

Government sets deadline for P&O Ferries to explain actions

P&O Ferries has come under criticism after it made 800 staff redundant with immediate effect by video announcement, we look at the key points for employers.

- The government has given P&O Ferries a deadline of 5pm on Tuesday 22 March 2022 to explain what procedure was followed. The Transport Secretary, Grant Shapps said "if they have flouted the notification law where they are supposed to tell the secretary of state when they are going to make more than a hundred people redundant, then there are criminal sanctions involved in that, including an unlimited fine," referring to the requirement for organisations proposing 100 or more redundancies to notify the Redundancy Payments Service at least 45 days before the first redundancy.
- Mr Shapps said he will review all government contracts with P&O Ferries and its owners, DP World, and is also considering what further steps can be taken, such as removing them from positions on advisory boards.
- Labour and the TUC called on the government to support a motion to ban fire and rehire practices and reinstate workers with no loss of pay. However, Tory MPs refused to back the motion.
- 'Dismissal and re-engagement', known as 'fire and rehire', is not illegal but it can still be an unfair dismissal if the correct process is not followed including having a sound business case for the change and consulting with staff.
- The P&O Ferries situation highlights the need for employers to consider their options carefully and seek appropriate advice, to reduce the risk of reputational and commercial damage to the organisation.

Ethnicity pay gap reporting not mandatory

Following the introduction of mandatory gender pay gap reporting in 2017, MPs have been campaigning for a similar requirement on employers to publish an ethnicity pay gap report. However, last week the government confirmed it would not, at this time, make this a compulsory measure. Instead, the government will release guidance in the summer for those who wish to voluntarily report on their ethnicity pay gap.

Did you know?

Ethnicity pay gap reporting can be a beneficial addition to wider approaches to improve diversity and inclusion such as using positive action recruitment strategies and providing diversity training.

Don't forget clocks change this weekend

British Summer Time begins at 1am on Sunday 27 March 2022 when the clocks go forward one hour. It is important to consider how this will affect working hours and pay for those who are required to work in the early hours of Sunday morning. Organisations can choose how they treat this lost hour, subject to any contractual entitlements, but should act consistently and fairly, for example, if they require staff to work an extra hour.

Did you know?

If employees are scheduled to work on Sunday morning, they should be reminded that the clocks are going forward an hour and encouraged to prepare for this to avoid any issues with lateness.

Court of Appeal upholds worker's claim against NMC

The Court of Appeal has found that a claimant, described as an independent contractor, was in fact a worker, in his claim for holiday pay against the Nursing and Midwifery Council (NMC). He was required to perform the work personally and the NMC was not a client or customer of the claimant's business. It did not matter that there was no obligation for the NMC to offer work or for the claimant to accept it.

Did you know?

This case means that a lack of "mutuality of obligation" should not be relied on to deny worker status and avoid statutory rights, where the individual is performing ad hoc work or assignments.

Collective consultation rules will apply where 20 or more redundancies are proposed within 90 days at a single establishment, including minimum consultation periods. 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.