



Workplace Legal Calendar 2013

**The changes in UK law that are set
to have the most profound impacts
on the workplace in the coming year**



“The coalition government has long stated that it has plans to carry out a fundamental reform of UK employment law to relieve the burden of red tape”

Whenever it has managed to avoid its habitual infighting, the Coalition Government has pursued some pretty innovative legislative goals.

For example, it has long stated that it has plans to carry out a fundamental reform of UK employment law. In practice this has meant the introduction of a wave of new legislation, regulations and consultations as well as changes to existing legislation that impact on how employees are hired, fired and (where required) compensated. Many new pieces of legislation and developments of current laws are being introduced this year and it is wise to keep abreast of them.

Things changed even before we hit the New Year. Just before last Christmas the Government published [‘The Fifth Statement of](#)

[New Regulation’](#) which reported on the Government’s performance so far under its One-in, One-out (OIOO) policy, which is designed to reduce the amount of red tape imposed on businesses.

According to the statement, by July of this year, Government deregulation will have reduced the annual cost to business by around £919 million as a result of the removal and reduction of what it considers the burden of red tape.

Even so, employers don’t get off that easily, and they should be aware of a range of new regulations covering employment law and related health and safety law that are due to come into force this year and beyond.

This briefing outlines the main changes you can expect in 2013.

February 1: Increase in Tribunal compensation limits

From February the maximum compensatory award for unfair



The coalition’s approach to reducing the overall burden of legislation is based on a principle of one-in one-out, but it does not prevent new laws entering the statute books



dismissal will increase from £72,300 to £74,200 and the maximum calculation of a week's pay when awarding compensation for unfair dismissal or redundancy payment will increase from £430 to £450.

March 3: Increase in unpaid parental leave entitlement

Unpaid parental leave will be extended from 13 to 18 weeks per child, though unpaid parental leave will continue to be limited to a maximum of four weeks per year.

April 6 is one of two Common Commencement dates in the employment law calendar with other changes expected on this date to include:

Reduction of Collective Redundancies period

Under these changes the current 90-day minimum collective consultation period for redundancies will be reduced to just 45 days where redundancies of 100 or more employees are proposed. In addition, fixed-term contracts that have reached the end of their agreed term will be exempt from collective redundancy consultation

The Advisory, Conciliation and Arbitration Service (ACAS) are expected to publish guidance on the proposed changes nearer the implementation date.

Employee shareholder status expected to be introduced

Under this proposal employees will give up certain employment rights such as the right to request flexible working in return for a minimum of £2,000 of shares in the company.

Rate of statutory sick pay increased

The standard rate of statutory sick pay will be increased from £85.85 to £86.70 per week.

Maternity, paternity and adoption pay is increased

The standard rate of statutory maternity, paternity and adoption pay will be increased from £135.45 to £136.78 per week.



April: The Children and Families Bill

The Government is also expected to set out details of a new system of flexible parental leave and flexible working in April, although both these changes will not be implemented until 2015. This is one area in which employers are often ahead of legislation so it will be interesting to see the proposals and how they are received by businesses.

April: Pension auto-enrolment threshold to increase

The Government plans to increase the lower earnings trigger for automatic pension enrolment from £8,105 to £9,440 from April 2013, keeping the figure in line with the income tax threshold. Only workers with an annual salary above the

earnings trigger will have to be automatically enrolled into a workplace pension scheme by their employer.

“Parental leave is one area in which employers are often ahead of legislation so it will be interesting to see the proposals and how they are received by businesses.”

It is estimated that this change will therefore potentially exclude 420,000 people from auto-enrolment, 76% of whom will be women.

The Government also intends to raise the lower limit of the qualifying earnings band from

£5,564 to £5,668 - rising in line with the National Insurance lower earnings limit. This means that from April 2013 only those earning

between £5,668 and £9,440 will be able to voluntarily opt in to an automatic enrolment pension scheme. If they do decide to opt in, their employer will have to make contributions to the scheme.

Summer 2013: Fee for bringing claims in employment tribunals expected to be introduced.

Under the changes fees will be charged at two intervals in the process, firstly at the issue of a claim and secondly prior to the hearing.

There will be two levels of fee. Level 1 fees of £160 will generally be for claims for sums due on

termination such as redundancy payments.

Level 2 fees of £250 will be payable for other claims such as unfair dismissal, discrimination and whistleblowing.

October: New tax regime

Most employers are expected to be subject to a new tax regime. Called "Real Time" which is clearly a descriptive term that describes the requirement for employers to report deductions at the time of paying staff, rather than once a year. There will be some changes to the P45 form as a result.

There are a number of other pieces of legislation expected to be introduced during 2013 including:

The Enterprise and Regulatory Reform Bill 2012-13

A number of changes are proposed under the Enterprise and Regulatory Reform Bill, which has been championed by Business Secretary Vince Cable to, 'help make Britain one of the most enterprise-friendly countries in the world.'

He promised: 'It will improve our Employment Tribunals, reform and strengthen competition

enforcement, scrap unnecessary red tape and help ensure that people who work hard and do the right thing are rewarded.'

The key proposals outlined under the new Bill will include:

- A now mandatory pre-claim attempt at ACAS conciliation before an employment tribunal claim can be lodged.
- The Introduction of financial penalties for losing respondents in tribunal cases.
- Repeal of discrimination questionnaires and third



party harassment provisions in the Equality Act 2010.

- Changes to whistleblowing provisions to introduce a public interest test.

Amendment of the Health and Safety at Work etc Act 1974

The intention is to remove strict liability in cases where there has been a breach of a statutory duty, meaning employers who have taken all reasonable precautions will not be liable to be sued for a technical breach of a statutory duty.

Working time changes

The Government is also expected to respond to a consultation on changes to the Working Time Regulations 1998 this year. It has also confirmed it is extending the right to request flexible working to all employees, but those changes won't be implemented until 2014.

Consultation on proposals to amend TUPE

In its drive to reduce red tape, the Government is expected to launch a consultation on proposals to amend the Transfer of Undertakings (Protection of Employment) Regulations 2006.

A new approach to health and safety

Along with its assault on red tape, the Coalition Government has also fixed its sights on what it calls 'over-zealous' health and safety regulation. Following the publication of Professor Löfstedt's 2011 report 'Reclaiming health and safety', a number of changes to health and safety regulation have already come into force, with some further changes proposed for the coming year.

"Along with its assault on red tape, the Coalition Government has also fixed its sights on what it believes is 'over-zealous' health and safety regulation, with some further changes proposed for the coming twelve months"

Redraft of Construction (Design & Management) Regulations

Currently, the Construction (Design & Management) Regulations apply to most common building, civil engineering and engineering construction work. Under CDM, you must notify HSE of the site if the construction work is expected to either:

- last longer than 30 days; or
- involve more than 500 person days of construction work;

For 'notifiable' projects you also have a statutory duty under the regulations to appoint a competent CDM Coordinator (CDMC)

Now as part of its response to criticisms highlighted in Professor Löfstedt's 2011 report 'Reclaiming health and safety', the Health and Safety Executive (HSE) is to re-draft the Construction (Design & Management) Regulations for a clearer expression of duties, a





reduction in bureaucracy and better guidance for small projects.

The CDM regulations are expected to be reissued some time in 2014.

Results of consultation on first aid changes

The Health and Safety Executive (HSE) carried out a consultation at the end of last year on a number of issues related to first aid provisions for employers.

These included the removal of the requirement for the Health and Safety Executive to approve first aid training and qualifications, a review of the Approved Code of Practice

and the content of associated guidance.

Specifically, the HSE wanted views on what kind of guidance would be most useful to businesses when assessing what they need in terms of first aid provision. These for their particular circumstances; and in the selection of training providers.

It is expected that, depending on the results of the consultation the HSE will issue new guidance for employers on how to select a competent training provider as well as provide a set of criteria against which employers can benchmark.

Further information

With many thanks to the legal experts at Shoosmiths who consulted on the content of this briefing.

www.shoosmiths.co.uk

Department for Business
Innovation & Skills

[www.gov.uk/government/
organisations/department-for-
business-innovation-skills](http://www.gov.uk/government/organisations/department-for-business-innovation-skills)

Health and Safety Executive

www.hse.gov.uk