



## *This Week in Employment Law*

### New Tribunal Compensation Limits Announced

**A new set of employment tribunal compensation limits will be introduced from 6th April 2019, meaning employers could be faced with issuing higher payouts if they lose a claim. Join us as we take a closer look at these new limits below:**

- This year, the maximum total compensation for unfair dismissal will increase from £98,922 to £102,194, meaning that the £100,000 mark has been broken for the first time.
- Unfair dismissal awards are generally made up of two elements: basic and compensatory.
- The new maximum basic award is £15,750 and the new maximum compensatory award of £86,444, or the employee's yearly salary, whichever is lower.
- £525 will be the new maximum limit on a week's pay when calculating redundancy payments, making the maximum statutory redundancy payment a total of £15,750.
- The daily amount of statutory guarantee pay for a workless day will increase to £29.
- These increased costs should make employers think twice before dismissing staff without fair procedures.
- It will be more important than ever to understand the law correctly when disciplining staff.

#### New York ban discriminatory hair policies at work

The New York City Commission on Human Rights have warned businesses not to discriminate against people based on their hairstyles. In an effort to tackle racial prejudice, policies that prohibit certain hairstyles at work, such as afros and cornrows, will be banned and fines will be issued to those who fail to comply.

##### Did you know?

Although this is US law, having a dress code which imposes restrictions on hairstyles could qualify as discrimination in the UK. Dress codes must not treat people less favourably based on their protected characteristic, such as gender, race or religion.

#### Positive discrimination for police jobs?

Chair of the Police Chief's Council has called for legal change to allow the police to use positive discrimination when recruiting to increase diversity amongst officers. This has been suggested to ensure the police force is representative of the wider UK population.

##### Did you know?

Positive discrimination is currently unlawful, however, it is possible to select one candidate over the other, where two are equally matched, if one has a protected characteristic that is underrepresented in your workforce - this is known as 'positive action'.

#### BRC criticises 'unreasonable' HMRC

The British Retail Consortium has shown concern at the tactics of HMRC in looking to crack down on National Minimum Wage (NMW) offenders. They feel that HMRC too often target employers who inadvertently break rules on NMW, despite taking all reasonable steps to comply.

##### Did you know?

HMRC appear to show no signs of slowing down with efforts to name and shame NMW offenders, therefore employers need to be careful when deducting any money from employee salaries, regardless of whether this has been agreed to by employees.

The rise in maximum compensation limits should encourage employers to be increasingly mindful of their actions when terminating employment, as one misstep could now be even more costly. Therefore, if you feel that you need guidance on conducting a fair disciplinary procedure, call our 24 hour Advisory Service.

Please contact the 24 Hour Advice Service for advice on your specific situation before acting on the information in this publication.