



Thames North Synod

EMPLOYMENT NEWSLETTER New Year 2008

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May I take the opportunity to wish you a peaceful New Year

Please share this newsletter with your Church Secretary and other members of your church who are involved in employment matters.

Contact:

*Carla Watts Human Resources Coordinator 020 8839 9410
Email: carlawatts@lineone.net
Tuesdays to Thursdays*

a Recent Legal Changes

- ♦ Merger of 3 commissions (Equal Opportunities, Racial Equality and Disability Rights) into Commission for Equality and Human Rights on 1st October 2007
- ♦ Statutory Maternity Leave extended to all female employees i.e. no qualifying period required. Early returners to give 8 weeks' notice to employer, and paid "keeping in touch" days encouraged
- ♦ Statutory Maternity Pay, maternity allowance and Statutory Adoption Pay periods increased from 6 to 9 months for due dates from April 2007
- ♦ Extension of right to request flexible working to employees who are, or who expect to be, caring for an adult
- ♦ Minimum statutory holiday entitlement increases from 20 days to 24 days per year from 1st October 2007. *(Note that the contract must state that public holidays are included in the entitlement if the statutory minimum is the employer's policy. A majority of employers add public holidays to the minimum)*

- ◆ The Court of Session has affirmed that an employer who does not give a part-time employee pro rata days off work to reflect Monday bank holidays is not discriminating under the Part Time Workers (Prevention of Less Favourable Treatment) Regulations 2000
- ◆ The Data Protection Act fully enforceable from 24th October 2007 i.e. manual filing systems to comply fully with regulations from that date
- ◆ Information and Consultation of Employees Regulations 2004 applies to all organizations with more than 100 employees from April 2007 (include duty to consult on changes to occupational and personal pensions)

b *Future Legal Changes*

- ◆ From 1st October 2008, all public holidays must be granted i.e. minimum of 28 days paid holiday for fulltime employees. Note: there is a limited period to pay in lieu for backdated additional holiday. Guidelines for holiday years that run from 1st January to 31st December on www.snowdrop.co.uk/index
- ◆ Statutory Maternity Pay, maternity allowance and Statutory Adoption Pay periods expected to increase to 12 months from 2009/10
- ◆ Regulations to provide fathers and adoptive fathers with up to 6 months paternity leave, if the mother returns to work before the expiry of leave entitlement (date not yet confirmed)
- ◆ Information and Consultation of Employees Regulations 2004 will apply to all organizations with more than 50 employees from April 2008
- ◆ Retirement age is likely to be reviewed to consider whether the default of age 65 or any age is still necessary, in 2011. Possible rise in State Pension Age.
- ◆ Reform of pension provision, including automatic enrolment in personal pension scheme, matching employer contribution
- ◆ April 2008, further clarification regarding which contractual terms continue to apply during the 26 weeks of Additional Maternity Leave.
- ◆ Changes to National Insurance and the relevant treatment of pensions contributions in this regard in 2008/9
- ◆ Change to the school leaving age to 18: employers wishing to employ 16/17 year olds will need to ensure that such employees will be participating in accepted training during the employment
- ◆ Border & Immigration Agency (BIA) proposes penalty of £10,000 for organisations who are lax in checking prospective employees' right to work in this country. Also new criminal 'knowing' offence, with a maximum two-year prison sentence for employers who deliberately employ illegal workers.



c *Health and Safety*

- Employers who fail to ensure that employees drive safely in employer-supplied vehicles could face prosecution for crashes. From April 2008, employers

should check validity of MOTs, insurance and driving licenses, and on unreasonable hours on staff which may lead to them driving when tired

- Employers have a general duty under section 2 of the Health and Safety at Work etc Act 1974 to ensure, so far as reasonably practicable, the health, safety and welfare of their employees at work. People in control of non-domestic premises have a duty (under section 4 of the Act) towards people who are not their employees but who use their premises
- Ban on smoking in enclosed public places, including workplaces, on 1st July 2007. Notices of a defined size and content required to be displayed at every entrance. Fixed penalties will be applied for non-compliance
- Employers with over 5 employees must have a written health and safety policy available to all employees
- Under Working Time Regulations, employers must ensure that workers are able to take at least the statutory minimum rest break i.e. 20 minutes for those working more than 6 hours
- Since October 2006, the law on Fire Safety changed, emphasising risk assessment and reduction and fire prevention. Fire certificates are no longer issued. More detailed guidance from www.communities.gov.uk/index
- Food hygiene regulations 2006. Organisations providing food on a regular basis (free or paid) should register with the local authority environmental health department, to arrange inspections at determined intervals. Food Standards Agency provides guidance at www.food.gov.uk/foodindustry/regulation



Issue under the Spotlight

◇ **Use of church computers**

If you allow internet access for private use, this should be clarified with a policy, communicated to all employees, stating:

- occasions when employees can use the internet for private purposes at work (e.g. at any time, only at lunchtimes, after work)
- that the employer may block employee access to unauthorised sites
- the likely sanctions for breaches of the policy

Socialising in cyberspace is now commonplace. When employees abuse the facility, employers need to take action, supported by a clear policy communicated to all staff

◇ **Trustee training**

You should be aware of the Charity Commission's requirements on trustee induction. Without proper induction it may take a new trustee more than a year to become effective. A good induction programme has 2 elements:

- training on the generic responsibilities and role of the trustee, and
- induction to your specific organisation

◇ Home working and tax

Some churches allow employees to work from home, but this will only count as a proper arrangement by HMRC if there is an agreement in place between the employer and employee and the home working is regular i.e. contractual. Employers can reimburse certain expenses of home workers without them being treated as taxable benefits e.g.

- additional costs of heating and lighting the work area
- the metered cost of increased water use
- charges for internet access
- extra home contents insurance
- business telephone calls
- the additional cost of business rates if incurred

Additional household costs must be reasonable and may not include costs incurred whether or not the employee works at home e.g. mortgage interest, rent, council tax. Other items not covered are building alterations, cost of furniture and office equipment. Ways you could pay:

- pay a flat rate allowance, £2 per wk without justification or records.
- pay a scale rate to reimburse average additional costs incurred by home workers. You may have to keep records until HMRC agree the scale rate is reasonable.
- reimburse actual costs based on claims with documentary evidence.

Check that your arrangements will comply with legislation



E Latest Statistics

- Change to income tax thresholds and rates from 6th April 2008
- Earnings Threshold for the employer to have to deduct PAYE and NIC: £100.00 per week from April 2007
- Lower Earnings Limit (LEL) is £87.00 per week from April 2007. This is the minimum level for the employee to qualify for benefits
- The employer must keep a record of payment, if earnings are at or above LEL but below Earnings Threshold i.e. between £87-100.00 per week
- National Minimum Wage from 1st October 2007:
 - Employees aged over 21 yrs, £5.52 p hr
 - Employees aged 18-21 yrs. or 22+ on accredited training £4.60 p hr
 - Employees aged 16 & 17 yrs. £3.40 p hr
- Statutory Parenting (Maternity, Paternity, Adoption) Pay: standard rates are £112.75 per week (or 90% of average earnings if less) from April 2007
- Retail Price Index rose 4.3% to November 2007
- Consumer Prices Index rose 2.1% to October 2007
- UK Average Earnings Index rose 3.4% to October 2007