



The Managing Director's Column:



HR Managers Must Lead From the Front

A recent article in the Sunday Times entitled 'Personnel Chiefs Must Take the Lead' highlighted the point that the Human Resources function may, on the surface, appear to have a reduced meaningful business role in the current economic climate. This is most definitely not the case. Personnel management and legal compliance are as important now as ever before.

The article also emphasised that in order for the HR function to be seen as essential and relevant in the current business environment, it must become more than simply a 'payroll and pensions department'.

I wholeheartedly agree with this sentiment. Human Resources Management must continue to demonstrate the value it adds to the business as a strategic business function and move away from being labelled as simply an administrative role. HR chiefs must lead from the front, demonstrating that they understand what the business needs are now and what change management will be needed in the future. Good HR direction will improve a company's productivity and performance, resulting in a positive difference to the bottom line.

At Park City, whilst we do work with our clients to greatly improve their HR systems and documentation, our consultants pride themselves on truly understanding how their client's business works and more importantly; how to lead from the front to make their client's company work efficiently and effectively, even in difficult economic circumstances.

Park City are not simply an outsourced administration service. It is true that we will improve your systems and documentation but our expert consultants also give your business a truly strategic HR capacity, whilst ensuring that you have done everything in your power to comply with current HR or Health & Safety legislation.

I hope that you enjoy our latest updates newsletter. If you know anyone who would like to receive this newsletter that isn't currently, then please urge them to subscribe. I would also urge anyone reading this update to contact me with any comments or queries regarding the work that Park City can do and have done for your business. I sincerely hope that business is healthy.

Juliet Price
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Anything but Redundancy – Stop the 'Inevitable' from Happening

Whilst employers may perceive that redundancies are inevitable in the current economic climate, Park City would like to suggest that there are many alternative options and strategies that businesses can undertake before this worst case scenario becomes a reality.

Park City have worked with many businesses, from smaller SMEs through to large blue-chip organisations offering outsourced Human Resources support, Health and Safety support and bespoke training packages. Recently, Park City has helped firms to reduce costs and improve efficiency, in order to keep the wolf of redundancy from their door in this difficult economic period.

The following options are measures that directors and managers could consider, before making employees redundant:

- **Stay Positive – you and your business will find a way through this difficult time. Remember; there are other ways to save costs other than staff reductions.**
- **Freeze Recruitment** – if your business is struggling, there is no need to bring in new employees if the job could be filled by re-training an existing employee.
- **Cut back overtime** – don't make your business incur extra costs by paying for overtime working.
- **Are you using agency staff?** – if your business is using a lot of agency staff, ask yourself whether the company could fill that role internally by cross-training existing staff members.
- **Consider reduced working hours** – short term working options can help to alleviate cost pressures on businesses. Possible strategies include; job sharing and flexible working hours.
- **Voluntary Pay Cuts** – in the current climate, your firm may have employees that are willing to accept lower pay or fewer working days in order to support their position and the business.
- **Bring extra flexibility into your workforce** – by re-training your existing employees and transferring skills across departments, it may be possible to improve efficiency within your firm, leading to cost reductions and a highly motivated workforce.
- **Be open and transparent** – In order to keep your employees motivated and morale high, discuss cost-cutting measures with your employees. You may gain useful insights from your staff who have their 'ears to the ground' which you may, as yet, not considered. Moreover, by remaining honest and open, you will keep the trust of your workforce.

- **Re-deploy your workforce** – before making redundancies, consider the possibility of moving employees to new roles and new locations. Your staff may feel invigorated by the change and many would prefer this option to having no job at all.

All of the measures described above provide suitable alternatives to the last resort of redundancy. It is not inevitable that this strategy must occur in the current economic climate and by following Park City's advice; this worst case scenario may not materialise.

If redundancies have to be made, you can remain safe in the knowledge that Park City can offer expert outplacement, redundancy and employment law support, whenever you need it.

Paternity Leave Increase Put on Hold

Controversial plans that were to allow parents to share a year's maternity leave have been shelved following complaints from businesses. The scheme was proposed in Labour's last manifesto to promote their 'family friendly' agenda. It was proposed that fathers would receive 6 months paid leave to look after the newborn which would allow the mother to return to work early.

These plans were condemned by small businesses as another example of bureaucratic red tape, which would further constrain firms in the difficult economic climate and increase their costs. Based on these arguments, the government's business department has decided to put the new paternal rights scheme on hold.

Equality groups have strongly criticised the government's U-turn.

This story once again highlights the difficult compromises that must be made between enjoying the benefits of new regulation and the ensuing costs for businesses.

For more information on any aspect of employment law, please do not hesitate to contact Park City who will guide you through this legal minefield.

Equality Bill Update

Amongst other aspects, the Equality Bill will aim to permit positive discrimination in respect of female employees and ethnic minorities within the recruitment process where candidates are equally qualified and suited to a role. This is part of the Bill's endeavour to address socio-economic imbalances and inequalities.

There will also be some element of encouragement for pay information between male and female employees to be published by organisations within the next 4-5 years in order to encourage closure of the gender pay gap. As importantly, there will be moves to ban contractual clauses that prevent staff from disclosing their salary and benefits packages.

The Equality Bill (which had its second reading in the House of Commons last month) aims to replace most existing discrimination legislation to consolidate, strengthen and simplify the scope of equality legislation.

National Minimum Wage Changes

National Minimum Wage increases **effective from 1st October 2009** have been published as follows:

Workers aged 22 or more	£5.80 per hour
Workers aged 18-21	£4.83 per hour
Workers aged 16 and 17 and officially above compulsory school age	£3.57 per hour

Employers should also note that the age range for the adult rate will alter with effect from October 2010, when this will also be applicable to individuals aged 21 or above, thus lifting 21 year olds out of the 'youth rate' bracket.

It is understood that the Government are also considering 'naming and shaming' those employers who deliberately fail to abide by these laws as part of the HM Revenue and Customs' enhanced powers to enforce the rates.

Redundancy Rates

From 1st October 2009 it is expected that the limit on the Statutory Redundancy Pay weekly calculation will rise to £380 per week from £350 per week. It is the Government's intention to increase the basic award in unfair dismissal cases as well as other compensation amounts that are based on weekly pay in line with this increase.

The following review of this rate was intended to take place as normal in February 2010 but recent reports now suggest that this will be suspended until February 2011.

Caps on unfair dismissal compensatory award will remain unaffected until February 2010 when the necessary adjustments will be made.

'Fit Notes' Not 'Sick Notes'

The Government is planning to replace GP sick notes or Med3 certificates with 'Fit Notes' with effect from April next year. This will encourage and allow GPs to comment on whether or not an employee is able to undertake some work as opposed to no work and to give an indication of any changes or adjustments that might be implemented that will permit an employee to return to work, perhaps sooner than anticipated e.g. a phased return to duties.

Whilst the impact of these changes could positively affect attendance at work, employers will need to be prepared to consider the information and suggestions outlined by GPs in this way. Some caution must be taken in some circumstances where there is potential to breach the organisation's obligations under the Disability Discrimination Act 1995 in terms of failing to consider/make reasonable adjustments.

Redundancy Selection and Length of Service

Recent case law has seen further debate regarding whether or not length of service is a permissible criterion to use within a redundancy exercise. It has for sometime been an area of concern since length of service indirectly discriminates against younger workers. A recent decision taken by the Court of Appeal in a case concerning Rolls Royce has demonstrated that use of the criterion can be lawful. It is important, however, to consider the following points:

- It may not always be lawful to use this factor in every redundancy case.
- Employers should ensure that if it is used, it should be one of a number of criteria.
- It is advisable to give the criterion a lower weighting.
- It is not advisable to use the criteria in ultimate decision-making situations i.e. where it is a deciding factor between two individuals whose scores are tied.
- It does not make LIFO (Last In, First Out) an appropriate redundancy strategy.
- Use of the criterion in any case, will need to be justified.

New HSE Strategy Launched - Be Part of the Solution

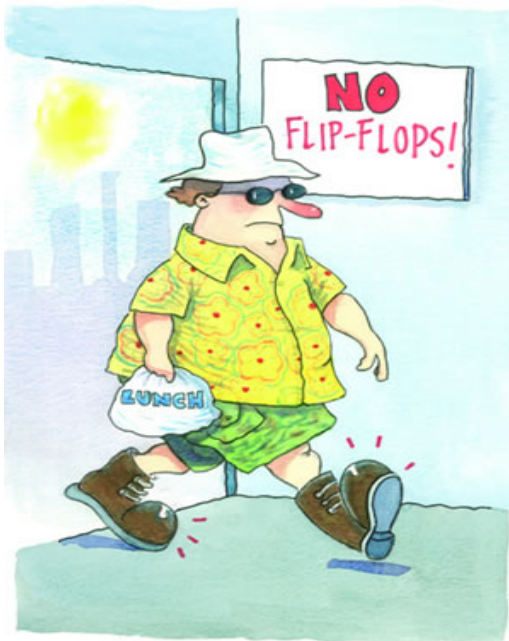
On the 3rd of June, the Health & Safety Executive (HSE) launched a new strategy, 'Be Part of the Solution', which aims to reset and re-affirm the direction of Health & Safety in the UK www.hse.gov.uk/strategy/document.htm

The key aspect of this new strategy is to highlight the principle that everyone must play their part in delivering higher standards of Health & Safety performance.

The HSE's new strategy states; "To be truly effective, Health & Safety has to be an everyday process supported by all as an integral part of workplace culture." The strategy argues that everyone has a fundamental role to play in; investigating accidents, strong leadership, increasing competence in risk management, involving the workforce, avoiding catastrophes and customising support for SMEs.

In order to involve all companies in this new strategy, the HSE have formed 'the pledge' whereby companies can sign up and prove that they are committed to being part of the new Health and Safety solution. Your company can join Park City and sign up to the pledge at: www.hse.gov.uk/strategy/signup.htm.

The HSE Myth of the Month: You can't wear flip-flops to work.



Reality:

During the summer, many of us think about wearing sandals or flip-flops to work to help us stay cool. Despite recent reports to the contrary, health and safety law doesn't ban them.

However, slips, trips and falls do account for about 30% of all workplace accidents, and what you wear on your feet can make a difference. So, if you work somewhere where the floor can't be kept dry or clean then wearing shoes that fit well and have a good grip would be a better choice than flip-flops (Source HSE).

Subscribe to Park City's Latest News:

If you know anyone who might be interested to receive our latest news updates, please do not hesitate to contact Catherine on 01206 752100. Or alternatively enter the relevant details at www.parkcity.co.uk/FreeUpdates

Corporate Manslaughter - First Charge Brought

The first application of the Corporate Manslaughter and Corporate Homicide Act 2007 has been authorised by the Crown Prosecution Service.

The Corporate Manslaughter and Homicide Act came into effect in April 2008 with the aim of ensuring that organisations are held to account if a workplace death can be attributed to serious managerial failings. Companies convicted of this offence can receive an unlimited fine and/or a 'remedial order' and/or a 'publicity order', whereby the guilty party must draw attention to the offence committed.

Cotswold Geotechnical Holdings has been accused in relation to the death of an employee who was killed in September 2008 when the pit he was working in collapsed. The company director has also been charged with the separate offence of gross negligence manslaughter and if convicted, could be jailed for life. It must be noted that there is no custodial penalty under the Corporate Manslaughter Act.

The CPS stated that an organisation was guilty of corporate manslaughter if the way in which its activities were organised or managed led to a death and amounted to a gross breach of a duty of care to the person who died.

If you require any information regarding the Corporate Manslaughter and Corporate Homicide Act 2007 and how it may affect your business, then please do not hesitate to contact Park City immediately and speak to one of our experienced Health & Safety consultants.

Health & Safety guidance will be Free Online

The Health and Safety Executive announced on the 3rd June that authoritative guidance on how to protect employees from dangers in the workplace is to be given away free of charge for employers.

Around 250 priced publications containing Health & Safety guidance and advice will be made freely available on the HSE's website from September 2009. These publications will include detailed information on ACOPs (Approved Codes of Practice), relevant safety regulations and will cover the full range of the HSE's guidance.

The HSE stated that it had taken the decision to make this information freely available to employers to help them; "better understand their legal duties and what Health & Safety precautions they need to take and to help safety representatives in maintaining and improving Health & Safety in the workplace".

For further information, please visit; www.hse.gov.uk/news/2009/free-guidance.htm. It must be noted that printed versions of the publications can still be purchased from HSE books.

 <p>Business Health Check</p> <p>Is your business performing to its potential? Could you do more to improve your business performance?</p>	<p>Then please visit: www.parkcity.co.uk/human-resources-management/free-health-check for a FREE Business Health Check and a FREE Business Report.</p>
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Institution of Occupational Safety and Health (IOSH) Course Dates:

IOSH Directing Safely for SMEs: 1 day For Directors and Business Owners

The 'Directing Safely' course is a one-day course, specifically designed for you, the directors and owners of SMEs, who are ultimately responsible for the Health & Safety of your employees and all who visit your place of work.

On completion of this course, you will gain a complete understanding of the moral, legal and business case for embracing Health & Safety management in a proactive manner, whilst also gaining a good understanding of effective risk management.

Tuesday 23rd June 2009
Tuesday 20th October 2009
Tuesday 1st December 2009

Price: £325.00 + VAT for **existing clients** (per delegate)
£375.00 + VAT for all other delegates

IOSH Managing Safely: 4 days For Managers

The 'Managing Safely' course is designed for those in your firm who are required to manage safely and effectively, in compliance with your organisation's policies and best practice in Health & Safety.

This 4 day course will ensure that safety requirements are appreciated by those people employed as managers, allowing them to review their own departmental systems for safety, introduce new controls and implement changes that will ensure that your organisation operates as safely as possible.

September 2009 – 15th/16th and 23rd/24th
November 2009 – 10th/11th and 18th/19th

Price: £395.00 + VAT for **existing clients** (per delegate)
£590.00 + VAT for all other delegates

All the above training days will be held in Park City's Training Suite. For more information or to make a booking, please email: laura.chambers@parkcity.co.uk

Advice?

For further information concerning the changes in Employment Law and Health and Safety legislation revealed in this update, do not hesitate to call us today on **01206 752100** or email: consulting@parkcity.co.uk

Free HR or H&S Consultation:

Would you like a Human Resources or Health & Safety consultation free of charge for your business? Or if you have any particular training requirements, call us now on **01206 752100** or visit: www.parkcity.co.uk/freeconsultation

www.ParkCity.co.uk

For regular news updates, seminar and training dates and comprehensive details of all the services that Park City can offer your business, please visit our website.

'How to' Workshops - 2009 Timetable

Park City's 'How to' Workshops, run by our expert HR consultants, offer excellent coaching, practical advice and ideas for immediate implementation on current HR topics relevant to your business:

Forthcoming Workshops:

Weds 24th June – Managing Absence

Thurs 23rd July – How to manage the recruitment process

Tues 22nd Sept – How to manage the disciplinary process

Thurs 22nd Oct – How to manage the grievance process

Tues 24th Nov – Managing Absence

TIME: 9.30am-1.00pm

VENUE: Park City Training Suite, Colchester Business Park

PRICE: £150.00 + VAT for **existing clients** (per delegate)
£175.00 + VAT for all other delegates

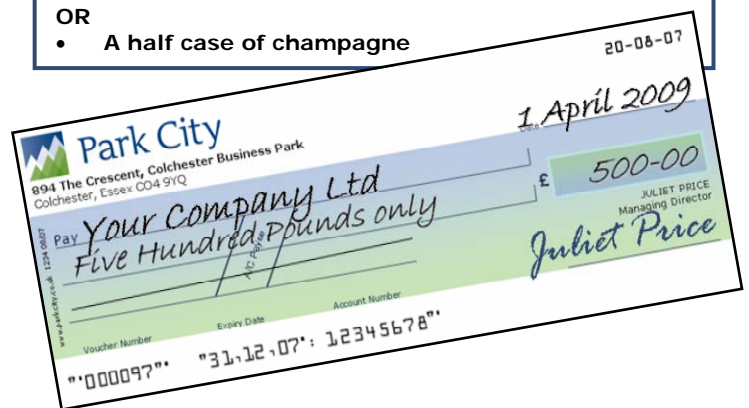
BOOKINGS: E-mail: catherine.willis@parkcity.co.uk

Park City's Referral Scheme

Each time you recommend Park City to a friend or a contact in your network & pass the name and contact details of the referral to a member of the Park City Team, we promise to follow up that referral in an exceptionally professional way.

When the referral becomes a retained client, with the security of our service support, we want to thank you with more than a thank you card. **It is that straight forward to receive...**

- **A £500 voucher for use towards a Park City training session or project**
- OR
- **A case of wine**
- OR
- **A half case of champagne**



Comments?

If you have any questions or comments to make regarding Park City's news updates (good & bad!) please do not hesitate to write to jonathan.cannock@parkcity.co.uk

Empowering Your Business

Employment Issues Health & Safety Tailored Training

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