

Making Your People Resources Work For You



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www.morlangilhr.co.uk



Changes resulting from the Bribery Act and Agency Workers Regulations will be automatically incorporated into the Contracts of Employment and Staff Handbooks of MGHR Retained Clients

If you would be interested in discussing MGHR becoming your 'Virtual HR Department', please call

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Welcome to MGHR's newsletter for June. If you use Agency Staff to meet short-term work demands, then the coming change in legislation could have significant implications for you. Similarly, if you use hospitality as part of your business sales and marketing processes, then you should be aware of the Bribery Act and its requirements. **The changes may require important change to employment policies and documentation. Please call for more information.**

1. Increase in the National minimum wage from 1st October 2011

The adult rate of the NMW will rise from £5.93 to £6.08 per hour. The rate for employees aged between 18 and 20 increases to £4.98 (currently £4.92) and for workers aged 16 to 17 from £3.64 to £3.68 per hour.

The apprentice rate increases from £2.50 to £2.60 per hour.

2. Equal treatment of Agency Workers from 1st October

The Regulations basically give temporary or agency workers rights in two categories:

- Rights which will apply to all temporary workers from day one regardless of their length of service

This category entitles temporary and agency workers to have access to all employment vacancies and also to all on-site facilities and amenities. In practice, this should not be too onerous for an employer. From 1st October, employers must advise temporary workers of any vacancies, including permanent, within the company and be given the same opportunity to apply.

- Rights which apply once a temporary worker has completed 12 weeks service with a company.

After 12 weeks, agency workers will be entitled to equal treatment in relation to the same basic employment conditions as if they had been employed directly by the employer rather than the agency i.e. pay, overtime, bonus related to individual performance, annual leave and holiday pay.

Some terms have been expressly excluded where they relate to longer term benefits or pay-related conditions e.g. redundancy, sick pay schemes and bonuses not linked to individual performance.

From 1 October 2011, employers using agency workers for 12 weeks or more must ensure that agency terms and conditions are congruent with permanent employed staff.

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The average direct cost of recruiting a replacement member of staff is estimated at **£2500**

What our clients say about us

"Your advice has always been to the point, up to-date with the law and the social changes that have occurred during this time."

*Partner
Strategic
Consulting Firm*

"Over the last two years, we have undergone a complete organisational review and restructure. This created a number of challenging personnel issues we had to deal with. I cannot recommend Jim Gilhooley highly enough."

*CEO
Charity*

In addition, the regulations include provisions for calculating the 12 weeks. In certain circumstances gaps between periods of service will be discounted when calculating the 12 week period. Finally, they include anti-avoidance measures to stop employers deliberately depriving the tangency workers of their entitlement, with fines of up to £5,000.

3. Bribery Act Regulations introduced on 1st July 2011

This is a complicated and far reaching change. From that date, there will be prohibitions on hospitality and further requirements on how to implement adequate procedures within organisations, with fines and possible imprisonment as penalties for not adhering to the new rules.

The regulations introduce a corporate offence of failure to prevent bribery by persons working on behalf of a business. The penalty is an unlimited fine. For individuals, it will be a criminal offence to give, promise or offer a bribe and to request, agree to receive or accept a bribe with a maximum penalty for bribery of 10 years' imprisonment.

Can an organisation provide hospitality, promotional or other business expenditure under the Act?

Yes. The Government does not intend that genuine hospitality or similar business expenditure that is **reasonable and proportionate** is covered by the Act, so genuine bona fide hospitality, promotional or other business expenditure is permitted.

In addition, an organisation must have adequate procedures in place to prevent bribery. A bribery prevention policy will go a long way to providing a full defence for this offence and avoid prosecution.

If you would like help with or more information about any of the above please call or email me

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New Clients Welcome: This newsletter only goes out to clients or existing contacts of MGHR. However, if you know of someone or an organisation who would be interested in becoming a client or who would like a copy of the newsletter, please pass our details on or email Jim with their details and we will be delighted to contact them.

If you wish to unsubscribe, please reply to this newsletter with 'unsubscribe' in the title, or contact Morlan Gil Human Resources on at **01329 519919** or jim.gilhooley@morlangilhr.co.uk

Morlan Gil Human Resources is a dedicated human resources consulting company which designs and delivers bespoke human resources solutions. We work with organisations to recruit, manage and retain high performing staff. This includes ensuring recruitment processes are successful and cost effective, that staff perform to the best of their ability and potential, and that any staff issues are dealt with smoothly and with minimum risk to the organisation.