

## NEWSLETTER

### November 2009

Our November newsletter provides information regarding the financial penalty for not having a written statement of terms and conditions in place for your employees, as well as news from the European Court of Justice that could have a huge impact on our own practices.

We don't 'tie our clients in' to 5 year contracts, although some of our clients have willingly been with us for longer! If you would like to know more about our Annual Advice Contracts, call us on 0115 9728708 or [email us here](#).

#### **The Contract of Employment**

As soon as an applicant unconditionally accepts your offer of a job, a contract of employment comes into existence. The contract can be oral, written, implied or a mixture of all three. Your legal obligation as an employer is to provide your employee with a written statement of terms and conditions by the time they have completed 8 weeks work. This statement is usually referred to as the Contract of Employment. If you have an employee who is going to work abroad for more than a month within the first 8 weeks of starting work, you must give them their written statement before they leave. Failure to have a written statement of terms and conditions in place may have financial implications for your business. [Read more...](#)

#### **Older Workers and Retirement**

In July this year the Government announced they would be bringing forward a review regarding the default retirement age of 65 from 2011 to 2010 due to the changes in the demographic and economic climate.

The CBI has reported that around 1.3m UK workers work beyond the state pension age, and that 81% of those who requested to continue working were allowed to do so by their employers. In August this year it was also reported that the retirement age would soar to 70 by 2044 (that bit of info might just affect me!)

In September 2009 The High Court handed down its decision in the Heyday appeal, ruling that it is legal for UK law to allow employers to force employees to retire at age 65 without paying redundancy. So what does all that mean for UK employers? For more information on retirement read our article ['Older Workers and Retirement'](#).

#### ***Sick Leave during Holiday Leave***

Well, don't we all just love this one... A recent European Court of Justice ruling means that employees potentially have the right to request statutory leave reallocated when it has been interrupted by sickness.

This ruling is an interpretation of the European Working Time Directive on workers' hours which means employees could even be allowed to carry over any holidays interrupted by illness to the next holiday

year. Under this ruling, it's possible an employee could claim they were sick whilst on holiday as a way of getting more time off. Proof of sickness will be dependent upon the policies of individual employers.

Not surprisingly it is our opinion that this latest development is wide open to abuse and will raise serious concerns with our clients.

If you have concerns following this ruling and do not have a sickness policy in place please contact us and we will draft one for you or you can download a generic policy from our Website [QualityHRdocs.co.uk](http://QualityHRdocs.co.uk).

### ***New Tax Rules for Construction Workers***

The HM Revenue & Customs are planning to change tax rules for construction workers.

The proposed new rules will switch 300,000 self employed workers onto PAYE from the outset, unless their employer verifies they provide materials, tools or employed other workers.

If imposed, this is likely to have a serious knock-on effect within the industry as the employer becomes responsible for tax, NI, and holiday pay. Why is it obvious to employers, and seemingly not those implementing policies, that this could not come at a worse time for the construction industry?

However, whether someone is truly self-employed has been a long argued and tested area. There are various types of contracts of employment that may be suitable in these cases such as flexible working, fixed term, and zero hours contracts. [Contact us](#) to find out more.

### **And Finally...**

During the past three months we have been running a very successful referral campaign, which is now being extended to the end of 2009!

*For every new client referred to us that results in business worth £200 or more, the referrer will receive £50 in shopping vouchers.*

The vouchers can be used in most High Street stores; put them in your work's Xmas raffle, or treat yourself!

Please feel free to start NOW by forwarding this newsletter to your contacts.

***Thank you to everyone who has referred us new business this year!***