

# EMPLOYMENT LAW FACTS & FIGURES 2018 - 2019

A handy guide of employment law updates and reminders for your business.



## STATUTORY PAYMENTS

April 2018

Category	Rate as of April 2018	Previous Rate
Maternity, adoption, paternity and shared parental pay	£145.18	£140.98
Maternity allowance	£145.18	£140.98
Statutory sick pay	£92.05	£89.35
Statutory redundancy pay	£15,240	£14,670

## NATIONAL MINIMUM WAGE

1<sup>st</sup> April 2018

Category	Rate as of April 2018	Previous Rate
National Living Wage (age 25+)	£7.83	£7.50
Standard adult rate (age 21-24)	£7.83	£7.05
Development rate (age 18-20)	£5.90	£5.60
Young workers rate (age 16-17)	£4.20	£4.05
Apprenticeship rate	£3.70	£3.50

## MANDATORY GENDER PAY GAP REPORTING

4<sup>th</sup> April 2018

- In a bid to tackle the gender pay gap, and to promote pay transparency, large private and voluntary sector employers (those with 250 or more employees) are required to publish annual information on their gender pay gap under the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.
- First reports were due on 4 April 2018 and the process will need to be repeated annually, with figures retained on-line for three years.

## TERMINATION PAYMENTS

6<sup>th</sup> April 2018

- All payments in lieu of notice, including payments where there is no contractual PILON clause, will be subject to income tax and class 1 NICs.
- Essentially, the part of the termination payment which is equivalent to the employee's basic salary, will be subject to tax if (and to the extent that) notice is not worked.

## TRIBUNAL COMPENSATION LIMITS

6<sup>th</sup> April 2018

- The maximum compensatory award for unfair dismissal will rise from £80,541 to £83,682.
- The maximum amount of a week's pay, used to calculate statutory redundancy payments and various awards including the basic and additional awards for unfair dismissal, also rises from £489 to £508.

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## GENERATION DATA PROTECTION REGULATION (GDPR)

25<sup>th</sup> May 2018

- The GDPR came into force on 25 May 2018 and it is enshrined in UK statute by the Data Protection Act 2018.
- The sanctions for breaching the law have become more stringent, with fines of up to 20 million euros, or 4% of global turnover.
- Companies will need to show compliance with GDPR by updating their data protection policies and procedures, and considering their retention of data.

## EMPLOYMENT STATUS CONSULTATION

1<sup>st</sup> June 2018

- The consultation into categories of worker and employment protections, closed on 1 June 2018.
- This review considered the modern framework used in providing rights for workers and whether employment law surrounding worker status is clear enough for businesses and employers to understand and apply.
- This consultation should provide some clarification as to rights for workers in the gig economy and other modern working practices.

## ENQUIRY INTO SEX DISCRIMINATION

5<sup>th</sup> October 2018

- An enquiry into the effectiveness of the Equality Act has been launched by the House of Commons and Equalities Committee. Submissions to the enquiry must be made by 5 October 2018.
- The Committee has made numerous recommendations, including;
  - Increasing the use of EHRC's enforcement powers
  - Extra time for submitting sexual harassment and pregnancy/maternity claims.
  - Increasing regulator involvement in tackling discrimination, where applicable.

## ABOLITION OF CHILDCARE VOUCHERS

October 2018

- The workplace childcare voucher system was due to close on 5 April 2018. However, the government has delayed this by six months, until October 2018.
- Tax-free childcare, which will allow families to claim up to £2,000 per child, will be replacing the voucher system.

## EXECUTIVE PAY GAP REPORTING REGULATIONS

1<sup>st</sup> January 2019

- UK listed companies with more than 250 employees are now required to report annually on the pay gap between their chief executive and their average UK worker, from 2020.
- The new regulations made on 17 July 2018, under the Companies Act 2006, will come into force on 1 January 2019. It is estimated that 900 businesses will have to report on this.



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