

Navigating the Changes in Employment Legislation, Payroll and Tax

Tuesday 11th March 2025

Live Webinar



The logo for Gordons is a stylized, abstract shape composed of overlapping, rounded, and slightly wavy bands of color. The colors transition through a gradient, starting from a dark purple/magenta at the top left, moving through red, orange, and yellow, and ending in a bright yellow at the bottom right. The shape is roughly circular and has a thick, dynamic feel.

GORDONS

EMPLOYMENT WEBINAR

11 MARCH 2025

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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



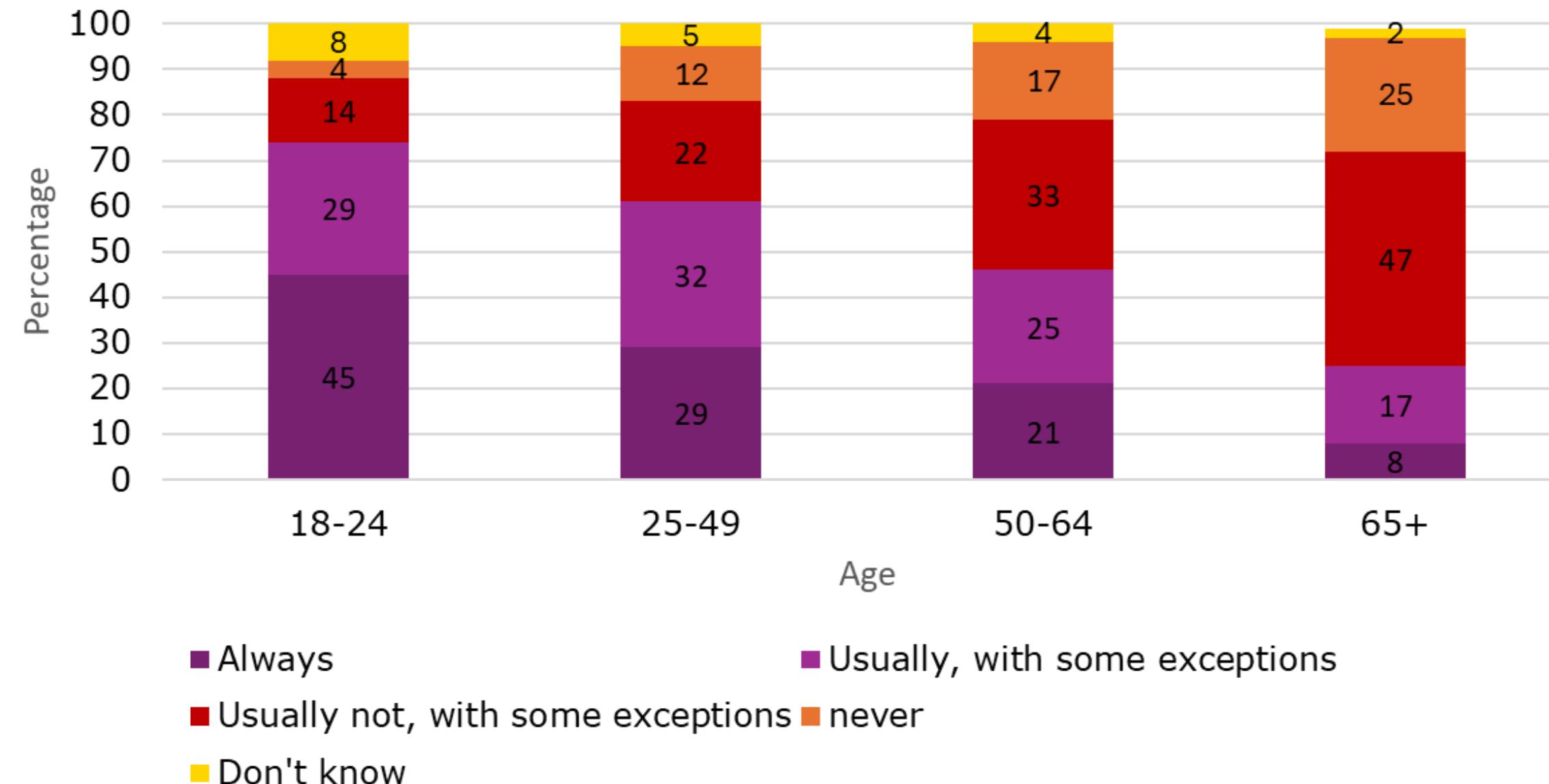
IMPACT VS MOTIVE

- 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”?

Not in the Workplace

Not in the Workplace

Workplace

Attended by Colleagues and Connected to Work

Not during working hours, but colleagues happen to be there



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



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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

EW

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?

