



**December 2009 HR Newsletter**

We wish you a wonderful festive season; please see our special wine voucher offer as a referral reward.

**Equal Pay Considerations**

According to research done by The Fawcett Society is the UK's leading campaign for equality between women and men 85% of the public are in support of equal pay audits. Their website provides the following gruesome statistics:



- 30,000 women lose their jobs in the UK each year simply because they are pregnant
- Only 11% of FTSE 100 company directors are women
- Nearly 1 in 5 women who work in London earn less than the London Living Wage.
- Women in London earn 23% less than their male counterparts

Fewer than one in five (18%) of private companies measure their gender pay gaps, according to other research produced today by IPSOS Mori for CIPD/KPMG. Even in the public sector, where equal pay monitoring is a statutory requirement, the study finds only 43% complete audits, with many of these described as "ticking the bureaucratic box rather than as part of an underlying effort to advance gender equality. Under the provisions of the Equality Bill - due to be passed early next year - the government is considering forcing companies with more than 250 staff to report their gender pay gaps by 2013 if too few of them are doing it voluntarily. Companies should investigate pay structures from the perspective of fairness and equality whether or not legislation is introduced. Leading businesses will examine their pay gaps not because of government, but because they understand the impact to their reputation and possible legal damage of not getting it right.

Companies who wish to gauge how vulnerable they are to an equal pay claim should ask the following:

1. Is equal pay a consideration in your company's HR policy?
2. Does your HR team understand the implications of current and future equal pay legislation?
3. Is equality of pay embedded in the recruitment, retention and engagement policies of your company, including monitoring starting salaries by gender?
4. Does your executive leadership understand and sponsor the concept and implications of equal pay?
5. Do your managers understand the concept and implications of equal pay?
6. Does your company have a job evaluation scheme?
7. Does your company believe that the job evaluation scheme can manage the issue of equal pay in your company?
8. Does your company provide guidelines to help managers in performance management discussions and in the allocation of pay increase and bonus awards?
9. If challenged, would your company be able to justify gaps in base pay and annual bonus between a male employee and a female employee who have the same role and responsibilities?
10. Does your company have a process to deal with an equal pay claim?

If the answer is no to any of these then an organization should take urgent action to address the issues or face the possible consequences of a lengthy and costly tribunal claim.

**Rule Changes on Medical Reports Allows Employees' Veto**



Employers could find it harder to obtain independent medical assessments for employees with health problems following new guidance from the General Medical Council regarding confidentiality issues. The guidance, which took effect on 12 October 2009, places doctors under enhanced duties when acting as independent medical advisers preparing reports for employment purposes. The guidance, which applies to all doctors states that they must:

- be satisfied that the employee is fully informed of the purposes and likely results of disclosing a report to the employer;
- point out that relevant information cannot be concealed or withheld;
- disclose only facts that are relevant to the employer's request;
- offer to show the employee any report on their condition before it is sent;
- obtain the employee's written consent before passing on the report.

Those who have actually treated the employees concerned are also subject to the provisions of the Access to Medical Reports Act 1988. While independent or occupational health doctors who haven't treated the employees aren't covered by this act, they can no longer supply medical reports to employers without following the above steps. The guidance has been designed to increase trust between doctors and patients, and to prevent the unnecessary disclosure of personal details. Under the previous rules, independent or occupational health doctors not involved in treating the employee concerned could give the employer a report without running it past the individual first. The guidance does not oblige employers to change how they seek medical opinions. It is now, however, even more important that employers set out clearly in writing the issues they are seeking advice on. Then doctors will have more clarity on the relevant information they need to provide. Employees, then, are more likely to consent, however, the introduction of a sign-off procedure means that employers could face delays in receiving reports, which could in turn prolong the absence management process.

The guidance does not give employees the right to amend reports, but it's likely that most doctors will be willing to correct factual inaccuracies. It is less clear whether employees will ask doctors to alter reports in more subtle ways. Doctors have been advised that it is unacceptable to make changes under pressure from either employees or employers. If consent is withheld the report cannot be disclosed. This change may have unintended and unwelcome consequences for employers and employees. Employers disputing medical information received, for example, from GPs, may face difficulties obtaining independent medical opinions now employees can refuse disclosure. Organisations with limited medical information will be less able to implement reasonable adjustments and may be more likely to dismiss employees for ill health.

### **How to Manage a Re-structure – 5 top tips!**

1. Identify the main objectives for your business re-structure and plan the most appropriate people structure to make your business more effective.
2. Identify which key skills you wish to retain in the new structure and ring-fence key individuals to particular posts; if they only have 70% of the skills required develop a skills development plan for each.
3. Recruit to the remaining posts either from within (first) and then outside the business.
4. Identify which individuals are not required within the new structure as they do not have the new skills required and set a redundancy management programme in place bearing in mind consultation and dismissal legal requirements.
5. Manage performance of the individuals in the new structure carefully and develop training and development plans as appropriate to ensure business success.

If you need support with a re-structure contact us on 07762 771290.

### **Refer Us to Your Business Contacts and Receive a £20 Wine Voucher**

To help the festive season along SJ Beale HR Consult is offering a £20 wine voucher to redeem with Amps Fine Wines of Oundle if you recommend us into a business that subsequently proceeds with our services. Please let us know who you have recommended us to so we can follow up with your reward – call 07762 771290.



### **Employment Starter Pack - £250.00**

Thinking about taking on your first employee? To get you started our employment starter pack includes an appointment letter, employment contract, bank details/next of kin form, induction checklist and job description template. Contact us on 07762 771290 for more details.

### **HR Advice Line – From £30 per month**

Access to unlimited advice via phone and/or email to discuss any employee issue. It is ideal if you are struggling with a difficult staff issue or if you are worried about the legal implications for dismissing someone for example. We are a safety net before you take action. Call 07762 771290 for more details.