

Employment Legislation Timetable

- 1 JANUARY 2011** **FSA REMUNERATION CODE CAME INTO FORCE**
The Code sets out restrictions on the level and form of remuneration paid by certain financial institutions to their staff. The Code includes a requirement that payment of bonuses be deferred, a limit on the proportion of bonuses that can be paid in cash, and restrictions on granted bonuses. Transitional period for extended scope firms (those not previously caught by the Code) ends on 1 July 2011).
- 1 JANUARY 2011** **NATIONAL MINIMUM WAGE (AMENDMENT) (NO.2) REGULATIONS 2010 CAME INTO FORCE**
The Regulations provide that expenses for travel to a temporary workplace and related subsistence costs can no longer form part of employees' pay for national minimum wage purposes.
- 1 FEBRUARY 2011** **NEW TRIBUNAL AWARD LIMITS CAME INTO FORCE**
The Employment Rights (Increase of Limits) Order 2010 (SI 2010/2926) increased the limits of certain employment tribunal awards and other amounts payable under employment legislation. The maximum unfair dismissal compensatory award rose from £65,300 to £68,400 and the maximum amount of a week's pay for the purpose of calculating a statutory redundancy payment and the basic and additional awards for unfair dismissal increased from £380 to £400. In most cases, these figures will apply where the effective date of termination is on or after 1 February 2011.
- 3 APRIL 2011** **STATUTORY MATERNITY, PATERNITY AND ADOPTION PAY INCREASE**
The standard rate of statutory maternity, paternity and adoption pay increased from £124.88 to £128.73.
- 3 APRIL 2011** **ADDITIONAL PATERNITY LEAVE AND PAY CAME INTO FORCE**
Employees who are fathers, or spouses or partners of mothers, and employees who have been matched for adoption and are spouses or partners of the person taking adoption leave are entitled to take additional paternity leave of up to 26 weeks in the first year of their child's life or the first year after the child's placement for adoption, and may be entitled to additional paternity pay.
- 5 APRIL 2011** **SINGLE EQUALITY DUTY INTRODUCED**
The Equality Act 2010 replaced the current public sector duties to promote equality with a single equality duty extending to other protected characteristics. This will oblige public authorities to have regard to the need to eliminate discrimination, harassment, victimisation and other prohibited conduct when exercising their functions.
- 6 APRIL 2011** **EQUALITY ACT CODES OF PRACTICE**
Statutory codes of practice providing guidance on the Equality Act 2010 came into force. Various statutory codes of practice concerning the pre-October 2010 discrimination legislation were revoked.

- 6 APRIL 2011** **INCREASE IN PERSONAL ALLOWANCE AND NATIONAL INSURANCE CONTRIBUTIONS FOR EMPLOYEES**
 The primary employee threshold for national insurance contributions increased by £570. National insurance contributions increased by 1% for employees. The personal allowance for income tax for basic rate tax payers under the age of 65 was increased by £1,000.
- 6 APRIL 2011** **INCREASE IN NATIONAL INSURANCE THRESHOLDS AND CONTRIBUTIONS FOR EMPLOYERS**
 Employers' national insurance thresholds increased by £21 per week above indexation. Employers' national insurance contributions increased by 1%.
- 6 APRIL 2011** **DEFAULT RETIREMENT AGE ABOLISHED**
 Employers are prohibited from issuing new notifications of retirement using the default retirement age. The last date on which an employer could issue a notice of retirement was 5 April 2011. An employer cannot prescribe a compulsory retirement age, unless it can justify it as a proportionate means of achieving a legitimate aim.
- 6 APRIL 2011** **STATUTORY SICK PAY INCREASE**
 The standard rate of statutory sick pay increased from £79.15 to £81.60 per week.
- 6 APRIL 2011** **POSITIVE ACTION PROVISIONS OF THE EQUALITY ACT COME INTO FORCE**
 Section 159 of the Equality Act 2010, which permits employers to treat individuals with a protected characteristic more favourably than others, in connection with recruitment or promotion, came into force. This applies only to candidates of equal merit and the more favourable treatment must enable or encourage an individual to overcome or minimise a disadvantage or participate in an activity where he or she is under-represented in that activity. The Government has published guidance on this provision.
- 6 APRIL 2011** **PAYE TREATMENT OF POST-P45 PAYMENTS**
 Regulations amending the Income Tax (Pay As You Earn) Regulations 2003 mean that from 6 April 2011, if an employer makes a payment to an ex-employee after the P45 has been issued, and the payment is subject to PAYE, the employer must deduct tax using a new OT code, which does not allow for any personal allowance and provides that income tax is withheld on a non-cumulative basis at the basic, higher and additional rates of tax. This will be particularly relevant to payments made under compromise agreements.
- 6 APRIL 2011** **TAX CONCESSION FOR LEGAL FEES**
 The Enactment of the Extra-Statutory Concessions Order 2011 limits the extra-statutory concession which allows an employee's legal costs on termination of employment to be paid by the employer free of tax, to cases where a court or tribunal has made a costs order or the parties have entered into a formal compromise agreement that satisfies the conditions set out in the Employment Rights Act 1996. The concession no longer applies to cases settled via an ACAS COT3 agreement.
- APRIL 2011** **BASIC PENSION UPDATED**
 Increases to the state pension and benefit payments based on the consumer prices index.
- APRIL 2011** **ANNUAL LIMIT ON ECONOMIC MIGRATION TO THE UK CAME INTO FORCE**
 The number of people permitted to enter the UK from outside the EU is limited to 20,700 per annum under the skilled worker route (except for those earning a salary of more than £150,000 or in-country applications from those in the UK), and 1,000 per annum under the new exceptional talent route. Tier 2 (general) is open only to migrants performing jobs at graduate level and tier 1 is restricted to all but entrepreneurs, investors and the exceptionally talented. The minimum salary for individuals who wish to enter the UK under the intra-company transfer route for more than 12 months is £40,000 but there will be no limit on the number of migrants in this category.

- 6 MAY 2011** **FINAL BIS GUIDANCE ON AGENCY WORKERS REGULATIONS PUBLISHED**
The Department for Business Innovation and Skills (BIS) published non-statutory guidance to aid hirers of agency workers and the recruitment sector to understand the Agency Workers Regulations, its implications and the responsibilities it places on hirers and temporary work agencies.
- 20 MAY 2011** **CROSS-BORDER MEDIATION (EU DIRECTIVE) REGULATIONS 2011 CAME INTO FORCE**
The regulations apply where a mediation in relation to a relevant dispute starts on or after 20 May 2011. The regulations implement the statutory changes required to implement the EU Mediation Directive. In the UK (unlike some other member states), the Directive applies solely to EU cross-border disputes and will not extend to domestic mediations.
- 2 JUNE 2011** **AMENDMENTS TO “FINAL” AGENCY WORKERS GUIDANCE**
The guidance for agency supply teachers was removed and will be extended and published at a later date following consultation with the Department of Education. BIS also revised the chapter on Pay between Assignments (dealing with the so-called “Swedish derogation” to the Regulations) to make the provisions and requirements clearer, in particular in relation to the treatment of annual leave. Other minor amendments were made, including to the definition of “pay”.
- 5 JUNE 2011** **TRANSNATIONAL INFORMATION AND CONSULTATION OF EMPLOYEES (AMENDMENT) REGULATIONS 2010 CAME INTO FORCE**
The Regulations implemented the recast European Works Council Directive (2009/38/EC). The Regulations provide new rights to European Works Council members and those of special negotiating bodies, for example establishing a right to time off to undergo training to help them undertake their duties. The provisions relating to the implementation of the Agency Workers Directive will not come into force until 1 October 2011.
- 1 JULY 2011** **BRIBERY OFFENCES INTRODUCED**
The Bribery Act 2010 aims to promote anti-bribery practices among businesses, by modernising the law on bribery. The Act introduces a corporate offence of failure to prevent bribery by persons working on behalf of a business. A business has a defence if it has adequate procedures in place to prevent bribery. 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. The legislation raises the maximum penalty for bribery by individuals from seven to 10 years’ imprisonment. Guidance on the Act was published on 30 March 2011.
- 8 AUGUST 2011** **CONSULTATION ON FLEXIBLE WORKING FOR ALL EMPLOYEES**
The Government’s consultation on ‘Modern Workplaces’ ends on 8 August 2011. This consultation is considering whether to implement a system of shared parental leave and extending the right to request flexible working to all employees.
- 1 OCTOBER 2011** **EQUAL TREATMENT FOR AGENCY WORKERS**
The Agency Workers Regulations 2010 (SI 2010/93) will give agency workers the same basic employment conditions after 12 weeks in a given job as if they had been employed directly by the end-user. The Regulations implement the Temporary Agency Workers Directive (2008/104/EC).

1 OCTOBER 2011

NATIONAL MINIMUM WAGE INCREASE

The new hourly rates will be:

- Standard rate (adults aged 21 and over): £6.08 (from £5.93).
- Development rate (18-20 year olds): £4.98 (from £4.92).
- Young workers rate (under 18 but above compulsory school age): £3.68 (from £3.64).
- Apprentices (those under 19 years of age or 19 plus but in first year of apprenticeship): £2.60 (from £2.50). Other apprentices will continue to receive the national minimum wage at the appropriate age rate.
- Accommodation offset rises to £4.73 per day (from £4.61).

TO BE CONFIRMED

REGISTRATION WITH THE INDEPENDENT SAFEGUARDING AUTHORITY

Further implementation of the Safeguarding Vulnerable Groups Act 2006 was due to include voluntary registration with the Independent Safeguarding Authority for all new entrants from 26 July 2010. Employers would have been obliged to check all new entrants from 1 November 2010. Individuals already working in a regulated activity and who have not moved into a new role with a new employer would have been able to apply for registration from 1 April 2011, with mandatory registration by 31 July 2015. The dates for registration are on hold and the Government is to review the vetting and barring scheme as a whole.

8 MARCH 2012

PARENTAL LEAVE INCREASES FROM THREE TO FOUR MONTHS

The EU Parental Leave Directive increases the minimum parental leave following the birth or adoption of a child from three to four months. At least one of the four months will not be transferable between parents. Member States have until 8 March 2012 to bring this into force.

OCTOBER 2012

PERSONAL ACCOUNTS SCHEME STARTS UP UNDER PENSIONS ACT 2008

The Pensions Act provides that from 2012 all eligible workers, who are not already in a workplace pension scheme, are to be automatically enrolled into either their employers' pension scheme or a new savings vehicle, known as a personal account scheme. Employees can choose to "opt-out" of the scheme. To encourage participation, employees' pension contributions will be supplemented by contributions from employers and tax relief.

2013

SCHOOL LEAVING AGE IS RAISED TO 18

The Education and Skills Act 2008 changes the statutory framework to put a duty on all young people in England to participate in education or training until the age of 18. It also amends legislation about the provision of adult education and training, and support for young people.

SEPTEMBER 2013

APPRENTICESHIPS, SKILLS, CHILDREN AND LEARNING ACT 2009 COMES INTO FORCE

Introduces a new apprenticeship structure to facilitate the creation of apprenticeship agreements and the provision of apprenticeship certificates. The relationship will be by way of a contract of service rather than an apprenticeship.

2015

"FLEXIBLE" MATERNITY AND PATERNITY LEAVE IS EXPECTED TO BE INTRODUCED

Changes are made to maternity and paternity leave to give parents more flexibility as to when they take time off. It is expected that the changes will allow both parents to take leave at the same time, instead of the mother having to have returned to work before the father can take additional paternity leave, and allow parents to take time off in blocks, rather than all in one go.

APRIL 2016

EQUALISATION OF STATE PENSION AGE FOR WOMEN

The state pension age for women is equalised with the state pension age for men by November 2018, with an expedited increase from April 2016.

DECEMBER 2018

STATE PENSION AGE RISES TO 66 YEARS

The Pensions Act 2007 raises the state pension age from 65 to 66 years to reflect the ageing nature of the population. The rise in the state pension age to 66 for men and women begins gradually from December 2018 until April 2020. The Pensions Act 2007 also raises the state pension age to 67 and 68.

BETWEEN 2034
AND 2036

STATE PENSION AGE RISES TO 67 YEARS

The Pensions Act 2007 raises the state pension age for men and women to 67. This will occur between April 2034 and April 2036.

BETWEEN 2044
AND 2046

STATE PENSION AGE RISES TO 68 YEARS

The Pensions Act 2007 raises the state pension age for men and women to 68. This will occur between April 2044 and April 2046.

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