



HR SNAPSHOTS

HOLIDAY PAY, WORKING TIME AND TUPE

The Employment Rights (Amendments, Revocation and Transitional Provision) Regulations 2023
Effective Date: 1st January 2024

Aimed at trying to streamline and simplify the law in these areas, the regulations will impact holiday pay and annual leave, working time and rights/obligations under the TUPE regulations.

Holiday Pay and Annual Leave

Rolled-up holiday pay (at an accrual rate of 12.07%) will be lawful for workers with irregular hours or part-year workers.

The aim is to make it easier for employers to calculate holiday entitlement for such workers and to ensure that worker holiday entitlement better reflects the hours they work across the year. Employers will now have the discretion to choose whether to calculate holiday entitlements by way of a reference period or by applying a rate of 12.07% to the worker's earnings during any pay period.

TIP: Review all your current contracts of employment and relevant policies to ensure that you have a clearly defined process. Any changes should be communicated to employees.

Working Time

The regulations remove the requirement for employers to keep records relating to working hours and rest periods, However, as employees will need to demonstrate compliance with the regulations it is not clear as to what the impact of this change will be.

TIP: Our advice would be to continue as you are as it is useful to be able to demonstrate employee working hours if you have concerns about productivity, performance, or attendance.

TUPE

The regulations allow businesses with either less than 50 employees or transfers involving less than 10 employees, to consult with employees directly and not undertake collective consultation as part of the transfer process. The change aims to streamline the TUPE transfer process, where small transfers are taking place.

TIP: Seek advice before commencing a TUPE project as there are still guidelines around individual consultation that you will need to follow.

Updated Minimum Wage Rates - Effective Date: April 2024

Workers over 21: £11.44 p/h

Workers aged 18-20: £8.60 p/h

Workers aged 16-17: £6.40p/h

TIP: We would suggest that you review all employees on hourly rates and those on a salary of less than or just over £22,308, or the equivalent for the relevant age category. You need to consider what if any deductions are made from their rate of pay that could drop them below the NMW thresholds, and how the salary levels will impact your ability to remain an attractive employer.

The rates for Statutory Maternity Pay, Statutory Paternity Pay, Statutory Adoption Pay, Statutory Shared Parental Pay, Statutory Parental Bereavement Pay and Maternity Allowance will all increase from £172.48 to £184.03 per week (or 90% of the employee's average weekly earnings if this figure is less) and the rate for Statutory Sick Pay will increase from £109.40 to £116.75 per week.