

lindsays

Employment essentials

The fundamentals of current
employment law and employee
entitlements for 2021



Rest breaks, holidays and working time

Paid annual leave

28 days per year

Rest breaks

- 20 minutes break for every 6 hours worked
- 11 consecutive hours rest in each 24-hour period
- 24 hours uninterrupted rest each week or 48 hours every fortnight
- Maximum average 48 hour work per week (unless employee has signed an opt out)

Written statements

All employees are entitled to:

- Terms and conditions of employment on or before the first day of work
- An itemised pay statement
- Written reason for dismissal after 2 years' service (no service requirement if pregnant)

National Minimum Wage and notice periods

Age	1 April 2021
Apprentice	£4.30
16-17	£4.62
18-20	£6.56
21-22	£8.36
National Living Wage 23+	£8.91

Statutory minimum notice periods

Employer must give:

- 1 week's notice after 1 month of continuous employment
- 2 week's notice after 2 years continuous employment
- 1 week's notice for each year of continuous service up to a maximum of 12 weeks' notice

Employee must give:

- 1 week's notice after 1 month of continuous service

Redundancy

Three possible reasons for redundancy:

- **“Business redundancy”** – the employer has ceased (or intends to cease) to carry on the business for which the employee was employed
- **“Place of work redundancy”** – the employer has ceased (or intends to cease) to carry on that business in the place where the employee was employed
- **“Employee redundancy”** – the requirements for employees to carry out work of a particular kind have ceased or diminished (or are expected to cease or diminish)

Factors for employers to consider:

- Fair selection criteria
- Duty to consult
- Suitable alternative employment

To be eligible to claim a statutory redundancy payment an employee must have been:

- Dismissed on grounds of redundancy
- Continuously employed by the employer for at least 2 years

Dismissal

Potentially fair reasons for dismissal include:

- Capability
- Conduct
- Redundancy
- Statutory breach
- Some other substantial reason (e.g. company restructure)

Service requirements for claims

Unfair dismissal: 2 years*

Redundancy pay: 2 years

Discrimination: None

Breach of contract/unlawful deduction of wages: None

**No time limit applies for certain automatically unfair dismissals and legal advice should be sought in respect of any specific claim.*



Time limit for claims*

Unfair dismissal: 3 months from the effective date of termination

Redundancy pay: 6 months from the effective date of termination

Discrimination: 3 months from alleged act of discrimination

Breach of contract/unlawful deduction of wages:

3 months from breach or deduction

The time limit to respond to an employment tribunal claim is 28 days from the date of issue.

**The above are some examples of time limits on which to make an employment tribunal claim. This list is not exhaustive and legal advice should be sought in respect of any specific claim.*

Compensation limits (from 6 April 2021)

Unfair dismissal:

Basic award – £16,320

Compensatory award – 52 weeks gross pay or £89,493, whichever is lower

Redundancy pay: £16,320

Discrimination: No limit

Breach of contract/unlawful deduction of wages:

Tribunal – £25,000

Court – no limit

One week's pay*: £544

**For the purposes of calculating redundancy payments.*

Statutory Sick Pay (SSP)

Eligibility

Qualifying service: None

Qualifying absence: 4 consecutive days or more

Period: 28 weeks

Rate: £96.35 per week (from 6 April 2021)

An employee must earn at least the current lower earnings limit as set by HMRC.

Proof of illness (a "Fit Note") should be provided after 7 days absence.

Payment

SSP is not paid for the first 3 days of absence, unless it has been paid within the last 8 weeks. These are known as "waiting days".

Notification

Sickness absence should be reported within time limits set by an employer (or within 7 days if none is set).

Annual Leave

Statutory annual leave is accrued while the employee is off work sick.

Parental Bereavement Leave and Pay

Eligibility

Applies on the death of a child under 18, including a stillbirth after 24 weeks of pregnancy

Qualifying service: None

Entitlement: One or two weeks which can be taken together or separately within 56 weeks of the death or stillbirth of a child

Pay: £151.97* or 90% of the average weekly earnings whichever is less

*As at 6 April 2021



Family friendly policies

Maternity leave

Qualifying service: None

Duration: Up to one year

Ordinary maternity leave: 26 weeks

Additional maternity leave: 26 weeks

Keeping in touch: Up to 10 days of paid work during maternity leave without loss of maternity rights

Maternity pay

Qualifying service: 26 weeks*

Duration: 39 weeks

Rate: First 6 weeks, 90% of average weekly earnings. Remaining 33 weeks, £151.97** or 90% of average weekly earnings, whichever is less

Maternity allowance

Payable by the Benefits Agency to women who do not qualify for statutory maternity pay

Rate - £151.97** or 90% of average weekly earnings, whichever is less

Paternity leave and pay

Qualifying service: 26 weeks*

Duration: 2 weeks

Rate of pay: £151.97** per week or 90% of average weekly earnings, whichever is less

**With the exception of adoption pay, qualifying service applies as at the qualifying week, which is the 15th week before the expected week of childbirth.*

Shared parental leave

Qualifying service: 26 weeks*

Duration: Up to 1 year

Rate of pay: £151.97** or 90% of the average weekly earnings, whichever is less, for up to 39 weeks

Adoption leave

Qualifying service: None

Duration: Up to 1 year

Adoption pay

Qualifying service: 26 weeks ending with the week of notification of having been matched with the child

Duration: 39 weeks

Rate: First 6 weeks, 90% of average weekly earnings. Remaining 33 weeks, £151.97** or 90% of average weekly earnings, whichever is less

Parental leave

Qualifying service: 1 year

Duration: Up to 18 weeks unpaid leave can be taken up to the child's 18th birthday. No more than 4 weeks can be taken in any 1 year in respect of an individual child, unless agreed otherwise.

**As at 6 April 2021

Meet the team



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This information is provided for general guidance only and is accurate as at 6 April 2021. Rules may vary in specific circumstances and you should seek legal advice as required.

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prism benefits

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- Performance management
- Attendance management
- Recruitment
- TUPE

How can you find out more?

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