

Defined Contribution Pension Schemes

Minimum contribution rates for defined contribution pension schemes being used for 'automatic enrolment' in the UK will rise from 6 April 2019. Where an employer is considering introducing or increasing member contributions to a defined contribution arrangement, it will generally need to consult with affected members for a minimum of 60 days.

Importance of signed Employment Contracts

The recent case of *Tenon FM Ltd v Cawley* [2018] EWHC 1972 (QB) highlights the importance of not only getting employment contracts signed, but also making sure records are kept up-to-date with signed contracts for all employees. The employee was found not to be bound by the post termination restrictions in her contract primarily as her contract was not signed. The Court found that there was not implied acceptance as firstly the restrictions did not come into effect until after her employment had been terminated and secondly there was no additional consideration.

National Minimum Wage Increase

In the autumn 2018 budget, the Chancellor confirmed that the government is aiming to increase the NMW by up to 60% by 2020. The following rates will apply from April 2019: Apprentices: £3.90 an hour; 16-17 year olds: £4.35 an hour; 18-20 year olds: £6.15 an hour; 21-24 year olds: £7.70 an hour; National living wage (workers aged 25 and over): £8.21 an hour.

Permanent Health Insurance

The Employment Appeal Tribunal's decision in *Mr H Awan v ICTS UK Ltd* UKEAT/0087/18/RN is a very important decision for employers who provide long-term disability benefits (such as those provided under a permanent health insurance scheme) to their employees. Employers should tread extremely carefully before dismissing any employee who is, or may be, entitled to benefits under any long-term disability scheme.

Payslips

The Government has published guidance on the new legislation in force from 6 April 2019, requiring all employers to provide payslips to all workers (not just employees) and to show hours on payslips where the pay varies by the amount of time worked.

Voluntary reporting on disability, mental health and wellbeing

The Government has published a new framework to assist and support employers. It is aimed at larger employers (250 or more employees), but can also be used by smaller employees who are seeking to improve transparency within their organisations. The framework follows the recommendations in the 2017 Stevenson/Farmer review of mental health and employers, *Thriving at work*, that employers should report more information about their actions on workplace mental health.

Good Work Plan

The Government published its Good Work Plan, outlining key aspects of the Taylor Review's recommendations which it intends to enact. The strategy is broken down into 3 main themes: fair and decent work; clarity for employers and workers; and fairer enforcement. The government has already started to implement some of the reforms, however many of the proposed reforms do not have a specific timescale although draft legislation suggests that April 2020 may be the targeted deadline for implementation.

For advice about any of the issues raised in the newsletter or other issues relating to employment law, please contact Anna Illingworth.

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