

Navigating the Changes in Employment Legislation, Payroll and Tax

Tuesday 11th March 2025

Live Webinar





GORDONS

**EMPLOYMENT
WEBINAR**

11 MARCH 2025

**MARY WALKER
MIKE PATTERSON**



MARY WALKER

 07876 883 464

 mary.walker@gordonsllp.com



SEXUAL HARASSMENT IN THE WORKPLACE





WHAT IS SEXUAL HARASSMENT?

"Unwanted conduct of a sexual nature"

The Conduct has the purpose or effect of:

- Violating the victim's dignity; or
- Creating an intimidating, hostile, degrading, humiliating or offensive environment for the victim



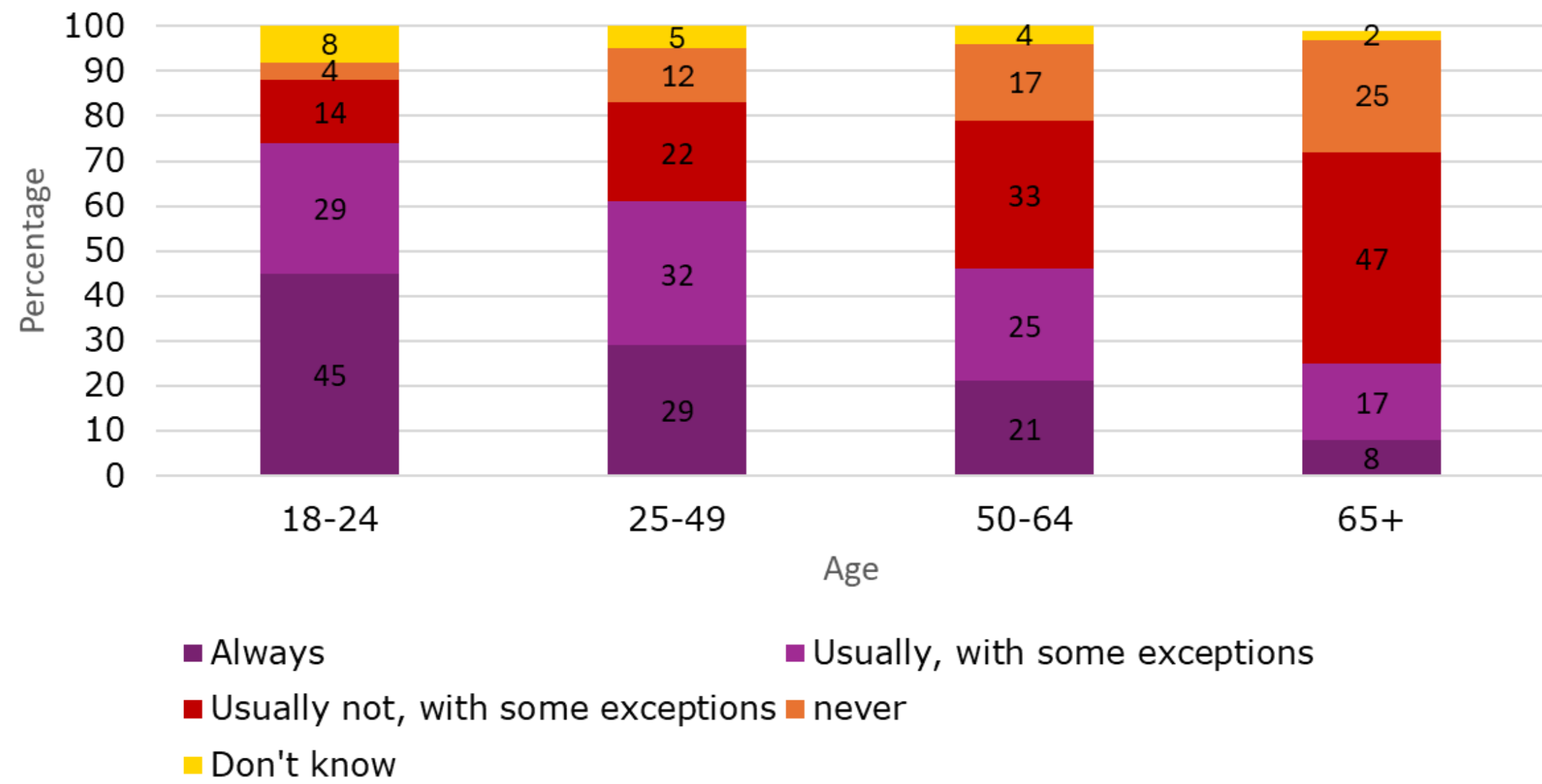
IMPACT VS MOTIVE

- The views of the victim override the alleged harasser's motives
- The intention of the alleged harasser does not matter
- Sexual harassment law focuses on the impact of the conduct or behaviour

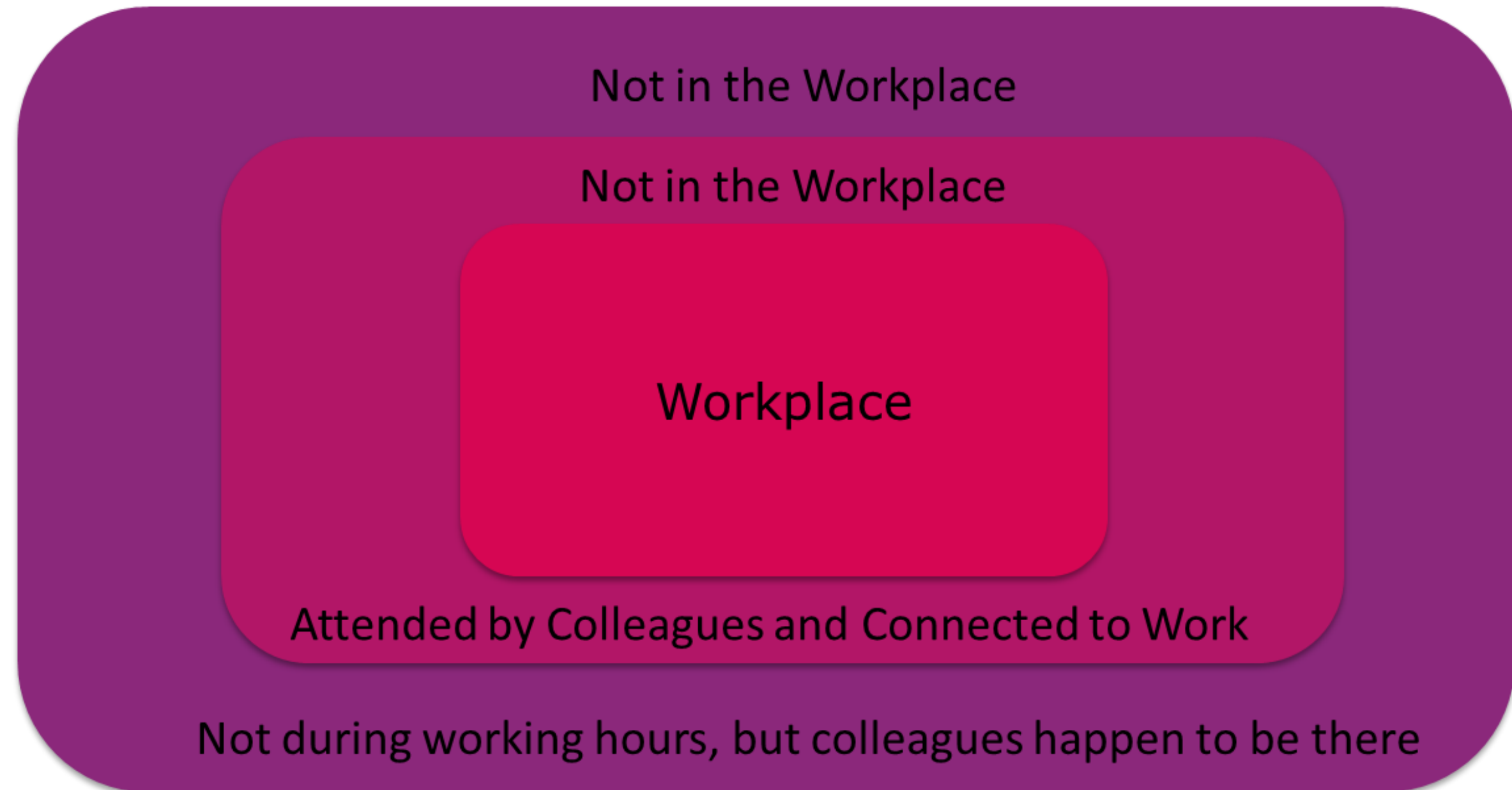


CHANGING ATTITUDES

Is wolf whistling sexual harassment?



WHAT EXACTLY IS THE “WORKPLACE”?





SEXUAL HARASSMENT – WHAT'S CHANGED?

- New legal duty for employers to take reasonable steps to prevent sexual harassment, including by third parties
- Came into force on 26 October 2024 – The Worker Protection (Amendment of Equality Act 2010) Act 2023



SEXUAL HARASSMENT – WHAT'S CHANGED?

The Equality and Human Rights Commission have set out their 8 reasonable steps.

- **Step 1:** develop an effective anti-harassment policy
- **Step 2:** engage your staff
- **Step 3:** assess and take steps to reduce risk in your workplace
- **Step 4:** reporting
- **Step 5:** training
- **Step 6:** what to do when a harassment complaint is made
- **Step 7:** dealing with harassment by third parties
- **Step 8:** monitor and evaluate your actions



SEXUAL HARASSMENT – WHAT’S CHANGED?

The Employment Rights Bill 2024

Goes further, by requiring employers to take “**all**” reasonable steps to prevent third party harassment.

PREVENTING HARASSMENT – ASSESSING THE RISK

**LOW
MORALE**

**REPUTATIONAL
DAMAGE**

**TRIBUNAL
CLAIMS**

**25%
COMPENSATION
UPLIFT**

**UNCAPPED
COMPENSATION**

**LEGAL
COSTS**



MIKE PATTERSON

 07827 903 865

 mike.patterson@gordonsllp.com





THE EMPLOYMENT RIGHTS BILL 2024

- What's it all about?
- Timeline and latest developments



THE EMPLOYMENT RIGHTS BILL 2024 – KEY CHANGES

- Day one unfair dismissal rights and probationary periods
- Restrictions on 'fire and rehire'
- Changes to zero-hour contracts – the right to guaranteed hours



HOW WE CAN HELP YOU AND YOUR BUSINESS?

- Policy reviews and updates – including compliant Harassment and Bullying Policy
- Risk assessment tools to help your business to comply with the new duty
- Training and guidance for managers on handling harassment complaints
- Contract reviews and effective use of probationary periods

THANK YOU



Employment Rights Bill

from a payroll perspective

Karen Thomson

Partner, Head of Payroll



Employment Bill

- Proposed Employment Rights Bill that impacts payroll

Statutory Sick Pay

- Removal of waiting days
- Removal of Lower Earnings Limit qualifying criteria
- Consultation on Weekly statutory sick pay or %
- % based on what – 1 week, 12 weeks, 104 weeks?
- SSP1?



Parental leave changes

- Parental and Paternity leave
 - Day 1 rights
- Maternity protection
 - [Next Steps to Make Work Pay \(web accessible version\) - GOV.UK](#)

Reminders

- Statutory Neonatal Care Pay & Leave from April 25
- Holiday entitlement and pay

[Holiday pay and entitlement reforms from 1 January 2024 - GOV.UK](#)



Impact on Employers – Tax and Enforcement

Brian Rudkin

Employment Tax Partner



Employee rights and protections

Impact on employers:

- More risk
- More regulation
- **Higher cost**

Potential outcomes:

- Reduction in recruitment?
- Redundancies? (or worse?)
- **Stronger push towards self-employed workers?**

Self-employment models

High-risk area for employers:

- Lots of anti-avoidance tax rules – IR35, agency tax rules, Managed Service Companies, etc
- High level of compliance activity by HMRC
- Government focus – supply chain due diligence, umbrella company changes, loan charge spotlight

Key targets

- Regular workers (“disguised” employees)
- Ex-employees
- Intermediaries (Ltd co, LLP, agencies, etc)
- Office holders
- Offshore pay models
- Umbrella pay models



Fair pay for employees

Main focus is National Minimum Wage:

- Larger rate increases for 18-20 year olds in coming years
- Move to single rate for 18+ (by end of current Parliament? – 2029)
- Further annual increases (driven by Low Pay Commission's desire to "stay above two thirds of median pay")

Impact on employers:

- Higher cost



Fair Work Agency

“Bring together existing state enforcement functions”

Enforcement of NMW

Focus on wider range of employment rights, e.g:

- Sick pay
- Holiday pay

Impact on employers:

- More NMW-style enquiries on wider pay aspects?
- Exposure to financial penalties?
- Exposure to formal naming schemes?



Cost pressures on employers

Employment Rights Bill + Budget 2024 = ???

Increased focus on salary sacrifice

- Tax effective for pensions, electric cars, annual leave, cycle to work - **care needed**

Other ways to improve tax efficiencies:

- Make use of exemptions (e.g. trivial benefits, annual events, suggestion scheme, long service awards, etc)
- Update policies on expenses – control costs and minimise tax impact
- Use of “approved” share incentives
- Use of a “Tronc” scheme for tips



Questions?

