

LIVING WAGE – 1ST APRIL 2016

ARE YOU READY FOR IT?

The Chancellor announced on the 8th July 2015 that a new National Living Wage (NLW) will come into effect from the 1st April 2016.

Remember. This will be law and the set mandatory rate will be **£7.20 per hour** for all workers aged 25 and over. The National Minimum Wage (NMW) will continue to apply for workers 24 and under.

In April the Government's new National Living Wage will become law. As an employer, you will need to make sure you are paying your staff correctly from 1st April 2016, as the National Living Wage will be enforced as strongly as the current National Minimum Wage.

Do not discriminate!

Employers will need to take care not to fall foul of discrimination legislation by favouring the younger workers in order to avoid paying the new NLW. As you will know, age is a protected characteristic under the Equality Act 2010 and refusing to employ someone or provide services as a

recruiter could give rise to unlawful discrimination.

So are you ready?

You should run an audit to ensure that all employees will be correctly paid on the 1st April 2016. You should also communicate the change to your employees as soon as you are able to and issue addendums if applicable.

What if the Employer Doesn't Comply?

The penalty for failing to pay the NMW will double from 100% of arrears to 200% of arrears, although the overall maximum of £20,000 will remain unchanged.

Remember Paying the NLW is mandatory not optional.

Excuses for Absence!

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"I had to go on a Jeremy Kyle 'Who's the daddy?' special at short notice."

"I meant to take some paracetamol but I think I must have accidentally drunk a dishwasher tablet instead."

From a large, rugby-playing, male employee: "The pole broke when I was pole dancing and I fell off and banged my head."

"There's a girl in my house from last night and she won't leave."

"My cat is far too quiet; I am worried about it."

"Legionella" (explanation of absence from an employee who was off sick for only one day).

From 1 October 2015 National Minimum Wage Rates

Adult Rate – workers aged 21 and over £6.70 per hour
Rate for 18-20 year olds £5.30 per hour
Rate for 16-17 year olds £3.87 per hour
Apprentice Rate £3.30 per hour

MODERN SLAVERY ACT

On 31st March 2016 certain employers are required to prepare and publish an annual anti-slavery and human trafficking statement.

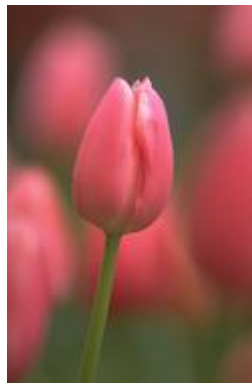
In October 2015 Parliament agreed the regulations that are required to bring s54 of the **Modern Slavery Act 2015** into force. Thankfully, some good news for smaller employers. You will escape this new regulatory burden if your annual turnover is under £36 million.

NOTE: There are no plans to lower this threshold at any point in the future – so, unless advised otherwise, those who fall into this category can completely ignore this requirement.

NB: Clients who have a retainer with Tulip Resources – this has already been checked for you.

It's time for a Spring Clean – if you think it is time to review your policies, procedures, handbook, contracts etc– then please do not hesitate to contact Samantha Desforges.

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