

This Week in Employment Law

Government Pledges £10.50 National Living Wage

As part of this week's Conservative party conference, Chancellor Sajid Javid has promised to restructure the National Living Wage (NLW), meaning significant wage increases for many workers. Join us as we take a look at this in more detail below:

- Javid announced that, over the next five years, the NLW will see phased increases to reach £10.50 an hour; the rate is currently £8.21 per hour.
- This would see NLW staff receive a 27% hourly rate increase over the next 5 years.
- Estimates suggest this change will result in a pay rise for over 4 million UK workers.
- Currently, the NLW is paid to anyone aged 25 and over; Javid confirmed that it will be extended to include those aged 21-24, representing an even larger pay increase for younger workers.
- Whilst fewer age bands will make the system easier to understand for employers, the significant increase in wage bills will be a harder pill to swallow.
- One advantage for employers is that the advance notice allows them time incorporate these wage proposals in budgeting activities.

Employer wins harassment case over 'massage claims'

The Employment Appeal Tribunal (EAT) has ruled in favour of an employer in a sexual harassment case. The EAT found that the massaging of the male claimant's shoulders by a female manager did not qualify for a harassment claim as the conduct was not related to his sex.

Did you know?

When bringing a sexual harassment claim under the Equality Act 2010 the burden of proof first falls on the claimant to prove there was 'conduct of a sexual nature or related to sex'. However, the tribunal will look into the specific factors of each case, including the context, to determine whether it falls within the legal definition.

Workers' pay concerns linked to the cost of living

A study by the TUC has revealed that 40% of workers are concerned that their pay is not keeping up with the cost of living. According to the study, many individuals earning the national minimum wage (NMW) were struggling to make ends meet and were missing out on meals.

Did you know?

There is no legal requirement to pay staff anything more than the NMW, which is currently £8.21 for those aged 25 and over. Having said this, failing to pay competitive rates may result in recruitment and retention issues, therefore employers should review pay practices regularly to keep staff on board.

Man City footballer faces action over 'racist' tweet

Manchester City midfielder Bernardo Silva is under investigation from the Football Association after posting an offensive image online. Silva, who has apologised for the incident, claims the image was related to a joke between himself and teammate Benjamin Mendy.

Did you know?

Employers can introduce a social media policy, which gives them the authority to discipline staff for online activity that offends colleagues or brings the company into disrepute. Even if the activity was intended as a joke, employers may still take action because of the effect that the behaviour had.

With the government promising to increase the National Living Wage significantly over the next few years it is important that employers stay up to date with the changing minimum wage requirements. Therefore, if you require a further explanation of the law around minimum wage payments give our expert Advisory Team a call.

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