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Park City offers stern warning about minimum wage to East Anglian employers

Last week the Government announced new measures to penalise employers who do not pay staff the national minimum wage. Park City, a Colchester-based Human Resources and Health & Safety specialist, advises businesses and organisations in East Anglia that if they do not adhere to the national minimum wage of £5.35 per adult (set last October) they risk being fined £200 for each worker affected.

Juliet Price, Managing Director, Park City, commented: "Last year, Her Majesty's Revenue and Customs [HMRC] exposed 1,500 employers who collectively were not paying the minimum wage to more than 25,000 workers. The government claimed back more than £3m in unpaid wages, and given last week's crackdown we are expecting this total to increase significantly this year."

The new rules will give employers who are found to be at fault, a seven day period of grace during which they must pay back arrears owing to the worker. Employers who do not pay within these seven days risk the £200 fine and if there are further delays, employers face the possibility of a criminal prosecution, risking a further £5,000 fine.

Juliet Price continued: "These measures impact many local businesses, historically the hotel, catering and retail sectors, which are all large contributors to East Anglia's economy, were most at risk due to the transient nature of their staff resulting in high staff turnover ratios. It's only fair to establish a competitive level playing field for all employers, as firms who flout the national minimum wage regulations were previously at an unfair advantage and to every degree could be a false economy should they be prosecuted for a breach of the regulations. Owners and managers need to ensure that they familiarise themselves with the national minimum wage pay scales within their companies, as this is as important as knowing what the highest costs contributors are.

She continued: "We have a number of hotel and catering businesses as clients, so we do understand that increases to the minimum wage can hit some firms hard and the possible associated problems. But by putting appropriate procedures in place,

businesses can, to some extent, anticipate these rises and other salary related regulations, therefore being more proactive in dealing with the associated issues.”

Park City has over 200 small to medium sized businesses as clients and offers advice and guidance on every aspect of the employee lifespan – from recruitment and selection to writing company handbooks; from contracts of employment to employee development plans; exit interviews; disciplinary procedures and redundancies.

For more information on the new minimum wage regulations, other Human Resources or Health & Safety issues, contact Park City on 01206 752100 or visit www.parkcity.co.uk

Ends

Notes to editors

One of the first companies of its kind in the UK, and now one of the largest Human Resources and Health & Safety specialists in its sector, Park City, is owned and managed by Julie Price. Juliet established the business in 1997 and today the business has a turnover of £1.2m, with 26 members of staff and over 200 current clients (approx 75% on a retainer).

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