



## **Businesses named and shamed for breaking NMW law**

**John Lewis and Sheffield United Football Club are among almost 200 firms “named and shamed” by the Government for not paying workers the National Minimum Wage (NMW). We explore what employers should know below:**

- Following investigations by HMRC, a total of £2.1 million in National Minimum Wage (NMW) was found to be owed to over 34,000 workers by almost 200 employers.
- Named businesses have since been made to pay back what they owed and were fined an additional £3.2 million.
- Whilst not all NMW underpayments were intentional, the Government emphasise that it is the responsibility of all employers to abide by the law.
- NMW breaches can occur when workers are paid on or just above the minimum wage rate and then have deductions from their pay for uniform or accommodation.
- In this latest list, 47% of employers wrongly deducted pay from workers' wages.
- 30% failed to pay workers for all the time they had worked, such as when they worked overtime, and 19% paid the incorrect apprenticeship rate.
- Employers should keep in mind that NMW rates change yearly and the age threshold for those eligible for the National Living Wage has been lowered from 25 to 23.

### **Unnamed minister suggests pay cut for homeworkers**

It has been reported that a Cabinet minister has suggested that civil servants who refuse to return to the office should have their pay cut to reflect the fact they no longer need to commute into work. The minister is quoted to have said that: “If people aren’t going into work, they don’t deserve the terms and conditions they get if they are going into work.” This has since faced backlash from the civil service union and others.

#### **Did you know?**

Whilst it might seem like a logical conclusion to make, employment law is not so straight forward. Employers will need to look to the employee’s contract first and proceed with care.

### **Operational guidance on vaccines and care homes**

Detailed operational guidance has been produced by the Department of Health and Social Care to support the implementation of new regulations which require care homes in England to ensure that anyone who works or volunteers in the indoor premises to demonstrate that they have been vaccinated or have an exemption. All relevant providers, managers and staff have been urged to read the guidance and take any necessary actions before the duty comes into force.

#### **Did you know?**

The regulations come into force on 11 November 2021 and employers may need to make dismissals, following due process, if staff are not fully vaccinated by then.

### **ET holds furlough can be redundancy alternative**

The Employment Tribunal (ET) has held that a dismissal was unfair because the employer had not considered furlough as an alternative to redundancy. In May 2020, the claimant had asked to be furloughed but this request was rejected by her employer. Due to the pandemic and lack of work, the claimant was offered alternative work which she rejected. She was later made redundant. The ET agreed with her argument that she could have been furloughed instead.

#### **Did you know?**

As part of the redundancy process, employers are required to consider other alternative measures that could reduce the need for redundancies.

Minimum wage law can be tricky; however, the Government’s actions continually highlight that the onus remains on employers to ensure that they are keeping in line with the law. Contact our 24-hour Advisory Service for up-to-date guidance on this and more.

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