BERR | Department for Business Enterprise & Regulatory Reform

BERR's Employment Law Guidance Programme

Helping businesses save time and money when dealing with employment law

July 2008

What is the Employment Law Guidance Programme?

- The Employment Law Guidance Programme aims to help employers save time and money by making compliance with employment law as simple as possible
- It responds to recent research from PriceWaterhouseCoopers that showed many businesses were producing unnecessary paperwork or paying for external guidance on employment law, spending more time and money than they need to
- Our Employing People campaign offers specific ways in which employers can reduce their paperwork and produce the basic documents they need for free

Why are we doing it?

- To help save your members and other employers time and money
- Help meet the BERR Simplification Plan commitment to reduce employment law admin burdens by £365m p.a. by May 2010
- Change business perceptions and offer real-world improvements to business' experience of guidance
- Support BERR's Transformational Government commitments by streamlining and improving guidance for employers

Simplifying Employment Law

Saving time and money

How can employers save time and money?

- Developing **written statements** of employment/terms & conditions
- Recording **national minimum wage**
- Managing **working time records**
- Responding to **flexible working** requests
- Dealing with **parental leave**
- Managing **redundancy**

Written statements of employment

Wasting time and money?

- Business is spending £585 million per year (more than £150 a time); to produce these written statements
- Employers are unnecessarily duplicating these statements alongside their own contracts, at extra cost

Saving time and money!

- Make sure the standard contract businesses give employees covers all the statutory elements, so they don't need to produce a separate written statement
- Use a reliable, free online tool that takes employers, step-by-step, through a range of questions and uses the answers to generate a bespoke – and legally reliable – statement. It should take just 25 minutes and can help save around £120 each time

www.businesslink.gov.uk/writtenstatement

National Minimum Wage

Wasting time and money?

- UK businesses are over-complying to the tune of over £22m per year with unnecessary records-keeping associated with the national minimum wage.
- Employers are maintaining unnecessary separate or special records on the national minimum wage

Saving time and money!

- **As long as national minimum wage information is included as part of the overall payroll records, employers don't need to keep any further records!**

Working Time

Wasting time and money?

- UK employers are spending over £55m per year maintaining records on working time limits by spending significant amounts on buying-in outside advice and services. (Employees can't be made to work over 48 hours per week on average over a 17 week period)
- UK business is also spending almost £124m per year in producing opt-out agreements in which employees have agreed to work over this limit – at almost £1000 a time – as well as £10m per year in keeping a simple list of opted-out workers

Saving time and money!

- In many cases – for example where employees are hourly-paid, or clock in and out systems – records of time worked will already satisfy the working time requirement.
- The formal opt-out agreement is simple – it only needs to confirm that the employee agrees to work for more than 48 hours per week. BERR has made a simple and legally-compliant proforma agreement available at **www.businesslink.gov.uk/workingtimeflowchart**

Flexible working

Wasting time and money?

- Evidence from 2005/06 suggested that – where the formal process is being followed – employers may be spending millions of pounds per year dealing with requests for flexible working from eligible employees

Saving time and money!

- BERR has created free and simple to use proforma notifications – available at **www.businesslink.gov.uk/flexibleworkingschemes** – that fully meet the statutory requirements and that save businesses a great deal of time and money. An employer using the proformas can, for example, produce a written notice of a decision in around 15 minutes, at a saving of around £600 every time.

Parental leave

Wasting time and money?

- UK employers are spending over £10m per year and significant administrative time complying with simple notification requirements to postpone a period of parental leave; or to refuse an application for statutory paternity or adoption pay

Saving time and money!

- Much of this expense and effort can be saved. BERR has created a simple proforma notice of postponement – available at **www.businesslink.gov.uk/Employing_People_files/Parental_leave__Letter_for_employer_to_notify_postponement_of_parental_leave_1.doc** – that covers all of the statutory elements required for a legally compliant notice. It only takes about 30 minutes to complete and can save an employer over £500 a time.
- Similarly, proforma letters produced by HMRC provide a legally reliable template for informing an employee of a decision not to pay statutory paternity or adoption pay; and the reasons for that refusal. Again, they only take a short time to complete – saving businesses almost £700 a time in administrative costs and external advice.

Redundancy pay

- A guide on making redundancies at **www.businesslink.gov.uk/redundancycalculator** permits employers quickly and reliably to make complex calculations of the statutory redundancy payments due to employees
- It also generates a personalised written statement showing the amount of the redundancy pay and how it has been calculated.

Other free online tools & guides

To help your businesses deal with employment and employment law:

- **www.businesslink.gov.uk/employingpeople**
- **www.businesslink.gov.uk/newemployee**
- **www.businesslink.gov.uk/annualleave**
- **www.businesslink.gov.uk/employerchecklist**
- **www.businesslink.gov.uk/maternity**
- **www.businesslink.gov.uk/flexibleworkingschemes**
- **www.businesslink.gov.uk/takingonemployees**
- **www.businesslink.gov.uk/eligibletoworkinUK**
- **www.businesslink.gov.uk/handleredundancy**
- **www.businesslink.gov.uk/disciplinaryprocedure**

Implementing the Guidance Programme

Putting it into action

How is this Programme helping business?

- Engaging with stakeholder organisations to help them inform their members
- Working with the media and other communication channels to publish articles and top tips
- Sending out advice and information directly to employers via post and email
- Online activity: making it easier for employers to find free, online tools

Next steps

- Share the materials included in this information pack with your membership
- Use some of the articles in your newsletters
- Think about appropriate events where you could help promote the messages
- To discuss other potential Employment Law opportunities, from bespoke content to event support, please contact the Guidance Programme team at: elgp@berr.gsi.gov.uk