



Legal headaches

As 2007 looks set to be a year of employment law headaches for businesses, **Alex Blyth** reports on the changes and challenges ahead

For as long as anyone can remember, tax returns have been the perennial bugbear of business people. But in recent times employment law has begun to challenge this position. A raft of new employment legislation, coupled with the growing inclination of employees to report and even sue negligent employers, has meant that no one in business can now afford to ignore employment law.

Yet, very few business owners and managers are as conversant with employment law as they should be. For example, a recent survey of over 2,000 women in business across the North West, conducted by law firm Brabners Chaffe Street in association with women's business network Winning Women, found that 48 per cent admitted to not understanding employment law. A shocking 29 per cent were deterred from employing new members of staff because of the complexities in, and their concerns about, employment law.

Because employment law is so complex and changeable, most businesses use experts to advise them. The choice of employment law adviser is an

important one and will be even more so over the next few months as businesses in the region try to grapple with the mountain of fresh legislation that is due to come into force.

For most companies, when it comes to selecting the right adviser, technical knowledge of the law is a given. They are looking for more than that and, above all else, most businesses want employment law advisers who will take the time to understand their companies and build a relationship with them.

Adrian Fryer, partner at Liverpool law firm Lees Lloyd Whitley, says: "Our commercial clients are looking for a real understanding of their businesses culture, commercial pressures, compliance issues and so on. They don't want a bland statement of the legal position; they want pragmatic guidance on the options available to them in each given situation."

Meanwhile, Laura Wander, group human resources director at Wilmslow loan and mortgage broker Freedom Finance, uses Halliwells for employment law advice. She says: "I stay with them because they don't just lay down the

law to me. They talk to me about my business situation and objectives and give me ideas on how I can do what I want to do, while remaining within the law."

This sort of relationship with an experienced employment lawyer might be the ideal situation, but many smaller businesses find themselves unable to afford the fees and so look for alternative solutions. More and more people have been taking advantage of online and telephone-based advice services, such as My In-house Lawyer from virtual law firm Lawyers Direct, which makes experienced in-house lawyers available to companies on a daily and even hourly basis.

Although land reclamation agency Leyden Kirby Associates has only 27 staff in its Bury and Liverpool offices, its director, Phil Kirby, is still concerned by the possibility of falling foul of employment law. So he has hired Citation, an employment law consultancy with a 24/7 helpline. He says: "They only charge £200 per month. They've helped us put together a contract of employment and when we had an associate leave in a hurry they helped us get all the correspondence just right. Perhaps most importantly, they also keep us up to date with all the relevant new legislation."

In the next year there will be much to keep employment law advisers and their clients occupied as several important pieces of legislation enter the Statute Book. On 1 July 2007 it will become illegal to smoke in public places. This will include places of work and even company vehicles. Vicky Bennett, head of employment at law firm Heatons, says: "There are 12 million smokers in the UK and over 1.2 million people in the UK drive company cars. This is going to be a major issue for North



EMPLOYMENT LAW Fryer and Wander

West companies during 2007, but most aren't aware of it."

One of the biggest changes to employment law in 2007 will concern maternity and adoption leave. Michael Ball, employment partner at Halliwells, says: "A number of changes are being introduced where the expected week of childbirth or placement falls on or after 1 April 2007. Most notably the requirement that employees have six months' service in order to take a year's maternity leave is being scrapped and maternity and adoption pay periods are to be extended from six to nine months."

On 6 April 2007, carers of people who are aged over 18 will acquire the right to request the flexible working arrangements that are currently only available to those caring for young or disabled children. Justin Beevor, employment lawyer at Mace & Jones, says: "This will give an estimated 2.6 million employees the right to request flexible working and could trip up those employers that leave preparations to the last minute. The definition of a carer

covers a broad range of people and, consequently, this legal change could have a significant impact on how a business operates."

It is not only new mothers and carers who will be taking time off from work. Changes to the Working Time Regulations will mean that all workers will be entitled to paid bank or public holidays in addition to their normal annual leave.

However, despite the introduction of these major new laws, experts believe that the biggest issue for employers to consider in 2007 will be age discrimination. In October 2006 it became illegal to discriminate on the basis of age, and the Employment Tribunal service estimates that 250 claims have already been lodged. During 2007 we can expect to see rulings on many of these claims and, if any of them find significantly against the employer, the issue of age discrimination will soar to the top of many boardroom agendas.

Finally, the issues of stress, religion and obesity will become ever more

important to employers. Alison Loveday, managing partner and head of employment at Berg Legal, says: "The trend of work-related stress and subsequent absence from work is on the increase. Bullying at work has also hit the headlines in 2007, with several high-profile cases. Consequently, many organisations are adopting formal policies on managing these issues. Any that haven't yet addressed this issue should speak to their advisers about it."

On religion, Deborah Hely, employment partner at Beachcroft, says: "The wearing of the veil and the crucifix continues to cause controversy and is giving cause for concern amongst employers. Employers can, in appropriate circumstances, refuse to allow certain types of attire. The key tests are whether the clothing or religious symbol interferes with the worker's ability to perform or with health and safety. Employers need to look beyond entrenched attitudes and instead, conduct an open and straightforward dialogue with their employees."

LEEDS

LIVERPOOL

MANCHESTER

PRESTON

HR Awards up for grabs

The search is on to find the UK's smartest employers. Now in their second year, the DWF Employer Awards recognise excellence in human resources practice.

There are eight award categories, covering different facets of HR from leadership, recruitment and training to risk management and the use of technology. Entry is open to any employer in the UK and there are no limits on size, industry or sector.

2006 winners included Bramall Construction, EuroCamp / Holiday Break, GeoPost UK, McDonalds, RentSmart Ltd, Sesame Services Ltd and Shepherd Building Group.

The awards ceremony will take place on Thursday 31 May at the Hilton Manchester Deansgate and will be hosted by Helen Lederer – from Absolutely Fabulous, One Foot in the Grave and The French & Saunders Show.



THE 2007 AWARD CATEGORIES ARE:

Outstanding Leadership in HR,
sponsored by DWF Solicitors

Distinction in Employee Training,
sponsored by DWF Advantage Training

Excellence in Risk Management,
sponsored by Bridge Insurance Brokers Limited

Excellence in Managing the People Aspect of Change,
sponsored by DBM

Best Employee Benefits Communications,
sponsored by Jardine Lloyd Thompson Benefit Solutions

Partnerships in Business,
sponsored by Newsco Insider Ltd

Innovation in Recruitment,
sponsored by Search Consultancy

Excellence in HR Through Technology,
sponsored by Vizual Business Tools plc

And on tackling obesity, David Sinclair, partner at Hempsons Solicitors, says: "The continued increase in obesity in this country presents yet another headache for employers, who can face tribunals for unfair dismissal and on the grounds of discrimination if it can be argued obese employees have been singled out. Where a person's obesity is simply down to their lifestyle and eating habits, employers may be able to refuse to hire or dismiss them on health and safety grounds. However, if the person's obesity is due to a medical condition it may be unlawful for an employer to dismiss them."

From maternity leave to age discrimination, employers will have their work cut out keeping on the right side of the law in 2007. In between banning smoking and addressing religious tensions, they will also need to remember to make some money. The wise will seek the advice and assistance of good employment law experts. The wisest of all will make sure they have booked a holiday at the end of it all ▶

HOTEL HOT TOPICS

Since it was opened in 1998, the Radisson SAS Manchester has used law firm Pannone for all of its legal requirements, including employment law. Lisa Wade, HR and training manager, says: "It's very useful for us to have the same firm advising us on all aspects of the law, but they're also very good on employment issues. They're efficient, they have a good understanding of the law, and, over the past nine years, they've built a thorough understanding of our business."

The hotel has around 225 staff and, in terms of employment law, primarily uses Pannone for advice. Wade receives information from the firm on new relevant legislative developments and, where necessary, seeks advice on how the hotel can best deal with them.

In the next year, Wade believes that the most significant piece of employment legislation will be the Work & Families Act. She says: "It's not so much the changes to

maternity leave or carers' rights, as we already have good family policies in place. It's more working out what we do on the details like having new mothers come in for staying-in-touch days."

She will also be keeping a close eye on the age discrimination case law that she expects to emerge in the next year.



LEGAL ADVICE Radisson SAS



dwf
Solicitors

Employer Awards **2007**
Rewarding excellence

For further information on how to enter, or to reserve your table at what promises to be a spectacular evening, please visit our website or contact Rosalind Brown on **0161 603 5023** or at rosalind.brown@dwf.co.uk.

Professional. Legal. People.

www.dwf.co.uk