some employers may consider all staff to make a request.

To make a request for flexible working employees must:

- ▶ Make their request in writing, state the date the request is made, the change to working conditions they are seeking, and the date they would like the change to take effect.
- ▶ State whether they have made a previous application for flexible work and the date of that application.
- ▶ What change to working conditions they are seeking and how they think this may affect the business e.g. cost saving to the business.
- ▶ If they are making their request in relation to the Equality Act 2010, for example, as a reasonable adjustment for disabled employee.

### 10.3 Handling requests to work flexibly

Once a request has been received the employer should arrange a meeting to discuss the request, this should be done as soon as possible, this is not a statutory requirement but is good practice.

This meeting can provide an opportunity to see what changes the employee is asking for and reasons for the change, although the employee may not wish to say why it also allows any compromise to be explored. Although not a statutory requirement, it would be good practice to allow the employee to be accompanied at a meeting by a work colleague or trade union representative.

The law requires the process to be completed within three months of the request being received, which includes any appeals.

Any request that is agreed to will need to be made a permanent change to the employment contract, so if the employee wants a temporary change then an agreement may be reached together with any compromise if the original request can not be accommodated.

If the employer is willing to allow a request then a meeting may not be necessary, but it still may be useful to talk through the request to ensure that the proposal made by the employee is the best solution for both employer and employee.

Employers should consider requests in a reasonable manner and can only deny them if there is a business reason for doing so, this reason must be for at least one of the following reasons:

- ▶ the burden of additional costs
- ▶ an inability to reorganise work amongst existing staff
- ▶ an inability to recruit additional staff
- ▶ a detrimental impact on quality
- ▶ a detrimental impact on performance

- ▶ a detrimental effect on ability to meet customer demand
- ▶ insufficient volume of work for the periods the employee proposes to work
- ▶ planned structural changes to the business.

#### **10.4 Working from home**

- ▶ identify when homeworking can be beneficial
- ▶ decide whether the job and post holder are suitable for homeworking
- ▶ deal with the practicalities of setting up a homeworker
- ▶ manage homeworkers as part of a flexible workforce
- ▶ Make sure you consider data security when employees are working from home.

## 11.0 Tax-free Childcare

### 11.1 Childcare vouchers (This scheme is no longer available to new applicants from October 2018)

Employers may be able to help their employees with childcare costs using childcare vouchers or other schemes, for example a staff nursery.

Childcare schemes that are exempt from tax and National Insurance include:

- ▶ childcare vouchers
- ▶ childcare arranged with a provider (sometimes known as 'directly contracted childcare')
- ▶ workplace nurseries

Employers with children can get up to £55 per week from childcare vouchers, depending on how much they earn and when they joined the scheme.

- ▶ The child for whom the Childcare Voucher is provided must be a child of the employee or a child who lives with the employee and for whom he/she has parental responsibility.
- ▶ A child qualifies up to the 1st September following their 15th birthday or the 1st September following their 16th birthday if he/she is disabled.

#### Fees & Charges

There is no fee charged to parents for using the service or the childcare providers for accepting payment Childcare Vouchers.

A service charge is set for the provision of Childcare Vouchers. The service charge is a percentage of the total value of the vouchers ordered.

Because employers make National Insurance savings when providing Childcare Vouchers, this more than off-sets the service charge. In fact most employers make a saving from introducing the scheme.

### **Small business owners**

Small business owners can also take advantage of the childcare voucher scheme. As long as it is limited company, childcare vouchers can be provided to the company directors as Addition to Salary benefit, which is also free from tax and national insurance.

### **Full list of providers**

Allsave Limited - <http://www.allsaveuk.com/>

Apple - <http://www.applechildcarevouchers.co.uk/>

Busy Bee Benefits - <http://www.busybeesbenefits.com/>

Care-4 - <https://www.care-4.co.uk/PagesUnAuth/Default.aspx>

ChildcareVouchers.co.uk - <http://www.childcarevouchers.co.uk/>

Co-operative Employee Benefits - <http://www.employeebenefits.coop/>

Computershare - <http://www.computersharevoucherservices.com/>

Early Years Vouchers - <http://www.childcare-vouchers.net/>

Edenred - <http://www.edenred.co.uk/childcare-vouchers>

Employers For Childcare - <http://www.employersforchildcare.org/>

FairCare - <http://www.faircare.co.uk/childcare-vouchers.php>

Fideliti - <http://www.fideliti.co.uk/>

Gemelli - <http://www.gemellichildcarevouchers.co.uk/>

Kiddivouchers - <http://www.kiddivouchers.com/>

Kids Unlimited - <http://www.kuvouchers.co.uk/>

PES - <http://www.pesconsulting.co.uk/our-core-package/childcare-vouchers/>

Saycare Pass - <http://www.saycarevouchers.co.uk/>

TEDSGroup - <http://www.tedsgroup.co.uk/>

Voucher Solutions - <http://www.vouchersolutions.co.uk/>

Vouchers4Kids - <http://www.vouchers4kids.co.uk/>

## **11.2 Additional childcare schemes**

There are some other government schemes to help parents with the cost of childcare. To qualify, parents must be working, and individually be earning at least £115 a week (on average) and not more than £100,000 each per year.

Parents can use Tax-Free Childcare together with the 15 and 30 hours free childcare schemes in England, or any free childcare hours provided by the Scottish, Welsh or Northern Ireland governments.

Parents are unable to use Tax-Free Childcare at the same time as they receive childcare vouchers, Universal Credit or tax credits. However, 15/30 hours free childcare can be received alongside these schemes.

## **11.3 Tax-free childcare**

Parents can open a new childcare account. For every £8 a parent pays into their childcare account, the government will pay in an extra £2. Parents can get up to £2,000 government support per child per year towards their childcare costs. They can then use this money to pay their childcare provider. Employees can check whether Tax-Free Childcare is the best offer for them using the Government childcare calculator.

<https://www.gov.uk/childcare-vouchers-better-off-calculator>

Parents are only able to pay their childcare provider from their childcare account if their childcare provider is signed up to Tax-Free Childcare. While parents can't make payments using both Tax-Free Childcare and childcare vouchers, childcare providers who are signed up to Tax-Free Childcare can receive payments from both schemes.

#### **11.4 30 hours free childcare**

All three to four-year-olds in England already receive 15 hours a week, or 570 hours a year of free early education. If their parents are living and working in England, three and four-year-olds may also be entitled to 30 hours free childcare. This equates to an additional 570-hours of free childcare a year, so 1140 hours in total.

These schemes can be applied for via an online application called the childcare service. For more details please go to <https://childcare-support.tax.service.gov.uk/>.

Details of any childcare benefits offered should be included within your staff handbook.

## 12.0 Auto Enrolment

Under the Pension Act 2008, it is now a requirement that all employers register their eligible employees into a workplace pension, if they are not already part of one, as well as contribute towards it. This will allow workers to save and have an income along with their state pension when they retire.

Companies of all sizes are now part of the auto enrolment scheme.

All Employers will have been notified of the date from which staff will be enrolled automatically. Those enrolled will:

- ▶ be at least 22 years old
- ▶ not have reached state pension age
- ▶ earn more than the earnings trigger
- ▶ work, or normally work in the UK.

Once employers have enrolled in the scheme they are required to pay 3% of their employees qualifying earning which can be either the:

- ▶ entire wage before tax
- ▶ amount on which workers pay national insurance contributions.

However, staff can choose to pay more than the minimum contribution. Employee's pensions will consist of their contributions, employer's contributions and tax relief and will be a percentage of the qualifying earnings.

### Opting out

You may find that your staff choose to leave or opt out of the pension scheme at any time, this would be done by signing an opt out form. If any member of staff opts out within a month of joining the scheme any money paid in will be reimbursed to them.

If an employee chooses to opt out any later then it will depend on the pension scheme's rules, generally this will mean it stays in the pension until such a time an income is taken.

For further information about Auto-Enrolment, the tasks involved and how to run a good quality pension scheme please refer to the Pensions Regulator website (<http://www.thepensionsregulator.gov.uk/en/employers>) for further information.

### 13.0 Small scale redundancies

Redundancy is generally administered when an employer needs to reduce their workforce. For example, if certain work is no longer required or the business is closing.

As the owner or manager of a business, you may be worried about a decline in trade.

- ▶ Is there sufficient work to keep employees busy?
- ▶ Is there enough income to pay salaries and keep the company afloat?

You may look in to making redundancies to reduce the number of staff you employ to cut costs. This can be a disheartening prospect which will affect you and all of your employees.

Should you have to make redundancies they should normally be for the following reasons.

- ▶ You have closed (or intend to close) the business and no longer have employment for your employees.
- ▶ You have closed (or intend to close) the business in the location you employ someone.
- ▶ You no longer require your employee/s to carry their specific job role.
- ▶ You no longer require your employee/s to carry out their particular job role in a specific location.

Redundancy tends to occur either where the quantity of work disappears completely, or where the amount of work reduces. Redundancy can be voluntary or compulsory.

It is essential that you ensure that you meet legal requirements if your business is changing or closing.

### 13.1 Key points

- ▶ Ensuring there are open communications and consultation between management and employees can help all parties through the redundancy process.
- ▶ Employees have the right not to be unfairly selected for redundancy.
- ▶ Employees may be entitled to a statutory redundancy payment and notice.
- ▶ Redundancies can happen when employees are dismissed because their job no longer exists, for example when:
  - new technology makes a job unnecessary
  - an employer needs to cut costs and reduce the number of staff
  - the employer needs to close the business.

Although, an employee will need two years service for a redundancy payment, dismissal due to redundancy can happen at any point.

The fairness of a dismissal may be challenged if an employee has at least one year's continuous service for employees in employment before 6th April 2012 or two years for employees starting employment on or after 6th April 2012. However if the redundancy dismissal was due to asserting a statutory right e.g. requesting flexible working, then no fixed length of service is required.

### 13.2 Redundancy consultation

The right to be jointly consulted as a group applies when an employer proposes to make 20 or more employees redundant at one establishment over a period of 90 days or less. Employers should also consult individual employees, as a Tribunal may find it unfair if employers only consult unions and not individuals.

Employers are required to consult with the 'appropriate representatives' of any of the employees who may be affected (directly or indirectly) by the proposed redundancies or by any measures taken in connection with those redundancies.

Consultation must be carried out by the employer with an understanding of reaching an agreement with the appropriate representatives on issues such as ways of avoiding redundancies or reducing the number of employees to be made redundant.

This responsibility applies even when the employees to be made redundant are volunteers. Failure to comply with the consultation requirements could lead to a claim for compensation, known as a protective award.

Consultation should begin in good time and must begin:

- ▶ At least 30 days before the first redundancy takes effect if 20 to 99 employees are to be made redundant at one establishment over a period of 90 days or less.
- ▶ At least 45 days before the first redundancy takes effect if 100 or more employees are to be made redundant at one establishment over a period of 90 days or less.

### **13.3 Redundancy procedure**

As good practice employers may wish to consider creating a formal redundancy procedure which should be negotiated and agreed with trade union or employee representatives.

Full and effective consultation when drawing up a redundancy procedure will do much to allay unfounded fears, avoid the suspicion that redundancies are imminent and allow representatives to contribute their views and ideas.

This procedure could be combined into the company handbook to ensure all employees are aware of it. Failure to follow a reasonable procedure could lead to employees making claims of unfair dismissal.

Depending on the size and nature of the business, the contents of a formal procedure on redundancy would usually include the following elements:

- ▶ an introductory statement of intent towards maintaining job security, wherever practicable
- ▶ details of the consultation arrangements with trade union's or employee representatives
- ▶ the measures for minimising or avoiding compulsory redundancies
- ▶ general guidance on the selection criteria
- ▶ details of the severance terms
- ▶ details of any relocation expenses, details of any hardship or appeals procedures
- ▶ policy on helping redundant employees obtain training or search for alternative work.

Methods for minimising or avoiding compulsory redundancies may include:

- ▶ natural wastage
- ▶ limitations on recruitment
- ▶ reduction of overtime
- ▶ seeking applicants for voluntary redundancy.

#### **13.4 Information an employer must disclose about proposed redundancies**

To guarantee employee representatives can play a beneficial part in the consultation process over proposed redundancies your employer must disclose certain information in writing including:

- ▶ reasons for the proposed redundancies
- ▶ numbers and descriptions of employees affected
- ▶ proposed method of selecting the employees who may be at risk of being made redundant
- ▶ proposed method of carrying out the redundancies, taking account of any agreed procedure, including the period over which the redundancies are to take effect
- ▶ how redundancy payments, other than the legal minimum, will be calculated.

### 13.5 Redundancy payments

Employees may be eligible for redundancy payments if they have been continuously employed for at least two years and are made redundant due to one of the following possible reasons for redundancy:

- ▶ closure of a business
- ▶ closure of the employee's workplace
- ▶ a diminishing need for employees to do the available work.

Unless you have any contractually-enhanced redundancy pay arrangements with staff members, all your employees with at least two years' continuous employment get a statutory redundancy pay entitlement of:

- ▶ 0.5 week's pay for each full year of service while they were under 22
- ▶ 1 week's pay for each full year of service while they were 22 or older, but under 41
- ▶ 1.5 week's pay for each full year of service while they were 41 or older.

Employees can only count a maximum of 20 years' service and the 'weekly pay' is subject to an upper limit.

As of 6 April 2019 the statutory redundancy payment is capped at £525 a week.

If you have cash-flow problems so serious that making the redundancy payment would put the future of your business at serious risk, the Redundancy Payments Service (RPS) can arrange to pay the employee direct from the National Insurance Fund. If you are insolvent, the RPS makes the payment and the debt is recovered from the assets of your business.

### 13.6 Redundancy notice

Employees who are selected for redundancy need to be given a notice period before their employment ends. The statutory notice periods are:

- ▶ at least one week's notice if the employee has been employed between one month and two years
- ▶ one weeks notice for each year of employment between two years and 12 years
- ▶ 12 weeks notice for someone who has been employed for 12 or more years.

### 14.0 Useful resources

The following websites provide information, advice, training, conciliation and other services for employers and employees to help prevent or resolve workplace problems.

- ▶ <http://www.acas.org.uk/>
- ▶ <http://www.hrvillage.com/>
- ▶ <http://www.hr.com/>
- ▶ <https://www.gov.uk/browse/employing-people>
- ▶ <https://www.gov.uk/browse/childcare-parenting>
- ▶ For free employment law advice for employers:
  - Call 0808 252 0798
  - <http://www.employersdirect-uk.org>

**Appendix 1: Performance Review Template**

Employee's name:	
Job title:	
Department:	
Date of engagement:	
Manager:	
Date of meeting:	

Ratings Definition

**EXCEPTIONAL (1):** Consistently exceeds all relevant performance standards. Provides leadership, fosters teamwork, is highly productive, innovative, responsive and generates top quality work.

**EXCEEDS EXPECTATIONS (2):** Consistently meets and often exceeds all relevant performance standards. Shows initiative and versatility, works collaboratively, has strong technical & interpersonal skills or has achieved significant improvement in these areas.

**MEETS EXPECTATIONS (3):** Meets all relevant performance standards. Seldom exceeds or falls short of desired results or objectives.

**BELOW EXPECTATIONS (4):** Sometimes meets the performance standards. Seldom exceeds and often falls short of desired results. Performance has declined significantly, or employee has not sustained adequate improvement, as required since the last performance review or performance

**NEEDS IMPROVEMENT (5):** Consistently falls short of performance standards.

PERSONAL ATTRIBUTES

**Quality of Work**

1 - Exceptional; 2 - Exceeds Expectations; 3 - Meets Expectations; 4 - Below Expectations; 5 - Needs Improvement.

Rating	1	2	3	4	5	Not Applicable
Has established a track record of producing work that is highly accurate, demonstrates attention to detail and reflects well on the organisation. Is personally committed to high quality work and encourages others to have similar standards. This differs from those who cannot be relied upon to produce high quality work, pay little attention to detail, show little pride in a job well done and/or set a poor example for co-workers or direct reports.	○	○	○	○	○	○











**Comments:**

  
  
  
  

**Development:**

<b>Overall Performance Rating</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
	<input type="radio"/>				

**Agreed summary of the year:**  
*This section should summarise the overall performance for the year and include both managers and employees comments.*

**Manager:**

  
  
  
  

**Employee:**

  
  
  
  

**Development summary:**  
*This section should be used to record any areas of the employee's work where further training and support is required, and any areas where performance is particularly strong and should be developed further.*

<p><b>Development and training</b> <i>This section should list specific requirements for any training or development. These activities are not restricted to training courses, and may include projects, coaching, planned experience or any other suitable activity that will enhance the skills, knowledge and behaviour required in the employee's work or to develop him/her further.</i></p>	
<p><b>Career planning</b> <i>This section should record any areas of the department or Company in which the employee has expressed a specific interest.</i></p>	
<p><b>Other areas of discussion</b> <i>This section should record any other points raised at the review meeting.</i></p>	
Employee's signature:	
Manager's signature:	
Date:	
<p>One copy of this completed form will be kept by the employee and one in the employee's personnel file.</p>	

**Remember this is a living document so feel free to refer to it in 1:1's and make sure that actions are happening!**

## 15.0 Important Information

This document is private and confidential and may contain privileged material. You must not copy, distribute, disclose or use any of the information within it.

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