# Broadcast



# FACTSHEET: EMPLOYMENT CHANGES ON THE HORIZON

SPECIAL ISSUE

#### 01753 888211 www.nhllp.com



The Employment Rights Bill working its way through parliament will have serious implications for employers once finally enacted. Along with the loss of options for offering more flexible working arrangements, the changes are likely to cost businesses several billion pounds a year to implement. Businesses operating in the hospitality sector will take a significant hit from implementing and complying with the package of improved workers' rights.

### Day one rights

Some employment rights are currently only available after an employee works for a qualifying period:

- Protection from unfair dismissal requires two years of continuous employment.
- Paternity leave is only available after 26 weeks of employment, with unpaid parental leave requiring a year.

The Bill will see these rights available from day one of employment. Not surprisingly, employers are concerned that in future they will be unable to easily dismiss those employees whose performance is not up to par. However, the Bill does provide for an initial period during which the rules for fair dismissal will be less onerous.

The Bill also removes the three-day waiting period before an employee is entitled to statutory sick pay and the minimum earnings level, potentially increasing employer costs.





## Zero-hours contract

Under current zero-hours contracts, workers are not guaranteed how many hours they will work, simply working when requested. However, the Bill will mean that workers must be offered a contract with guaranteed hours based on the hours worked over a 12-week period. Workers must also be paid for any shifts that are cancelled, moved at short notice or curtailed.

Although the Bill will not abolish zero-hours contracts as such, this change will be problematic for employers that make extensive use of seasonal workers. Their period of work will probably be curtailed to less than 12 weeks.

As yet, there are no specific start dates for the proposed changes, although employers need to review their employment practices and start preparing well in advance.

Factsheets covering the various measures included in the Employment Rights Bill can be found here.

#### We can help

If you need further information, please call us on **01753 888 211** or email **info@nhllp.com**. We would be happy to help.