



# Employment Law Matters

Welcome to the winter edition of our quarterly newsletter. Please click on the links to read recent case updates and about current regulatory issues affecting employers.

## [Case law update](#)

Round-up of recent employment cases...[click here](#)

## [News update](#)

Summary of regulatory developments affecting employers... [click here](#)

## [Age discrimination – what do we know now?](#)

After two years we are now getting an idea of how courts and employment tribunals are handling claims made under the Employment Equality (Age) Regulations 2006 ... [click here](#)

## [Do employees working overseas have more UK protection than you think?](#)

In a global economy, employees regularly work overseas and it is important for employers to understand what English statutory rights may apply to the relationship... [click here](#)

## [A new era for temporary workers](#)

Currently, agency workers are entitled to limited protections when compared to the permanent employees they work alongside. However, the new European Temporary Agency Workers Directive is intended to give them additional rights... [click here](#)

## [Business visitors update](#)

In November 2008, the Government introduced updated rules for business visitors. The new rules appeared to give a route for secondees to bypass the new points based system (PBS)... [click here](#)

## [Managing in the downturn](#)

Two new PwC videos explore different aspects of managing people issues in the downturn. For more information and links to the videos... [click here](#)









## News update - Cont'd

The UK Border Agency (UKBA) has issued new guidance clarifying who must notify it, via the sponsorship management system, when a transfer under the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) results in the transfer of migrant workers sponsored under the new points-based immigration system from one employer to another. Whilst the guidance resolves some important issues for employers, many questions in relation to transactions and outsourcings remain unanswered.

The Queen's Speech, delivered on 3 December 2008, confirmed the Government's plan to extend the right to request flexible working to parents of children up to the age of 16 from April 2009. In October 2008, comments made by the Business Secretary, Lord Mandelson, led to speculation that the extension could be shelved due to the deteriorating economic environment but the inclusion in the Queen's Speech underscores the Government's commitment to flexible working.

The Queen's Speech also made reference the Equality Bill, the enactment of which will harmonise the definition of indirect discrimination across all forms of discrimination and aims to tackle the persistent pay difference between men and women. The Confederation of British Industry (CBI) concurred that there was more work to do to eradicate gender pay differences, but agreed with the Government that the right approach to this was not mandatory audits on pay. It recommended that efforts for improving the situation should focus on the provision of better career advice to women and an increase in state-funded childcare.

BERR has reiterated the Government's plan to extend the right to request flexible working arrangements to parents of children aged 16 and under.

HMRC has issued new guidance to clarify the application of lifestyle changes to salary sacrifice arrangements. Some employers allow employees who experience a 'lifestyle event', such as the birth of a child or divorce, to ask the employer to vary their employment contract and therefore to change the benefits they are entitled to. Where an employee changes their remuneration package as a result of a varying the employment contract, the amount of tax or national insurance contributions (NICs) may also change to reflect the new remuneration package. However, if the arrangements allow employees to alter their remuneration package without the need to vary a contract, the tax or NIC rate will not change. If an employee can revert to cash from a non-taxable benefit without the need for a contractual variation, there will be no tax advantage, even if the employee does in fact select the non-taxable benefit.

The Employment Rights (Increase of Limits) Order 2008 increases compensation limits for certain tribunal awards and other statutory payments from 1 February 2009. In most cases involving dismissal, the new figures will apply where the effective date of termination is on or after 1 February 2009. The main increases are as follows:

<b>Compensation limit</b>	<b>1 February 2008</b>	<b>1 February 2009</b>
Maximum compensatory award for unfair dismissal	£63,000	<b>£66,200</b>
Maximum limit on a week's pay	£330	<b>£350</b>
Minimum basic award for certain unfair dismissals (dismissals for reasons of: trade union membership or activities; health and safety duties, pension scheme trustee duties; acting as an employee representative)	£4,400	<b>£4,700</b>
Maximum guarantee payment per day	£20.40	<b>£21.50</b>



















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