



## Employment Update 2011: 8 key issues to look out for this year

### 1. Additional Paternity Leave:

- will apply to parents of babies born on or after 3 April 2011
- up to 26 weeks' leave to be taken between 20 weeks and 12 months of the child's birth – can be taken only once mother returns to work

### 2. Retirement Age:

- default retirement age to be abolished with effect from 1 October 2011
- age discrimination and unfair dismissal to have a compulsory retirement age unless it can be objectively justified
- Exception for insured benefits at 65

### 3. Agency Workers:

- from 1 October 2011, agency workers will be entitled to the same basic working conditions as if they were recruited directly, once they have been working for 12 weeks
- continuity only broken if the worker is given substantially different work or there is a six week break

### 4. Bribery Act:

- introduces a suite of new bribery offences and is expected to come into force later this year. Before then, it is crucial to review existing anti-corruption policies and procedures to ensure that they are "adequate"

### 5. FSA Remuneration Code:

- new Code in force since 1 January 2011. Now applies to over 2,500 FSA regulated firms

### 6. Compromise agreements:

- from 6 April 2011, income tax to be withheld at marginal rate (not basic rate) on taxable termination payments

### 7. Disciplinary hearings:

- employees may be entitled to legal representation at disciplinary hearings, if the outcome would be career ending. Consider, also, reasonable adjustments for disabled employees

### 8. Employment tribunal reform:

- consultation is currently underway on various potential reforms. Suggestions include increase in unfair dismissal qualifying period from one year to two and the introduction of fees for tribunal claims

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