Panacea Adviser

How to manage HR & get the best people for the job

In association with FootAnstey

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 employees.

Therefore, we have developed this guide, 'How to manage HR & get the best people for the job' ('HR Guide'), to try and help clear up any human resource ambiguity, as effectively managing HR is essential.

This HR 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. It also covers key information on business protection. 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 employees do not, for they are one of a company's best assets and when treated fairly, a business is more likely to succeed. This HR Guide is intended for small firms, and line and team managers in larger organisations.

DISCLAIMER

This guide is provided for general information and guidance purposes only. It does not constitute legal advice and should not be relied upon as a substitute for official or professional advice on employment law or HR matters.

While every effort has been made to ensure the information is accurate as of **31 December 2025**, employment law and HR regulations are subject to change.

Users of this guide should therefore carry out their own due diligence and refer to official sources, such as ACAS, GOV.UK, or qualified employment law advisers, before taking or refraining from any action based on its contents.

We endeavour to keep the information in this HR Guide as current and up to date as possible. However, should you need further HR or employment-related information, the ACAS website is a good place to refer to and can be accessed here: www.acas.org.uk or you can contact our partner law firm, Foot Anstey, at Contact us | Foot Anstey.

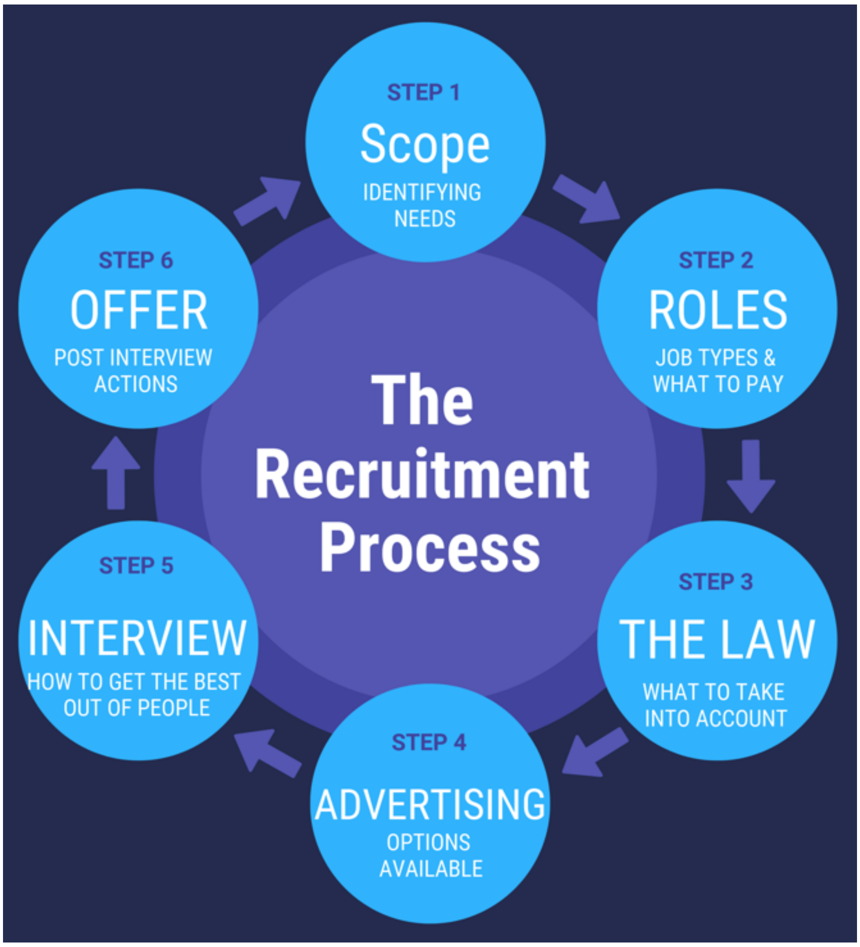
Neither Panacea Adviser, its contributors, nor its partners accept any responsibility or liability for any loss, damage, or claims arising from reliance on the information contained in this guide.

1.0 Recruitment

Attracting talent and employing new employees can be an exciting but daunting task. A new employee can bring a fresh skillset and perspective to increase profitability and take your business to the next level, but it can also be an expensive mistake if not done properly.

Panacea Adviser has produced this guide to take you through the recruitment process from start to finish. It will assist with how you determine your business needs, define the type of individual you want and how much you want to pay, the options available for finding high quality candidates through to getting the most out of the interview process and finally to ensure you employ the right person for the job.

This guide provides a six-step process is for anyone who is ready to hire their first employee or improve the internal hiring process that is already in place.



2.0 Scoping out what is needed

As your business continues to grow you may need to increase your head count. There are several considerations that need to be made and steps to be taken when undertaking recruitment of a new staff member.

The following points will assist in suitability planning and identifying where there is a need and a vacancy, then how to best plan to accommodate this:

Step 1: Identify the vacancy

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 employee's member

Recruiting additional employees 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: Identifying a need

- Plan to anticipate future staffing needs. How long-term is the post likely to be? Is your workflow seasonal or constant?
- Think about the way work is organised in your business. For example, could flexible working, such as staggered hours or overtime, help manage any peaks and troughs?
- Look around the marketplace and assess what are your competitors doing.
- Imagine the new employee starting work - will you have the time to train and coach them to become an effective employee or who will be responsible for doing this?
- Does your business case for taking on a new member of staff hold water? If so, give more thought to the type of individual you will want for the job

3.0 Roles & responsibilities

3.1 Writing a job description

A job description is the vital part of a successful recruitment process. It is used to identify prospective candidates, develop interview questions, and helps to establish a solid set of expectations. To do this firstly you will need to:

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

Once you have a job description you can use it to assist with:

- Advertising the vacancy
- Identifying suitable candidates
- Developing interview questions
- Undertaking interview evaluations
- Reference check questions
- Starting a new employee

It is also important to note that interviewing candidates that don't have the right skill set is time lost for you and the candidates and can leave a poor impression of your business.

A job description will help articulate the most important outcomes of the role and should include:

- Job Title
- Main purpose of the role i.e. 'To increase revenue from advertising on the company's website by 25%.'
- How the job fits into the overall business

- Responsibilities & essential job functions
- Required skills and experience
- Required aptitudes and personal qualities
- Required qualifications
- Include who the role will report in to and if the job involves managing any staff

3.2 How to determine salary

Determining salary is an essential part of attracting the right candidates for your business. It's important to ensure you balance costs whilst ensuring talent remains within the company.

Some considerations when bearing in mind salary:

- Costs – an obvious starting point but salaries need to be within budget. It is important to consider all employee costs and not just a candidate's base salary. Think about benefits, pensions, bonuses, and any recruitment/attraction costs associated and how this affects the bottom line.

- Promotions – strong candidates strive for career progression and promotions which include salary rises. Any initial salaries need to be within budget, attract the right level of candidate whilst also allowing for pay rises within the first 1-3 years.

- Market Rate and Location – an obvious consideration when considering salary. Look into other job postings/adverts online and see what rates are on offer. Get to know your market and take feedback and notes from all applications, phone calls and interviews.

- Previous Salary – its crucial to be aware of what candidates have been earning in the past. It's important to not rely solely on this, as some candidates will be underpaid and looking for substantial increases in line with market rates. It is a useful indicator though and some businesses will work on adding 10% to a candidate's existing package.

3.3 Example job descriptions

Below you will find a range of sample job description examples. Feel free to take parts or all of these when planning your next hire.

Financial Planner/Adviser

Main purpose of the role
To work with several the organisation's existing clients, with leads provided via referrals, professional introducers or orphan client banks.

How the job fits into the overall business

- Reporting to the Managing Director

Responsibilities & essential job functions

- Develop and maintain high net worth clients through close working relationships with clients and business referral Partners
- Work closely with clients to provide customised recommendations to help achieve their financial goals
- Consult with clients on investment strategies
- Respond to client questions and requests
- Track and translate investment performance and make recommendations
- Act as first point of contact for the financial planning business looking to promote compliance awareness and good practice in compliance and T&C

- Assist the financial planning business to manage regulatory risk, including risk identification, assessment, mitigation, and control
- Produce accurate and timely activity reports for senior management
- Attend and support relevant financial planning management meetings
- Work with team members to ensure all issues identified through monitoring, complaints and changes to regulations are appropriately addressed
- Support the Compliance monitoring team and the wider Risk & Compliance team
- Identify any risks to the business and ensuring that these risks are effectively evaluated, managed, and mitigated

Required skills and experience

- Chartered status or Degree holder preferable
- CII level 4 qualified, CISI Compliance Diploma
- Significant experience as a Financial Adviser within the financial services industry
- Skilled at building long term relationships based on mutual trust, respect and the delivery of a high quality, professional service
- Experience liaising with high-net-worth clients
- Knowledge and experience of having provided investment, protection, and pension solutions and fully aware of the associated regulatory requirements of these areas
- Previous successful sales related track record
- Strong regulatory experience gained within a Financial Planning/IFA environment
- Excellent knowledge of FCA Rules in particular SYSC & COBS with ability to understand new regulation as it arises
- Excellent written and verbal communication skills including the ability to influence at all levels with good judgment and decision-making skills
- Strong organizational skills and ability to meet deadlines

Mortgage Broker

Main purpose of the role

Provide specialist advice to clients regarding their property-based finance needs and assist those with complex income structures and more unusual circumstances.

How the job fits into the overall business

- Reporting to the Managing Director

Responsibilities & essential job functions

- Review existing client's current mortgage and protection policies and offer suitable alternatives to meet their needs and requirements
- Offer advice in relation to mortgages and protection including Life, Life and Critical Illness, ASU, PHI, Mortgage Payment Protection and Buildings and contents
- Respond to client questions and requests
- Produce accurate and timely activity reports for senior management
- Support the Compliance monitoring team and the wider Risk & Compliance team
- Work with team members to ensure all issues identified through monitoring, complaints and changes to regulations are appropriately addressed
- Identify any risks to the business and ensuring that these risks are effectively evaluated, managed and mitigated

Required skills and experience

- Full CeMAP or equivalent, MAQ or CF1 and CF6 qualified
- Significant experience of face-to-face mortgage advising or mortgage broking
- Experienced in offering advice on all aspects of residential mortgages and the associated protection products, including Life, Critical Illness, ASU, mortgage payment protection, IPP and buildings and contents

- This role would suit an individual who has access to their own client bank and requires additional leads
- Previous successful sales related track record
- Excellent knowledge of FCA Rules with ability to understand new regulation as it arises
- Excellent written and verbal communication skills including the ability to influence at all levels with good judgment and decision-making skills
- Strong organizational skills and ability to meet deadlines

Paraplanner

Main purpose of the role

Review, analyse and prepare compliant recommendations for the IFA business.

How the job fits into the overall business

Reporting directly to the owner of the practice who manages 450 clients

Responsibilities & essential job functions

- Research and prepare excellent suitability reports in accordance with the firm's investment philosophy and client values
- Continuously monitor clients' financial situations with detail and accuracy
- Preparing financial analyses for clients, including cash flow plans, retirement analysis, estate planning analysis, education funding analysis, stock options analysis, and risk management needs analysis
- All aspects of pre-client meeting activities such as preparation of meeting agendas, client paperwork, Investment Policy statements, asset allocations as well as post-client meeting tasks such as develop meeting notes
- Perform financial situation analyses, and coordinate planning implementation with outside professionals if necessary
- Deal with wrap platforms and product providers to obtain details of existing & potential investments

Required skills and experience

- Qualified to Level 4 FPC/Diploma level
- Able to demonstrate strong technical knowledge across Pensions, Investments and Estate Planning
- Ability to learn quickly in a fast-paced environment and effectively manage regular changing of priorities
- Experience of Suitability report writing
- Keep up to date with product knowledge
- Must be a detail-oriented, goal-oriented, team player with a 'no job is beneath me' attitude
- Excellent written and verbal communication skills
- Strong organizational skills and ability to meet deadlines
- Strong financial and analytical skills
- Superior knowledge of Microsoft Excel, Word, and PowerPoint

Financial Planning Administrator

Main purpose of the role

To deliver support to the organisation's Financial Planners, clients, and colleagues.

Responsibilities & essential job functions

- To process new business and service existing business to the highest of standards
- Liaise with HNW clients, consultants, internal departments & providers
- Responsible for filing system and Client Relationship Management (CRM) system
- Produce valuations using firm's chosen valuation software
- Obtain quotations/illustrations from providers
- Assist with telephone enquiries - ensuring provision of exceptional first line customer service

- General administration duties including the preparation of reports for presentations/ internal meetings and the scanning of daily post

Required skills and experience

- A Level Standard of Education
- CII Financial Planning Administrators Certificates CF1, FA1 & FA2 desirable but not essential
- Experienced within the Wealth Management/Financial Planning remit
- Will ideally have at least 2 years' experience working in an IFA support capacity
- Experience in customer service and general office management duties
- Excellent customer service skills
- Good communication skills – written and oral
- Good attention to detail, well planned and organized
- Extensive knowledge of Microsoft Excel, Word, and PowerPoint

4.0 The Law

4.1 Discrimination

The Equality Act 2010 ensures that candidates are protected from unfair conduct and are treated with dignity and respect, regardless of any differences.

To avoid fines when advertising a job role, you must ensure the job description focuses solely on the skill set needed and does not include personal characteristics.

The Equality Act outlines nine characteristics that are prohibited from being discriminated against. These are known as 'protected characteristics.
The characteristics are:

- **Age** – a person of a particular age or to a group of people who are in the same age bracket
- **Sex** – this refers to whether a person is a man or a woman
- **Disability** – a person is considered disabled if they have a physical or mental impairment which has a substantial and long-term adverse effect on their ability to carry out normal day-to-day activities
- **Gender Reassignment** – this applies whether a person is wanting to undergo, is undergoing, or has undergone a process to reassign their sex
- **Marriage and Civil Partnership** – any person who is married, whether that be to someone of the opposite sex or the same sex, or a civil partner
- **Pregnancy and Maternity –** whether a woman is pregnant or the period after she has given birth
- **Race –** this covers a person's skin colour, nationality, ethnic or national origins
- **Religion and Belief –** this includes religion and any religious and philosophical beliefs, as well as a lack of belief

- **Sexual Orientation** –a person's sexual orientation towards people of the same sex, people of the opposite sex, or people of either sex

You must not discriminate on any of the grounds above throughout the entire recruitment process from job descriptions to going through job applications, selecting candidates for interview, offering a candidate the job, and agreeing their terms and conditions - and, of course, once you've employed them.

Under the Equality Act 2010, employers have a legal duty to make reasonable adjustments for job applicants with a disability if those adjustments are needed to remove or reduce a substantial disadvantage during the recruitment process, including interviews. This applies once the employer knows (or should reasonably know) about the disability and the disadvantage.

Further information about Discrimination during recruitment can be found on the government website at https://www.gov.uk/employer-preventing-discrimination/recruitment

4.2 Equality & diversity

What does your diversity target this year? It is crucial for your business that you consider equality & diversity when hiring and interviewing.

Having a written policy document strengthens your commitment in promoting equality and diversity within your organization and demonstrates that you value all employees regardless of their characteristics.

Your organsiation's policy will explain your attitudes and values to equality & diversity and will help ensure that vacancy wording encourages a diverse set of applications.

This needs to be continued throughout the interview process with all candidates given a fair and equal interview process.

5.0 Taking a vacancy to market

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. The wording of an advert is an area where discrimination crops up unconsciously. The Equality Act 2010 applies to job candidates so adverts should not discriminate on the grounds of any of the nine protected characteristics detailed in section 4.

5.1 Identifying the requirement

As discussed previously, it is important that you are aware of what is required to help improve your business from the outset. Writing a suitable and detailed job spec or briefing an agency in full is crucial for those individuals wishing to apply.

5.2 Advertising and job boards

Advertising is a great way to attract talent and there are several specialist job boards that focus on the financial services sector. Costs vary depending on the number of vacancies, post duration and which channel you choose to advertise through. Some useful job boards include:

- Efinancial Careers
- Cityjobs
- Total Jobs
- Jobsite
- Indeed
- Monster
- LinkedIn

Job boards also provide a CV database and search function allowing you to search through candidates and sort by relevance, salary, notice period and location.

Pros

- An easy way to attract large numbers of candidates in a short period of time
- A good way to let the market know you are expanding
- Taking control of the process and managing all communications yourself
- Often cheaper than using a recruitment agency

Cons

- Writing a job specification, posting online, monitoring responses, sorting through very large volumes of applications, responding to applicants, and then arranging and carrying out interviews can take up a large amount of time which can impact on the day-to-day running of your business
- Advertising will often bring in large volumes of applications but not necessarily the skill set you are looking for
- The job boards that yield the best results are expensive and won't necessarily guarantee that the vacancy will be filled

5.3 Social media and networking

Social media is a fast-growing and oft-preferred way of highlighting a job vacancy. LinkedIn is a useful tool and platforms such as Instagram, Facebook and Twitter are becoming more popular for a variety of companies. Response is dependent on the strength of your network and seen as a long-game strategy to building a brand and network.

Pros

- A cost-effective way of advertising vacancies as most platforms are free of charge so cuts out advertising and/or recruitment agency costs

- An excellent way to build your brand and create interest in your company
- A strong social media presence can attract talent and help bring in business

Cons

- This is a timely commitment and results depend upon the number of postings, the strength of your content and the quality of connections within your network
- There is no guarantee of attracting the right skill set and a lot of time can be wasted discussing the role with candidates that don't fit the requirement

5.4In-house teams

Many clients now choose to recruit an internal talent & recruitment team to oversee all aspects of attracting and managing talent. This is largely dependent on the number of hires required at any given time and the size of your business.

Pros

- This can be a cost-effective way of building your business as a full-time employee salary may be cheaper than advertising and/or recruitment agency fees
- A chance to train somebody on your brand and ensure that all advertising and social media content is controlled and impacting positively on your business
- Allows you to focus on the day-to-day running of your business

Cons

- May not be necessary if you only have a small number of vacancies to fill
- Time will be needed to hire the right person for the job and train them

- Salary costs may exceed hiring costs if the right balance is not struck or hiring strategies don't go to plan

5.5 Recruitment agencies

Recruitment agencies are a useful option in finding the right talent for your company. Agencies focus on specialist skill sets and offer insight and advice on the hiring process and talent available.

Pros

- A recruitment agency can save a huge amount of time. A good agency will write the job specification, advertise, monitor responses, and shortlist candidates for the role. They will manage interview arrangements and contract negotiations, allowing you to focus on running your business.
- A good agency will be well networked and an expert in finding the best candidate on the market. Often headhunting the most talented candidates and persuading them to make a move.
- Agencies often move very quickly, resulting in you filling your vacancy much sooner than if you were handling yourself.

Cons

- Agencies charge on every placement they make, and charges can vary depending on the firm and vacancy. Fees tend to range from 15-25% for permanent roles and 15-20% for contract.
- There are a vast number of agencies in the market and finding a partner you can work with in the long run is not easy. It's important to insist on transparency throughout and making sure terms and conditions are agreed and sustainable.

5.6 What to look for when choosing a recruitment agency

As we have already established, finding the right people to expand your business is not a quick and easy task. The process of hiring staff can be time-consuming and costly but if you are going to use a dedicated recruitment agency you want to make sure you choose the right one.

Types of agency include:

High Street Agency
Can be used to recruit a wide range of industries and levels and usually focuses on local vacancies and local job seekers.

Industry Specialists
Industry specialists recruit exclusively for a specific market, such as Financial Advisers. They will have strong contacts in the field and recruit nationwide.

Temp Agencies
They recruit for temporary/short-term vacancies and tend to be focussed locally.

Executive Search
These are Headhunters that recruit for senior or niche roles and tend to approach passive candidates who aren't looking for a new role, based on very specific search criteria.

One you have decided what kind of role you are looking to hire, then this will determine the type of firm you engage with.

Whilst cost should be a factor when choosing an agency, like any good service, you should make sure it is not the only factor. Other factors to consider include:

- Do they recruit in your industry and area?
- What exactly does the fee include?
- Are they members of the REC or subscribe to a code of practice?
- Can they provide testimonials?
- Do they have a brand presence in the required industry?
- Do they have a positive social media presence?
- Could you work with them?

6.0 Interviewing

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

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 gauge skill set, culture fit and motivations.

Choosing candidates for interview and undertaking the interviews themselves, should be done by more than one person, if possible, to avoid unintended bias.

6.1 Interview preparation and candidate experience

There is an expectation on candidates to prepare for interviews and the same should be said for interviewers.

Once you have chosen 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.

Candidate experience can be crucial in persuading an individual to join your business as they often have several processes ongoing, and a positive interview can be the difference in them choosing your company.

Ensure you are on time, professional and have a clear interview structure in mind before you step into the meeting.

It's also important to know the key selling points of joining your business. A good candidate will interview a company as much as you interview them, and this starts from the second they step foot into the building.

Look to provide a positive candidate experience and focus on employing the right people for your company.

6.2 Interview techniques

Everybody has their own style when it comes to interviewing and it's important to decide what type of interviewer you are, what you are looking to achieve and what candidate experience you want to offer.

Candidates vary and will respond differently to interviews but it's important to ensure you offer a fair process that gives them opportunity to get their points across.

How to choose to conduct the interview is your decision, but different types include:

Unstructured
Often on a one-to-one basis, these interviews are open and conversational and less formal than structured interviews.

Structured and formal
These involve a group / panel of interviewers taking turns to ask questions. The session will start with an 'icebreaker' question before more serious questions are asked.

Behavioural Interview
This type of interview allows the interviewer to understand how the candidate responds in specific work-related situations.

Competency based interviews

Here a set of questions are asked and focuses on work-related skills and ability rather than personality. The questions call for the candidates to use examples to demonstrate their capabilities.

Regardless of what interview style you take, choose one or two questions from each skill needed to develop your interview questions. Questions should be focused on the requirements of the role only - there are certain topics that you must avoid during the interview. The key is not to ask any questions that relate to 'protected characteristics' in the Equality Act 2010 as this could lead to claims of discrimination.

Ensure in advance you know the type of interview you are going to run, know your agenda, have any key questions written down and make sure you listen to the candidate’s responses.

6.3 Dos and don’ts

When carrying out interviews, you should make sure that you:

- are not interrupted by visitors or telephone calls
- ask 'open ended' questions that cannot be answered by a 'yes' or a 'no'
- do not ask questions which may be considered discriminatory

As soon as you have completed the interview, put together notes so you don’t forget what was discussed.

It is also a good idea to create a matrix with weighed scoring to assist with the decision-making process and demonstrate fairness.

6.4 Decision making matrix template

Decision Making Criteria	Necessity	Candidate Score
Experience requirement:	Must have	
Experience requirement:	Must have	
Experience requirement:	Nice to have	
Skill Set requirement:	Must have	
Skill Set requirement:	Must have	
Skill Set requirement:	Nice to have	
Qualification requirement:	Must have	
Qualification requirement:	Must have	
Qualification requirement:	Nice to have	
Alignment with values:	Must have	
Alignment with values:	Must have	
Alignment with values:	Nice to have	

Notes:

6.5 Data protection

Any data that you collect during the recruitment process must be kept secure either in locked filing cabinets or via password protection on a computer.

Ensure that you only collect the personal information that is required for the job you are recruiting for.

Only keep the information for as long as it is needed. Once the interview process is complete, securely dispose of any data you no longer need.

Ensure that only appropriate staff, with the right training, at the right level can view staff records and store sensitive data separately.

For more information visit the Government website - https://www.gov.uk/data-protection-your-business/recruitment-managing-staff-records

7.0 Post interview

7.1 Feedback

It is vitally important to take time to provide feedback to all candidates you have interviewed and give reasons to those who were unsuccessful. This is a huge gripe for candidates in the market, if they have taken the time to come and visit your business then you owe them constructive and detailed feedback. With so much online content and reviews available to candidates it is now crucial for your candidate experience and brand.

7.2 Salary negotiations

It is not usually advisable to discuss salary expectations during the interview. Some companies opt to do so but candidates can feel pressured and uncomfortable and will often undersell or oversell their expectations. This can result in the process failing at the most crucial point. It is important to take time and discuss any offers with the necessary parties in your business and ensure that the right offer is communicated professionally. This then gives the candidate time to fully weigh up the offer and make an informed decision.

7.3 Job offer

Following the interview(s) you will need to offer the job to the successful candidate which will then be followed in writing to confirm the offer along with a contract which outlines all the relevant information. This should include:

- the job title and offer of the job
- any conditions applying to the offer (such as legal and reference checks)
- the terms - including salary, hours, benefits, pension arrangements, holiday entitlement and place of employment
- start date and any probationary period
- what the candidate needs to do to accept the offer or how to decline it.

If the letter is to be the employment contract, or part of it, it should say so and include the main terms and conditions. A Written Statement of Employment Terms and Conditions must be given to the employee no later than the beginning of the employment.

Withdrawing a job offer constitutes a breach of contract therefore to avoid this situation, you are advised to make a conditional job offer. That then gives you the opportunity to carry out checks, including obtaining references, right to work and criminal record checks before confirming the offer and preparing the induction plan.

7.4 Legal checks

It is a civil and criminal offence to employ a person with no immigration authorisation to work in the UK. Employers who fail to carry out proper right-to-work checks can face civil penalties of up to £45,000 per illegal worker for a first breach and £60,000 for repeat breaches. If an employer knowingly employs someone without the correct immigration status, this is a criminal offence and can result in up to 5 years' imprisonment and an unlimited fine.

- Upon providing a job offer, ask for and keep a copy of the individual's UK or Irish passport
- If an individual is from outside the UK, you should ask the individual to evidence their right to work in the UK. Most common evidence include the individual providing you with a 'share code' to be checked online, a current passport with an endorsement from the Home Office stating that the employee can do the work in question or a biometric residence permit/card.

For more information visit the Government website - Check if a document allows someone to work in the UK - GOV.UK (www.gov.uk) and Right to work checks: an employer's guide - GOV.UK.

If the position is a client-facing regulated position, then it is advised that the following checks are carried out:

- Money laundering check
- Credit check
- Check on the FCA register that individual is registered, that the previous firms check out and if there are any disciplinary actions against the individual (current or past)
- Take copies of any original examination certificates as required

If the position is for a Paraplanner then it is advised that the following checks are carried out:

- Money laundering check
- Credit check
- Take copies of any original examination certificates as required

8.0 Hiring someone from outside the UK

Before employing anyone, you must check that they have the legal right to work in the UK. Failing to do so can result in significant fines and penalties, so it's essential that these checks are done correctly before employment starts.

How to carry out right to work checks

There are now three main ways to carry out a right to work check, depending on the person's nationality and the type of documentation they hold:

1. Online check using a share code

Most non-UK citizens now prove their right to work online using the Home Office system.

- The individual provides you with a share code and their date of birth.
- You use these details at: www.gov.uk/view-right-to-work.
- You must check that the photo on screen matches the person in front of you and keep a dated copy of the online confirmation page.

2. Digital check using an Identity Service Provider (IDVT)

Since 1 October 2022, employers can use an Identity Service Provider to carry out digital checks for British and Irish citizens who hold a valid passport.

- The provider verifies the authenticity of the passport and returns a digital confirmation.
- You must choose a provider certified under the Home Office digital identity scheme and retain evidence of the check.

3. Manual document check (physical documents)

If an employee does not have an online share code or a valid passport for digital verification, you can still check original documents in person (for example, a passport, biometric residence permit, or birth certificate).

- Take a clear copy of each document.
- Record the date of the check and state "Right to work check – original

seen".

- Keep these records for the duration of employment and for two years afterwards.

Points-based immigration system

If you are recruiting someone from outside the UK who does not already have the right to work (for example, an overseas candidate requiring a visa), you will need to sponsor them under the UK points-based immigration system.

This requires the employer to hold a sponsor licence and for the individual to meet specific eligibility and salary criteria under the Skilled Worker or other relevant visa route. More information is available at: www.gov.uk/skilled-worker-visa

Practical tips for small employers

- Always complete and record the check before employment starts — not on the first day of work.
- Keep copies of all documents or digital confirmations securely with your personnel records.
- If a worker's right to work is time-limited, make a note of the expiry date and diarise a follow-up check.
- Update your onboarding checklist to reflect the current digital and online verification process.

9.0 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 contact 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. Becoming a valued, happy, and productive member of employees will mostly depend on how you help settle them in.

Managers often underestimate the importance of properly welcoming a new employee to their business, particularly as it has been 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

9.1 Before they start

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

- offer letter

- Terms and Conditions of Employment (employment contract which must be compliant with Section 1 Employment Rights Act 1996)
- 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 (and job responsibilities), hours (including days and times), pay, probationary period etc.
- 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 (including right to work evidence) or on their start date
- request references which where possible should be requested from previous employers. For employees with controlled functions the reference should also ask for details of any complaint history. Technical employees 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 employees' 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.

Ensure that the induction program is tailored to what the employee needs. Assign a colleague to act as a mentor/buddy 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:

- Different parts can be handled by various employees depending on their expertise.
- 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.
- 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.

9.2The 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.

9.3 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.

9.4 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 employees 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
- Employees 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

9.5 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.

9.6 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

10.0 Leading & motivating your employees

Low motivation indicators include:

- high employees' 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 structures
- lack of opportunities

To get the best from your employees, you need to motivate them and get them to emotionally engage with your company by:

- Proactive, regular communicating the overall goals of your business to employees, and how you want it to progress and improve. Enabling employees to feel like part of a team gives them a sense of loyalty.
- Providing a clear outline to each member of employees 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 employees 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 employees 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.

11.0 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.

11.1 The performance management process

Managing performance and providing feedback is not just a one-off event, focused on 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 program 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 using goals and standards.
- Actions and behaviours can be measured using 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.

11.2 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 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.

11.3 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 include 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 evaluating 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?
  - Consider the question: "What can I do to help the employee do the job better and achieve developmental goals?"

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

12.0 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 clearly stating 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.

12.1 Managing Underperformance

The management of underperformance is just as important as the management of on-going good performance (above).

Cases of under-performance should be dealt with reasonably and fairly, with the prime objective of improving an individual's performance to the required level however, in some cases, this is not possible, and a formal process may need to become necessary. Employees with over two years continuous service will have protection against unfair dismissal therefore it is important that a fair process is carried out when managing performance issues.

In summary, the process should include:

Stage 1

If there is continues evidence that the employee is not performing at an acceptable level, the manager should investigate the circumstances without delay and endeavour to ascertain the reasons for the unsatisfactory performance. If, following this examination, the manager considers that the individual's performance is deficient in some material respect, an informal discussion with the individual will be arranged. At this meeting the manager will:

a. make clear the areas in which the individual's performance is below expectations (explaining the grounds / evidence for this view) with the aim of identifying any problems or reasons for the under-performance, which

could be resolved. Solutions to the problem could include additional training, providing a mentor, coaching or some other kind of ongoing support to the individual.

b. give the individual the opportunity to explain their under-performance and to raise any concerns they may have about the job, or the support and guidance they have been given to do it.
c. be aware of any concerns in relation to disabled employees and how this might be affecting their performance - in particular, remember that employers are under an obligation to make reasonable adjustments when dealing with disabled employees.
d. ensure that the employee is aware of the level of performance / productivity required in relation to each element of the duties about which there is a concern; and
e. set a reasonable time frame within which improvement is expected and arrange a further meeting at the end of this time to review the situation. When establishing "reasonable timescales" for improvement, managers must consider the complexity of the tasks involved in relation to the qualifications and experience of the individual.

The content and outcome of this meeting should then be confirmed by the manager in writing to the individual, including the type of improvement required, any additional support or training that will be provided, any other agreed actions and the timescale for improvement and review.

Stage 2

If there is continued unsatisfactory performance or where a first instance of unsatisfactory performance is sufficiently serious to warrant formal action (e.g., where health & safety is at risk or significant costs, or other liabilities are involved) the employee should be invited to a formal meeting to discuss the matter. Remember that employees have the right to be accompanied by a workplace colleague or Trade Union representative.

At this meeting, the employee should be told as precisely as possible, the reasons for the manager's continued concerns about their performance. If, having heard any explanations offered by the employee the manager remains concerned, a first written warning can be given for unsatisfactory performance. This should be confirmed in writing to the employee and should be disregarded after a period of 12 months.

At this interview, further consideration should be given to any additional training or support that could reasonably be provided to the employee to enable them to reach the required standard of performance. A reasonable time will be set within which improvement is expected and a further meeting arranged at the end of this time to review the situation.

Stage 3

If there has been insufficient improvement in performance within the timescale following the formal warning, a further formal meeting should be held with the employee. At this interview the manager should review the history of the case, including the steps that have been taken to support the employee to achieve the required level of performance. If the manager remains concerned, they should issue a final written warning for unsatisfactory performance. This will be confirmed in writing. At this stage, the employee should be informed that their job will be at risk if satisfactory performance levels cannot be achieved and subsequently maintained.

The warning should be confirmed in writing to the employee and should be disregarded after a period of 12 months.

As at stage 2, further consideration should be given to any additional training or support that could reasonably be provided to the employee to enable them to reach the required standard of performance. A review period will be set within which improvement is expected and a further meeting arranged at the end of this time to review the situation.

Stage 4

If there has been insufficient improvement in performance within the timescale following the final written warning, a further formal interview with the employee should be held. At this interview the manager should review the history of the case, including the steps that have been taken to support the individual to achieve the required level of performance. The employee's explanation should be heard and considered. A decision will then be taken to either dismiss the employee on the grounds of capability or to extend the final written warning to allow further time for improvement and maintenance of any improvement. The manager should confirm this decision and the reasons for it in writing to the employee.

An employee has the right to appeal any formal action taken against then (including warnings and dismissal). It is good practice to request that an appeal is sent within 7 days of receipt of the warning/dismissal and the grounds of appeal should be made clear.

13.0 Grievances

All employees should have access to a procedure to help deal with any grievances relating to their employment fairly and without unreasonable delay. Most grievances can be dealt with informally, however, where that is not possible, a formal process should be followed.

13.1 Investigations

The amount of any investigation required will depend on the nature of the allegations and will vary from case to case. It may involve interviewing and taking statements from the employee and any witnesses, and/or reviewing relevant documents.

13.2 Right to be accompanied

Employees have the right to bring a companion to any grievance meeting or appeal meeting. The companion may be either a trade union representative or a colleague. During any grievance meeting, the employee's companion may make representations and ask questions, but should not answer questions on the employee's behalf.

13.3 Grievance meetings

A grievance meeting should take place without delay. The purpose of a grievance meeting is to enable the employee to explain their grievance and how they think it should be resolved, and to assist managers to reach a decision based on the available evidence and the representations made.

After an initial grievance meeting, the employee should receive the outcome in writing and be given the opportunity to appeal.

14.0 Whistleblowing

Whistleblowing is the reporting of suspected wrongdoing or dangers in relation to a Company's activities. This includes bribery, facilitation of tax evasion, fraud or other criminal activity, miscarriages of justice, health and safety risks, damage to the environment and any breach of legal or professional obligations.

In most cases, employees will be able to raise any concerns with their manager. However, where they might prefer not to raise it with their manager for any reason, managers should contact the Whistleblowing Officer.

A meeting should be arranged with the employee as soon as possible to discuss their concerns and they are entitled to bring a colleague or union representative.

Employees should be encouraged to voice whistleblowing concerns openly as completely anonymous disclosures are difficult to investigate. However, if they want to raise a concern confidentially, the manager should make every effort to keep their identity secret and only reveal it, where necessary, to those involved in investigating the employee's concern.

It is important for managers to remember that whistleblowers must not suffer any detrimental treatment because of raising a genuine concern as they could have a right to sue for compensation in an employment tribunal.

15.0 Managing employee absence

15.1 Sickness

Employees 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 employees' 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 employees 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.

Employees 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 consider over sickness absence, but ensuring that your employees 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 point at which the company should be informed (i.e., by 8am)
- 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 self-certify.

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 must 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 be a conduct issue where you should consider taking disciplinary action.

15.2 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'.

SSP is £118.75 per week (up to 28 weeks) until 6 April 2026 when it will then increase to £123.25 per week (SSP normally increases on an annual basis from

6 April each year). Use qualifying days rules and the SSP calculator for daily rates. Under the Employment Rights Bill, SSP will be paid from the first day of illness, instead of the fourth day, and the lower earnings limit will be removed. These changes are expected to come into force in April 2026.

15.3 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.

15.4 Long-term illness

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

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

Although very different, both scenarios still mean the absence can be a considerable strain on smaller businesses. Remember, these situations are poles apart and will require sensitivity to be used in very different ways. Additionally, the way you handle them often requires a careful and balanced approach.

When dealing with longer-term absence:

- Consider if employees 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. Ask them what they would prefer in this regard.
- If a member of employees 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 company doctor) or perhaps arranging for them to attend an Occupational Health appointment, 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?

15.5 Hold a return-to-work interview

Use return-to-work interviews:

- It's not a legal requirement to have a return-to-work meeting but it is good practice to meet with the employee as soon as possible after they have returned.
- The objectives of this meeting should be 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 act accordingly Make sure to t deal with these matters promptly - 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, the appropriate process for this will be followed.

15.6 Taking action if the problem persists

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 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, you should attempt to understand the nature of such appointments and whether the employee requires any additional support.
- However, repeated unexplained or unjustified absences may be treated as a conduct issue and lead to disciplinary action and ultimately dismissal.

16.0 Handling disciplinary issues

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

16.1 Fact finding

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 to establish the facts of the case. The best way to achieve this is for someone impartial to hold an investigatory meeting with the employee before proceeding to any disciplinary hearing.

16.2 Investigation

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.

16.3 Disciplinary hearing

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.

16.4 Possible sanctions

If an employee's first occasion of misconduct is sufficiently serious, it may be necessary to move directly to a final written warning.

A first or final written warning should explain in detail the nature of the misconduct and the change in behaviour 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, 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. However, a fair

disciplinary process should always be followed, before dismissing for gross misconduct. Here are some examples of what might be considered to be gross misconduct:

- Theft or fraud.
- Physical violence or bullying.
- Damage to property.
- Serious misuse of an organisation's name or property.
- Deliberately accessing internet sites that contain pornographic or other offensive material.
- Setup of a competing business.
- Misuse of confidential information.
- Serious insubordination.
- Discrimination or harassment.
- Bringing the organisation into serious disrepute.
- Offering or accepting bribes.
- A serious breach of health & safety regulations.
- A serious breach of confidence.
- Causing loss, damage, or injury through serious negligence.
- Serious incapability at work due to alcohol or illegal drug use.

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).

17.0 Family friendly rights

17.1 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.

Maternity leave

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 at least 15 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 start and return date.

An employee must give you 28 days' notice of the date they want to start their SMP. This is usually the same date they want to start their leave. 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.

Statutory maternity pay and Maternity Allowance

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 average weekly earnings at least equal to the lower earnings limit for National Insurance contributions.

SMP is payable for up to 39 weeks; for the first six weeks it is paid at 90 percent of the average weekly earnings (before tax). The following 33 weeks will be paid at the SMP rate or 90 per cent of the average weekly earnings (whichever is the lower). The SMP rate is currently £187.18 per week or 90% of average weekly earnings (whichever is lower) for 2025/26. The standard rate for SMP is reviewed every April.

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 and earning £30 a week or more in at least 13 weeks.

Redundancy Protection During Pregnancy and Family Leave

Employees are protected from redundancy during periods of maternity, adoption, and shared parental leave.

From 6 April 2024, this protection has been extended to cover the period from the point an employee informs their employer that they are pregnant until 18 months after the birth or adoption (before this, employees were only protected whilst on maternity leave).

During this time, if a redundancy situation arises, employers must offer the affected employee priority consideration for any suitable alternative vacancy before others are considered.

This protection applies equally to employees on maternity, adoption, or shared parental leave, and continues for a period after they return to work. It must be noted, if an employee takes less than 6 weeks shared parental leave, the protection ends on the last day of their leave. However, if the employee takes 6 *weeks or more* of continuous leave, the protection ends 18 months after the birth or adoption.

Employers should ensure redundancy processes and selection criteria reflect these obligations and align with the company's policy on handling redundancies (see Handling Redundancies section).

17.2 Shared Parental Leave

Employees and their partners may be able to get Shared Parental Leave (SPL) and Statutory Shared Parental Pay (ShPP) if they're having a baby or adopting a child. They can share up to 50 weeks of leave and up to 37 weeks of pay between them. They need to share the pay and leave in the first year after their child is born or placed with the family.

SPL can be taken in blocks separated by periods of work, or all in one go. Employee's and their partners can also choose to be off work together or to stagger the leave and pay.

To get SPL and ShPP, the employee and their 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

17.3 Paternity

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 or having a baby through surrogacy.

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.

Paternity leave (timing and blocks) – employees can take either 1 or 2 weeks. If taking 2 weeks, these can be together or as two separate 1-week blocks.

Leave cannot start before the birth and must be taken within 52 weeks of the birth (or placement for adoption). Employees should give 28 days' notice of the intended start date(s); a general time window (for example, "from the day of birth") is acceptable at first.

Eligibility note – Eligibility rules for statutory paternity leave and pay (including the 26 weeks' service test and lower earnings limit) still apply at the time of writing; Government proposals would make leave a 'day-one' right in future but are not yet in force. Keep your current eligibility checks.

Rate – Statutory Paternity Pay is £187.18/week or 90% of average weekly earnings (whichever is lower) until 6 April 2026 when it will then increase to £194.32 per week. Like Statutory Maternity Pay, Statutory Paternity Pay is normally reviewed in April each year.

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.

17.4 Carer's Leave

Carer's Leave (from 6 Apr 2024) – A Day-one right to up to one working week of unpaid leave in any 12 months to arrange or provide care for a dependant with a long-term care need. The leave can be taken in any combination of whole or half days up to one continuous week. The employee must give notice of at least three days, or twice the number of days (or part-days) of leave requested - counting a half-day as a full day - whichever is greater, unless the employer agrees to accept shorter notice. Add a simple request form and manager guidance.

17.5 Neonatal Care Leave and Pay

Since 6 April 2025, parents will have a new right to take Neonatal Care Leave if their baby is admitted to hospital for specialist care soon after birth.

This entitlement allows parents to spend time with their baby while they receive hospital treatment and sits in addition to maternity, paternity, or adoption leave.

Eligibility:

- Applies when a baby is admitted to neonatal care within 28 days of birth and remains there for at least seven consecutive days. Only then can parents apply.
- All employees have a day-one right to Neonatal Care Leave.
- Employees with 26 weeks' continuous service and average weekly earnings above the Lower Earnings Limit are entitled to Statutory Neonatal Care Pay (SNCP) during this leave. The employee must have received normal weekly earnings for a period of eight weeks, ending with the relevant week, of not less than the lower earnings limit.

Pay:

- SNCP is paid at the statutory rate (£187.18 per week until 6 April 2026 when it will then increase to £194.32 per week) or 90% of average weekly earnings, whichever is lower.
- Pay is available for up to 12 weeks, depending on the length of the baby's hospital stay.

Length and timing:

- Up to 12 weeks' leave may be taken, depending on how long the baby remains in neonatal care.
- Minimum 1 week of leave can be taken.
- Leave must be taken within 68 weeks of the child's birth and may be taken in one continuous block or as separate periods, depending on the circumstances.

Employment rights:

- During Neonatal Care Leave, employees remain entitled to all contractual benefits (except pay) and continue to accrue holiday.
- Employees are protected from dismissal or detriment for taking or requesting this leave.

Employer considerations:

- Update family-friendly policies and payroll systems to include Neonatal Care Leave and Pay.
- Ensure managers handle requests sensitively and that this leave runs in addition to, not instead of, other family leave.
- Keep good records of eligibility, notice, and evidence, in line with your maternity and paternity processes.

17.6 Antenatal Appointments

Fathers and partners of pregnant women are entitled to unpaid time off to attend two antenatal appointments. Each appointment can be up to **6.5 hours**, including travel time.

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.

17.7 Adoption

- 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 though 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, payable for up to 39 weeks. For the first 6 weeks employees will get 90% of their average weekly earnings.
- For the following 33 weeks employees will receive £187.18 per week (until 6 April 2026 when it will then increase to £194.32 per week) or 90% of average weekly earnings (whichever is lower).

Eligibility for adoption pay:

To qualify, you must:

- Have been employed by your current employer continuously for at least 26 weeks.
- Earn a minimum of £125 per week (before tax) during the 8 weeks leading up to the week you are matched with a child.
- Notify your employer within the required timeframe and provide the necessary details.
- Supply evidence of the adoption or fostering-to-adopt arrangement.

18.0 Flexible Working

Employees have a statutory right to request flexible working arrangements. This can include changes to working hours, working patterns, or place of work (for example, hybrid working or compressed hours).

Key points (from 6 Apr 2024): day-one right; up to two requests in any 12 months; consult before refusing; decision within 2 months unless extended by agreement; no employee duty to set out business impact. Follow the Acas Code of Practice (2024).

Eligibility

- Only employees can submit a statutory request for flexible working.
- You may make up to two statutory requests within any 12-month period. However, once a request is in progress, you cannot submit another to the same employer until the first has been fully dealt with.
- Agency workers are generally not eligible to make statutory requests, except in cases where they are returning from parental leave.

Making a request

Employees can make up to two requests in any 12-month period. Each request must:

- Be made in writing;
- Be dated;
- State that it is a request made under the statutory procedure;
- Specify the change requested (e.g. working hours, pattern, or location);
- State whether the employee has previously made an application to the employer and, if so, when;
- Explain when the employee would like the change to start.

There is no longer a requirement for employees to explain the potential impact of their request on the business, though they may still choose to do so to support discussion.

It is important to note that an employee can only make a second request, after their first one has been processed and dealt with.

Employer response

Employers must consult with the employee before reaching a decision and should approach requests constructively and without bias.

A final decision must be given within two months of receiving the request (unless both sides agree to extend this timeframe).

Requests may only be refused for one or more of the following business reasons:

1. The burden of additional costs;
2. Detrimental effect on ability to meet customer demand;
3. Inability to reorganise work among existing staff;
4. Inability to recruit additional staff;
5. Detrimental impact on quality;
6. Detrimental impact on performance;
7. Insufficient work available during proposed working times; or
8. Planned structural changes.

Outcome

If the request is approved, the agreed changes are permanent unless otherwise stated. A variation to the employee's contract will be issued confirming the new terms.

If the request is refused, the employee should receive written reasons for the decision and may have the right to appeal in line with company policy.

Good practice

Managers are encouraged to discuss flexible options early in the employment relationship, including at recruitment or induction stage, to ensure work design supports both business needs and work-life balance.

The company is committed to handling all flexible working requests fairly and in accordance with the ACAS Code of Practice (2024).

18.1 Working patterns

Employees, workers and agency workers have the right to request a more predictable working pattern where their current arrangements lack regularity or certainty.

This right is designed to help those on zero-hours, variable-hours, or short fixed-term contracts gain greater stability, while allowing employers to manage operational needs fairly and consistently.

Eligibility

- Available to all workers and agency workers with at least 26 weeks' service (this does not have to be continuous).
- Applies where there is no certainty about the hours, days or times of work, or where the contract is for 12 months or less.

Making a request

- A worker can make up to two requests in any 12-month period.
- Requests must be in writing, dated, state the change being sought (for example, regular weekly hours or a longer-term contract) the proposed start date and whether the worker has made a previous request to their employer for a predictable working pattern.

Employer response

- Employers must consider the request reasonably and respond within one month.
- A request may only be refused for one or more of the following business reasons:
    1. Additional costs would be too great;
    2. It would have a detrimental effect on customer demand;
    3. It would impact the organisation's ability to meet staffing requirements;
    4. There is insufficient work during the requested periods; or
    5. The organisation has planned structural changes.

Good practice

Managers should discuss working patterns openly, exploring options that balance business needs with worker stability.

Requests and outcomes should be recorded in writing, and decisions handled consistently with the ACAS Code of Practice on Predictable Working Patterns (2024).

This right complements the company's Flexible Working policy but applies specifically to workers with unpredictable or irregular arrangements.

18.2 Holiday Pay for Irregular Hours and Part-Year Workers

From 1 April 2024, new rules were introduced to simplify how holiday entitlement is calculated for people with irregular hours or who only work part of the year (for example, zero-hours, seasonal, or term-time contracts).

These reforms were designed to give clarity following the Harpur Trust v Brazel case, which had created uncertainty for employers.

What this means for small employers:

- Holiday entitlement can now be accrued at 12.07% of the hours worked in each pay period for irregular-hours or part-year workers.
- Employers may choose to use rolled-up holiday pay, meaning holiday pay is added to each payslip rather than paid when leave is taken, provided it is shown clearly as a separate item on the payslip.
- Rolled-up holiday pay and the 12.07% accrual method only apply to irregular-hours and part-year staff, not to employees with fixed hours or full-year contracts.
- Workers must still be given the opportunity to take time off for rest even if their holiday pay is rolled up.

Irregular-hours & part-year workers (leave years starting on/after 1 Apr 2024) – Holiday accrues at 12.07% of hours worked each pay period. Rolled-up holiday pay is permitted for these workers (show as a separate line on payslips). Keep evidence and calculations. (These changes align practice after Harpur Trust v Brazel confusion.)

For further guidance and examples, visit: https://www.gov.uk/holiday-entitlement-rights/holiday-pay-the-basics.

19.0 Working from home

Employers have a duty of care to ensure home workers have a safe working environment. This doesn't mean visiting every home, but it does mean:

- Carrying out a basic risk assessment, including checks for workstation setup, lighting, and electrical safety.
- Ensuring Display Screen Equipment (DSE) assessments are completed for anyone who regularly uses a computer or laptop.
- Providing advice on breaks, posture, and safe working practices.

Templates and simple guidance are available from the Health and Safety Executive (HSE): www.hse.gov.uk/toolbox/workers/home.htm.

Data security and confidentiality

Staff working remotely must follow the same data protection and confidentiality rules as they would in the office. Employers should:

- Provide clear guidance on storing, transferring, and disposing of confidential information securely.
- Ensure that devices are password-protected and use up-to-date antivirus software.
- Remind staff not to share sensitive client or employee information over unsecured networks or personal devices.

Communication and management

Managers should maintain regular contact with home-based employees to monitor workload, wellbeing, and inclusion.

Simple steps such as scheduling regular check-ins, encouraging video calls, and ensuring access to key updates can prevent isolation and help staff feel part of the wider team.

20.0 Tax-free Childcare

Childcare vouchers

This scheme is no longer available and has been closed to all new applicants from October 2018. However, employers may be able to help their employees with childcare costs using childcare vouchers or other schemes, for example, an employee's 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. If 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/

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 can use Tax-Free Childcare together with the 30 hours free childcare scheme 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, 30 hours free childcare can be received alongside these schemes.

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 (up to £4,000 if a child is disabled) 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.

30 hours free childcare

From September 2025, all working parents (who individually earn more than £9,518 but less than £100,000), will be able to claim 30 hours of governmentfunded childcare a week, over 38 weeks of the year, all the way through from nine months up to their child starting school.

These schemes can be applied for via an online application called the childcare service. For more details, please go to Free childcare: How we are tackling the cost of childcare – The Education Hub or https://childcare-support.tax.service.gov.uk/.

Details of any childcare benefits offered should be included within your employee's handbook.

21.0 Auto Enrolment

Under the Pensions Act 2008, all employers must automatically enrol eligible employees into a workplace pension scheme and contribute towards it. Auto enrolment helps workers build their own retirement savings to sit alongside the State Pension.

Who must be enrolled

All employers are part of the auto enrolment system. Employees must be automatically enrolled if they:

- Are aged 22 or over and under State Pension age;
- Earn more than the earnings trigger (£10,000 per year for 2025/26); and
- Work, or usually work, in the UK.

Employees who do not meet all these conditions can still ask to join the workplace pension, and in some cases, employers may need to contribute.

Contributions

Once enrolled, employers must contribute at least 3% of qualifying earnings, and employees must contribute enough to bring the total minimum contribution to 8%.

Qualifying earnings for 2025/26 are between £6,240 and £50,270.
Pension contributions are calculated on the portion of pay within that band.

Employees can choose to pay more than the minimum if they wish to boost their retirement savings. Their pension pot will grow through:

- Employee contributions,
- Employer contributions, and
- Government tax relief on personal payments.

Future changes

The Pensions (Extension of Automatic Enrolment) Act 2023 gives the Government power to extend auto enrolment by:

- Lowering the age threshold from 22 to 18, and
- Removing the lower earnings limit, so contributions count from the first pound earned.

These changes are not yet in force, but small employers should be aware that they are expected to be introduced through future regulations.

21.1 Opting out

Employees can choose to opt out of auto enrolment after they've been added to the scheme.

- If they opt out within one month, any contributions already paid will be refunded in full.
- If they leave the scheme later, their contributions will remain invested until they retire or transfer the pension elsewhere.

Employers must not encourage or pressure staff to opt out.

Employees who opt out will usually be automatically re-enrolled every three years if they still meet the eligibility criteria, as required by The Pensions Regulator.

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.

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

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.

22.1 Key points to consider when handling redundancies:

- 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 employees
    - 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 more than two years' service. 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.

22.2 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.

22.3 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. 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 unions 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.

22.4 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.

22.5 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 employee's 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.

Statutory redundancy pay uses age-band multipliers, capped at 20 years' service. For dismissals on or after 6 April 2025, weekly pay is capped at £719, and the maximum statutory payment is £21,570. (Age-band multipliers and the 20-year limit are unchanged.)

Up to £30,000 of redundancy pay can be paid tax free.

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

Calculate your employee's statutory redundancy pay

22.6 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 week's 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.

23.0 Protecting the business

23.1 Intellectual Property

It's likely that your employees will create work that carries intellectual property (IP) rights. This does not just apply to those who are developing inventions in a research and development department. Employees could also be creating potentially valuable IP if, for example, they are:

- compiling databases
- writing marketing material
- producing training brochures.

It is important that rights to IP created by employees generally belong to the employer. Showing that employees have an employment contract is usually enough to prove you own all IP rights. However, it's a good idea to state the position explicitly in employees' contracts as this prevents any confusion arising – perhaps over work created outside office hours or as a by-product of specified work.

23.2 Restrictive covenants

Every business has information that it considers both integral and invaluable to its success. Restricting the use of this information by employees after their employment has ended may be vital to the protection of your business or customer contacts. An ex-employee who has knowledge of your technology, strategic information or customers or clients may be an attractive asset to a competitor seeking to encroach upon your market.

There are certain terms which are implied into employees' contracts which may provide a certain level of protection for employers whilst the employee's employment continues.

However, an employer may seek to protect the use of this information both during employment and after the employment ends through restrictive covenants. Many employers include restrictive covenants in the contracts of employment of senior or highly skilled employees at the commencement of the employment relationship. Having such clauses may help to deter employees from joining competitors and help protect the business' interests if they were to leave.

A restrictive covenant is typically a clause in a contract which prohibits an employee from competing with their ex-employer for a certain period after the employee has left the business or prevents the ex-employee from soliciting or dealing with customers of the business by using knowledge of those customers gained during his prior employment.

The starting point for any such post-termination restriction is that it is void on the grounds that it is a restraint of trade and contrary to public policy. It follows that an employer is generally not entitled to protect himself against competition from his ex-employees. However, if the ex-employer can show a court that the covenant is designed to protect his legitimate business interests and that it extends no further than is reasonably necessary to protect those interests, then it will be upheld and enforced. However, a one-size fits-all policy on restrictive covenant clauses risks the clause becoming unenforceable so restrictive covenants should be tailored to the nature of the business and the employee's role.

23.3 Garden leave

Garden leave is also commonly used in conjunction with restrictive covenants for maximum effect. The inclusion of a garden leave clause in a contract of employment allows an employer to require the employee to spend all or part of their notice period at home whilst continuing to receive their usual salary and benefits.

The benefit of a garden leave clause is that it prevents the employee from taking up other employment with a competitor whilst enabling the employee's successor to establish himself and develop relationships with the employee's customers and contacts. Whilst on garden leave the employee is also no longer privy to the company's confidential information and what information they do have will become out of date.

To be able to place an employee on garden leave the employer will need to have an express clause in their contract. Any such clause is subject to a test of reasonableness in relation to its duration. The period of garden leave should not be unduly long as the longer the period, the less likely it is that it would be enforceable in full.

23.4 IT and Social Media

Effective use of the internet and email can bring significant benefits to the business. However, unregulated use of technology can cause serious issues with employees, such as:

- wasting time surfing the internet
- sending personal emails
- clogging up the system with large attachments
- exposing your IT systems to cyber threats, e.g., viruses, phishing emails, etc
- sharing sensitive business information externally without authorisation
- breaching data privacy laws and regulations

Use of the internet by employees should only be permitted and encouraged where such use supports the goals and objectives of the business. If an employee produces, collects and/or processes business-related information in the course of their work, the information remains the property of company. This includes such information stored on third-party websites such as webmail service providers and social networking sites, such as Facebook and LinkedIn.

Where it is believed that an employee's behaviour is unacceptable, they should face the company's disciplinary procedure.

23.5 Data Protection

Updated data protection laws give individuals more control than ever over their personal data as the digital age develops and evolves. Information is easily transferred nationally and internationally, making data protection a complex global issue.

Companies should therefore:

- Appoint a data protection officer to cover all aspects of information including Data Protection Act (DPA) and Freedom of Information Act compliance.
- Audit information systems to find out who holds what data, and why.
- Consider how data is used, and issue guidelines for managers about how to manage data.
- Ensure that all information collected complies with the DPA and the General Data Protection Regulation (GDPR).
- Check the security of information stored.
- Check the transfer of data internationally.
- Check the organisation’s use of automated decision making.
- Review policies and practice, for example, giving references and the private use of telephones, email, and post.
- Monitor data compliance on an ongoing basis.

23.6 Confidential Information

Confidential information means personal communication or information relating to an organisation’s business that is unknown to the public and only shared between a few people. This information comes into the possession of the company through its work.

Common examples of confidential information include, but are not limited to, the following:

- Unpublished financial information.
- Customer lists and data.
- Intellectual property, such as patents, formulas, and new technologies.
- Data from external parties.
- Business and product information, such as pricing, marketing, and other strategies.
- Documents marked confidential.
- Unpublished goals and forecasts marked confidential.

Obligations on employees:

- All information should only be disclosed to others when authorised by senior management.
- Confidential information should not be used for personal profit or benefit.
- Confidential information must not be replicated and stored on insecure devices.
- Restrictions will continue to apply even after the employee has stopped working for the organisation provided it is expressly set out in their contract of employment.
- All personal data will be dealt with sensitively and in the strictest confidence internally and externally.

24.0 Health, Safety and Wellbeing at Work

Every business, no matter how small, has a legal duty under the Health and Safety at Work etc. Act 1974 to protect the health, safety and wellbeing of its employees. This includes both physical and mental health.

The focus has naturally shifted since COVID-19, but many of the lessons learned remain relevant, such as managing illness in the workplace, enabling staff to work safely from home, and supporting mental wellbeing.

What small employers should do:

- Carry out a risk assessment and keep it up to date. This should cover all working environments - office, home, or hybrid.
- Communicate clearly with staff about your health and safety procedures, including what to do if they're unwell or infectious.
- Have a sickness and absence process that sets out when employees should stay home, how to report illness, and what support is available.
- Encourage wellbeing conversations. Check in with staff regularly, particularly if workloads are high or people are working remotely.
- Keep records of any accidents, near-misses, or health-related concerns, and act promptly to prevent recurrence.

Infectious diseases and public health

While there are no longer COVID-specific rules, employers should still plan how they would manage any future outbreaks or public-health risks. Having clear procedures in place for hygiene, remote working and communication will help minimise disruption if staff illness levels rise.

Wellbeing

Supporting employee wellbeing is now considered part of good management practice. Promoting open dialogue, reasonable workloads,

and access to support when needed can reduce absence and improve retention.

Where to find more help

The Health and Safety Executive (HSE) website provides free templates and guidance for small businesses.

25.0 Dignity at Work

Every business, regardless of size, has a responsibility to create a workplace where people feel respected, safe, and able to do their best work.

From 26 October 2024, employers have a new legal duty to take reasonable steps to prevent sexual harassment of workers. This means you must act proactively to stop inappropriate behaviour before it happens, not just respond after an incident has occurred.

A culture of respect and inclusion isn't just about compliance, it protects your business, supports employee wellbeing, and reduces the risk of grievances or claims. Even small teams benefit from clear boundaries and expectations.

What to do:

- Have a clear policy. Set out what behaviour is expected at work, during client meetings, and at social or online events. Make sure everyone understands that harassment, bullying, or discrimination will not be tolerated.
- Communicate regularly. Talk openly about standards of behaviour and remind staff how they can raise concerns informally or formally if needed.
- Lead by example. Managers and business owners set the tone. Professional, respectful behaviour at all levels helps prevent problems from developing.
- Provide information or short training. Even a short discussion or briefing can help staff recognise what counts as inappropriate behaviour and how to handle it.
- Assess the risks. Think about situations where unwanted behaviour could occur, for example, social events, lone working, hybrid meetings, or third-party interactions, and put safeguards in place.

- Respond quickly. If a concern is raised, act promptly and fairly. Take all complaints seriously, investigate when appropriate, and keep the person informed.

Further guidance

The Equality and Human Rights Commission (EHRC) has produced practical checklists and templates to help employers meet this new duty: www.equalityhumanrights.com.

26.0 Senior Manager and Certification Regime (SMCR)

The SMCR has replaced the Approved Persons regime for all FCA-solo-regulated firms, so the Approved Persons Regime now only applies to appointed representatives and benchmark administrators.

26.1 Overview of the SMCR

The regime has three key elements:

1. Senior Managers Regime
Each firm must assign Senior Management Functions (SMFs) to individuals who hold overall responsibility for specific business areas or prescribed responsibilities.

- Each Senior Manager must have a written Statement of Responsibilities setting out what they are accountable for.
- Individuals performing SMFs must be pre-approved by the FCA before taking up the role.

2. Certification Regime
This applies to employees whose roles could cause significant harm to the firm or its customers.

- These individuals do not require FCA pre-approval, but the firm must assess and certify them as fit and proper both before appointment and at least annually thereafter.

3. Conduct Rules
These are a set of high-level principles that apply to most staff within regulated firms (excluding purely ancillary roles such as receptionists or cleaners).

- There are two tiers of rules: Individual Conduct Rules and Senior Manager Conduct Rules.

- Firms must ensure all relevant staff understand how the rules apply to them and receive appropriate training and awareness.

The overall purpose of the regime is to embed accountability and make it easier for regulators to identify and address misconduct.

26.2 Key HR considerations

The SMCR has important implications for HR and compliance teams. Policies, procedures, and role training should all align with the expectations of both SMCR and the FCA's Consumer Duty, which came into force for:

- Open products and services – 31 July 2023
- Closed products and services – 31 July 2024

The Consumer Duty reinforces the requirement for staff at every level to act to deliver good outcomes for retail customers, so firms should ensure that training, conduct-rule mapping, and appraisal processes reflect this.

Practical considerations for HR and managers

- Breaches of the Conduct Rules: The FCA can investigate and take enforcement action against any employee subject to the rules.
- Firms must notify the FCA when formal disciplinary action is taken for a breach.
- HR and compliance teams should ensure disciplinary and investigation procedures take account of these obligations.
- Regulatory references: Firms must provide regulatory references covering the previous six years (unless there has been serious misconduct when the whole course of conduct should be captured even if longer than six years) when hiring for SMF or Certification roles.
- Responsibility for managing references sits within the Senior Manager Function framework and should be integrated into HR's recruitment and record-keeping processes.

- Fit and Proper assessments: Firms must carry out and document annual fitness and propriety reviews for all Certified staff, considering competence, integrity, and financial soundness.

26.3 Future developments

In early October 2025, the FCA and HM Treasury closed their consultation on reforms to the SMCR (2025) as part of their broader "Smarter Regulatory Framework" review. No day-to-day changes are required yet and firms should maintain existing controls until final rules are published (expected during mid-2026). The FCA is also introducing new rules on Non-Financial Misconduct from 1 September 2026.

27.0 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
https://www.equalityhumanrights.com/employer-8-step-guide-preventing-sexual-harassment-work

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

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:

Developments:

JOB SKILLS

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

Rating	**1**	**2**	**3**	**4**	**5**	**Not Applicable**
Possesses sufficient job skills and knowledge to perform the job in a competent manner. Can demonstrate skills and knowledge in day-to-day situations. This is distinctly different from those individuals who lack sufficient job skills or knowledge to meet job requirements or who have the skills and knowledge yet struggle to apply them to day-to-day situations on the job. Characteristics to consider expertise in position, knowledge/functionality in other related positions. Time required to perform routine and other tasks, accuracy of work, appropriate use of resources, training completed.						

Comments:

Developments:

COMMUNICATIONS

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

Rating	**1**	**2**	**3**	**4**	**5**	**Not Applicable**
Communicates effectively and appropriately (both written and verbally). Uses good judgment as to what to communicate to whom as well as the best way to do this. Speaks in a clear and credible manner, selecting the right tone for the situation and audience. Listens to others and allows them to make their point. This is quite different than those who tend to select the wrong means of communicating, or who communicate information to inappropriate people. It also contrasts with those whose messages are not clear or lack credibility, as well as those who demonstrate poor listening skills and are unreceptive to feedback. Characteristics to consider communication with supervisor/manager, patience in hearing other's viewpoints, and	○	○	○	○	○	○

clearness in their communication to others.						

Comments:

Developments:

TEAMWORK

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

Rating	**1**	**2**	**3**	**4**	**5**	**Not Applicable**
Is an effective team player who adds complementary skills and contributes valuable ideas, opinions, and feedback? Communicates in an open and candid manner and can be counted upon to fulfill any commitments made to others on the team. Shows genuine sensitivity to the needs, feelings, and capabilities of other people. Deals with others in a pleasant manner. Treats others with respect and consideration. Characteristics to consider: easy to approach, builds rapport with team/other departments, puts others at ease, sensitive to urgency of requests from others, encourages and inspires others to achieve excellent performance and works to resolve issues/concerns in appropriate manner.	○	○	○	○	○	○

Comments:

Developments:

HIGHLY EFFICIENT/RESOURCEFUL

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

Rating	**1**	**2**	**3**	**4**	**5**	**Not Applicable**
Takes ownership, works smart, and constantly seeks to improve and streamline. High productivity standards, low error rate, high quality of work and accomplishment of goals, able to meet deadlines, and process improvement suggestions Characteristics to consider: organizational skills, time management skills.	○	○	○	○	○	○

Comments:

Developments:

INITIATIVE

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

Rating	**1**	**2**	**3**	**4**	**5**	**Not Applicable**
Recognises opportunities and initiates actions to capitalise on them. Looks for new and productive ways to make an impact. Demonstrates this characteristic when it comes to generating new ideas or processes, capitalising on new business opportunities, seeking-out and taking-on increasing responsibility or resolving problems as they occur. Uses sound judgment about when to act and when to seek guidance or permission. This contrasts with those who fail to notice opportunities, wait to be asked or instructed before acting, seldom offer new ideas or express reservations about taking on additional responsibilities.	○	○	○	○	○	○

Comments:

Developments:

COMMITTED TO ORGANISATION

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

Rating	**1**	**2**	**3**	**4**	**5**	**Not Applicable**
Consider the extent to which the employee asks, "What can I do for the company to make it better?" good attendance record, high follow-through on tasks, reliable in completing assignments, participates in voluntary activities, meets individual and department goals, is alignment with culture, values, and mission of company. Characteristics to consider: professionalism, reliability, loyalty and dependability.	○	○	○	○	○	○

Comments:

Developments:

	1	2	3	4	5
Overall Performance Rating					

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.

Development and training

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.

Career planning

This section should record any areas of the department or Company in which the employee has expressed a specific interest.

Other areas of discussion *This section should record any other points raised at the review meeting.*

Employee's signature:	
Manager's signature:	
Date:	

One copy of this completed form will be kept by the employee and one in the employee's personnel file.

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

About us

Panacea Adviser

Panacea Adviser is a unique and **free** resource that supports financial advisers, mortgage brokers and paraplanners by providing easy online access to the very latest news, views, tools, research, educational support and business development ideas from product providers and support services all in one place.

http://www.panaceaadviser.com

Foot Anstey

Selling financial advice to the public is a tricky business. Each day customers look to you to steer them through complex investments, transactions and financial products. The FCA expects you to comply with an ever-growing handbook. Competitors large and small look to snap up a bigger share of the market.

And somewhere within it all, you need to run a business which turns advice into profit.

But who advises the advisors? That's where Foot Anstey come in. They know the retail financial services industry from your side and have lawyers dedicated to helping IFAs and restricted advisers do their job.

https://www.footanstey.com/sector/retail-financial-services/

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