

Employees' Consultative Forum

SUPPLEMENTAL AGENDA

DATE: Wednesday 30 January 2019

AGENDA - PART I

9. **RESPONSE TO AN EMPLOYEES' SIDE REPORT ON MATTERS ARISING FROM THE ECF EQUALITIES REPORT 2017-18** (Pages 3 - 24)

Report of the Divisional Director of Strategic Commissioning.

AGENDA - PART II - Nil

Note: In accordance with the Local Government (Access to Information) Act 1985, the following agenda item has been admitted late to the agenda by virtue of the special circumstances and urgency detailed below:-

Agenda item

9. Response to an Employees' Side Report on Matters Arising from the ECF Equalities Report 2017-18

Special Circumstances/Grounds for Urgency

This report was not available at the time the agenda was printed and circulated as it was being consulted on. Members are requested to consider this item, as a matter of urgency, to enable the response to the matters raised to be considered.

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**REPORT FOR: EMPLOYEES'
CONSULTATIVE FORUM**

Date of Meeting:	30 January 2019
Subject:	Response to an Employees' Side Report on Matters Arising from the ECF Equalities Report 2017-18
Key Decision:	No
Responsible Officer:	Alex Dewsnap, Divisional Director of Strategic Commissioning
Portfolio Holder:	Councillor Adam Swersky, Portfolio Holder for Finance and Resources
Exempt:	No
Decision subject to Call-in:	No
Wards affected:	N/A
Enclosures:	Appendix 1 – Summary of the recommendations from the Taylor Report (Good Work) last updated 21 st December 2018. Appendix 2 – Harrow Council Annual Equalities Report Supporting Employee Diversity Data 2017-2018 (pages 75, 76 & 87)

Section 1 – Summary and Recommendations

This report sets out the Council's response to a report received from UNISON entitled 'Housing Directorate'.

Recommendation:

That the report be noted.

Reason: (For recommendation)

To allow consideration of the response to the employees' side report.

Section 2 – Report

This report outlines the Council's response to the Employee's side paper, addressing the issues raised and supplying additional information where necessary.

Response by paragraph in the trade union report:

Summary and decision requested by the trade unions

That the Leader and Opposition Leader provide unequivocal written commitment to the Unions that they will ensure that the rules of the organisation apply equally to all including the most senior levels and that a failure to comply with the rules of the organisation enacts personal consequences at all levels of the employment structure without fear or favour.

That the employer namely Harrow Council fully endorses and adopts the Governments Taylor review on the modern workplace without reservation.

Without these actions Harrow Council will remain in a time loop with the same old antediluvian culture, which has existed unabated and unimproved for decade upon decade.

Background

Contractual Overtime

The restructure of the waste services teams launched in November 2018 identified that there were office based staff still receiving contractual overtime when working a 36 hour week. This should have ceased as part of the Single Status Agreement implemented in Harrow between 2004 and 2007 and have

been addressed in a previous restructure. For Waste Services, this issue will be addressed in the service restructure with the payments removed. There are 26 staff at G7 and above in the Community directorate that still receive contractual overtime including Waste Services. All of the payments are being investigated to establish whether payments are justified and if not they will be removed.

As a result of this issue being raised in Waste Services, payments to 6 staff in Adult Services were investigated. These payments, however, are for an approved additional one of hour of work being undertaken each week. The continuing need for this additional hour's work is under investigation and the payments will be removed if no longer justified.

In terms of detriment to manual workers, over 250 manual workers currently receive contractual overtime. Whilst office based staff should not have continued to receive these payments and have gained an advantage, there has been no detriment to manual workers that are justified in receiving contractual overtime.

The Taylor Report – the Review of Modern Working Practices (Good Work)

Attached at appendix 1 is a summary of the Government's response to the recommendations from the review of modern working practices, last updated on 18th December 2018. Whilst not all of the recommendations are applicable to Harrow Council, for example some relate to the operation of Employment Tribunals, the HMRC and the Department for Business Energy and Industrial Strategy, the review is welcomed and the Government have accepted many of the recommendations and are taking forward some recommendations through other work such as part of Improving Lives: the future of Work, Health and Disability. The Council will fully comply with agreed recommendations when these are implemented by the Government.

Peer Reviews and independent reports

The Employees Side Report states that countless peer reviews and independent reports over the years have highlighted the appalling management culture with Harrow Council. From a review of recent reports, this assertion is not supported by the findings of these inspections/reviews.

The latest Ofsted Report of Children's Services in October 2018 stated that;

'There is strong corporate leadership in Harrow to improve outcomes for children and their families who need help or protection. Since the previous inspection of children's services in 2017, there has been a sustained commitment to improving the quality of social work practice. Senior leaders know the service well, as reflected in the recent self-evaluation. A comprehensive suite of performance data informs this knowledge.'

The Ofsted Report of Children's Services in March 2017, rated management as good stating;

'A strong and energetic senior management team with a sense of direction, robust governance arrangements and clear lines of accountability is having a positive impact on the way in which services are designed, developed and delivered. This is helping children to achieve good outcomes.

The local authority knows itself well. Senior leaders have a clear understanding of strengths and areas for development, and are making intelligent use of qualitative and quantitative data to address shortfalls and raise standards. Learning from audits is acted on and the quality of practice is improving.

The LGA Peer Review in June 2016 stated that

Staff are enthusiastic and passionate, and are keen to deliver on behalf of local people. There is widespread acceptance that there is a need to be more efficient and do things differently, and there is a willingness to rise to that challenge and be flexible. There has been a positive change in culture and the new senior management team has added to that positive culture.

MG Graded Staff

The Employees Side report is inaccurate in terms of stating that MG graded staff are by and large required to work the hours required for business needs. The contractual requirements are;

- (i) You are required to work a standard working week of 36 hours. You can, on the whole, organise your own working hours in a manner consistent with carrying out your duties and responsibilities, subject to the needs of the service. However, your average minimum must be 36 hours, and you are required to work additional hours if necessary to discharge the duties of the post and as such, flexibility is needed in working practices.
- (ii) Overtime and enhanced payments are not payable.
- (iii) Honoraria payments for undertaking additional or onerous duties are not payable other than in very exceptional circumstances (at the discretion of the relevant Chief Officer).

In terms of the comment relating to Housing Management staff, compressed hours were agreed for two managers some years ago and will be reviewed as part of the Housing Management restructure.

Harrow Council Annual Equalities Report Supporting Employee Diversity Data 2017-2018 (pages 75, 76 & 87)

The relevant pages of the report are attached at Appendix 2. From the Employees Side Report the focus appears to be on data on page 76 of the report concerning leavers by pay band in the following categories; ill health, early retirement, compulsory and voluntary redundancy and dismissals. This data shows no leavers or few leavers (by percentage) in some categories for the higher pay bands 4 to 6.

Low percentages would be expected for the higher bands due to low staffing numbers in these pay bands. For example pay band 6 only includes 11 employees and Pay Band 5 only includes 41 employees.

For compulsory and voluntary redundancies, a comparison by pay band would only be relevant if redundancies equally impacted across the pay bands which was not the case in the redundancy exercises which took place in 2017/18.

For ill health dismissals and early retirements, the percentages are high in the lowest pay band but this could be as a result of the nature of the duties undertaken.

From the comments in the Employees Side Report, concerning equal application of rules it is assumed that the focus is on dismissals and an equitable application across the pay bands.

For dismissals including probation, pay band 4 which is for MG1 to MG3 did have 11.11% of the cases, whereas in pay band 3 which is G9 to G11 there were no dismissals.

The highest number of dismissals is in pay band 2 (G4 to G8) which is the pay band with the highest number of staff. Based on this data, a conclusion that rules are not applied across pay bands cannot be supported.

Legal Implications

The contractual overtime payments that are no longer justified will require legal input to agree arrangements for termination of these payments

Financial Implications

Savings will accrue from the removal of contractual overtime where no longer justified.

Equalities implications / Public Sector Equality Duty

Any equality implications may arise from discussion at the meeting in terms of leavers.

Council Priorities

The Council's vision:

Working Together to Make a Difference for Harrow

Section 3 - Statutory Officer Clearance

Name: Dawn Calvert	<input checked="" type="checkbox"/>	on behalf of the Chief Financial Officer
Date: 24 January 2019		
Name: Hugh Peart	<input checked="" type="checkbox"/>	on behalf of the Monitoring Officer
Date: 24 January 2019		

Section 4 - Contact Details and Background Papers

Contact:

John Kitching
Employee and Customer Relations Manager

John.kitching@harrow.gov.uk

Background Papers: None.

EMPLOYEES CONSULTATIVE FORUM: 30TH JANUARY 2019

APPENDICES

- 1. SUMMARY OF THE RECOMMENDATIONS FROM THE TAYLOR REPORT THE REVIEW OF MODERN WORKING PRACTICES**

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/679767/180206_BEIS_Good_Work_Report_Accessible_A4_.pdf

- 2. HARROW COUNCIL ANNUAL EQUALITIES REPORT SUPPORTING EMPLOYEE DIVERSITY DATA 2017-2018 (PAGES 75, 76 & 87)**

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Summary of recommendations from the review of modern working practices

Recommendation	Response
<p>1 The government should replace their minimalistic approach to legislation with a clearer outline of the tests for employment status, setting out the key principles in primary legislation, and using secondary legislation and guidance to provide more detail</p>	<p>Take forward further work on the case for legislative change and potential options for reform</p>
<p>2 The government should retain the current three-tier approach to employment status as it remains relevant in the modern labour market, but rename as 'dependent contractors' the category of people who are eligible for worker rights but are not employees</p>	<p>Test relevance of current approach and nomenclature</p>
<p>3 In developing the test for the new 'dependent contractor' status, control should be of greater importance, with less emphasis placed on the requirement to perform work personally</p>	<p>Consult on the detailed tests to determine a worker (or dependent contractor)</p>
<p>4 In redefining the 'dependent contractor' status, government should adapt the piece rates legislation to ensure those working in the gig economy are still able to enjoy maximum flexibility whilst also being able to earn the NMW</p>	<p>Examine how working time should apply to the gig economy</p>
<p>5 In developing the new 'dependent contractor' test, renewed effort should be made to align the employment status framework with the tax status framework to ensure that differences between the two systems are reduced to an absolute minimum</p>	<p>Take forward further work on the case for legislative change and potential options for reform</p>
<p>6 The government should build on and improve clarity, certainty and understanding of all working people by extending the right to a written statement to 'dependent contractors' as well as employees</p>	<p>Agree to extend to 'workers' and consult on what information to include</p>
<p>7 The government should build on legislative changes to further improve clarity and understanding by providing individuals and employers with access to an online tool that determines employment status in the majority of cases</p>	<p>Accept and will be taken forward once status changes are agreed</p>
<p>8 The government should ask the LPC to consider the design and impacts of the introduction of a higher NMW rate for hours that are not guaranteed as part of the contract</p>	<p>Agree to ask LPC to consider the impacts of this option and of alternatives</p>

Recommendation	Response
<p>9 The government should extend, from one week to one month, the consideration of the relevant break in service for the calculation of the qualifying period for continuous service and clarify the situations where cessations of work could be justified</p>	<p>Agree to extend the consideration of the relevant break in service, and consult on changes to clarify the situations where cessation of work could be justified</p>
<p>10 The government should do more to promote awareness of holiday pay entitlements, increasing the pay reference period to 52 weeks to take account of seasonal variations and give dependent contractors the opportunity to receive rolled-up holiday pay</p>	<p>Accept and consult on the details of increasing the pay reference period to 52 weeks. Not taking forward proposal on rolled-up holiday pay.</p>
<p>11 The government should amend the legislation to improve the transparency of information which must be provided to agency workers both in terms of rates of pay and those responsible for paying them</p>	<p>Accept and consult on how this will work</p>
<p>12 The government should introduce a right to request a direct contract of employment for agency workers who have been placed with the same hirer for 12 months, and an obligation on the hirer to consider the request in a reasonable manner</p>	<p>Accept and consult to apply this to a wider group of workers</p>
<p>13 The government should act to create a right to request a contract that guarantees hours for those on zero hour contracts who have been in post for 12 months which better reflects the hours worked</p>	<p>Accept and consult to apply this to a wider group of workers</p>
<p>14 The government should examine the effectiveness of the Information and Consultation Regulations in improving employee engagement in the workplace. In particular it should extend the Regulation to include employees and workers and reduce the threshold for implementation from 10% to 2% of the workforce making the request</p>	<p>Consult on extending the regulation and reducing the threshold</p>
<p>15 The government should work with Investors in People, Acas, Trade Unions and others with extensive expertise in this area to promote further the development of better employee engagement and workforce relations, especially in sectors with significant levels of low-paid or casual employment</p>	<p>Accept</p>

Recommendation	Response
<p>16 The government should introduce new duties on employers to report (and to bring to the attention of the workforce) certain information on the workforce structure</p> <p>The government should require companies beyond a certain size to:</p> <ul style="list-style-type: none"> ▶ Make public their model of employment and use of agency services beyond a certain threshold ▶ Report on how many requests they have received (and number agreed to) from zero hours contracts workers for fixed hours after a certain period ▶ Report on how many requests they have received (and number agreed) from agency workers for permanent positions with a hirer after a certain period ▶ 	<p>Monitor the impact of corporate governance reforms, supported by a refreshed Corporate Governance Code and take further action if these reforms do not change behaviour. This could include a 'People Statement' and we welcome views on how effective this might be</p>
<p>17 The new Director of Labour Market Enforcement should consider whether the remit of the Employment Agency Standards Inspectorate ought to be extended to cover policing umbrella companies and other intermediaries in the supply chain</p>	<p>Extend the remit of Employment Agency Standards Inspectorate as recommended, subject to the conclusions of the Labour Market Enforcement Director</p>
<p>18 The government should repeal the legislation that allows agency workers to opt out of equal pay entitlements. In addition, the government should consider extending the remit of the Employment Agency Standards Inspectorate to include compliance with the Agency Workers Regulations</p>	<p>Consultation on both Swedish Derogation contracts and the role of the Employment Agency Standards Inspectorate, seeking to determine the level of abuse</p>
<p>19 HMRC should take responsibility for enforcing the basic set of core pay rights that apply to all workers - NMW, sick pay and holiday pay for the lowest paid workers</p>	<p>Accept that the state should take responsibility for enforcing these rights for vulnerable workers and consult on how this will work</p>
<p>20 The government should ensure individuals are able to get an authoritative determination of their employment status without paying any fee and at an expedited preliminary hearing</p>	<p>There are currently no fees in the ETs following a recent Supreme Court judgment. If fees are reintroduced we will consult on this</p>
<p>21 The burden of proof in employment tribunal hearings, where status is in dispute, should be reversed so that the employer has to prove that the individual is not entitled to the relevant employment rights, not the other way round, subject to certain safeguards to discourage vexatious claims</p>	<p>Return to this recommendation after an online tool has been developed</p>

Recommendation	Response
<p>22 The government should make the enforcement process simpler for employees and workers by taking enforcement action against employers/engagers who do not pay ET awards, without the employee/worker having to fill in extra forms or pay an extra fee and having to initiate additional court proceedings</p>	<p>Accept enforcement process could be simpler. Reform to the enforcement process is planned and we will consult on how to ensure this reform works for employment tribunals</p>
<p>23 The government should establish a naming and shaming scheme for those employers who do not pay employment tribunal awards within a reasonable time. This can perhaps be an element of the reporting which we have suggested in relation to the composition of the workforce including the proportion of atypical workers in the workforce</p>	<p>Accept and consult on how to implement a naming and shaming scheme</p>
<p>24 The government should create an obligation on employment tribunals to consider the use of aggravated breach penalties and cost orders if employer has already lost an employment status case on broadly comparable facts - punishing those employers who believe they can ignore the law</p>	<p>Accept the need for strong punishment for those who ignore the law. Consultation on how to extend the use of sanctions. New proposal put forward to increase level of penalty for aggravated breach</p>
<p>25 The government should allow tribunals to award uplifts in compensation if there are subsequent breaches against workers with the same, or materially the same, working arrangements</p>	<p>Accept the need for strong punishment for those who ignore the law. Consultation on how to extend the use of sanctions</p>
<p>26 The review believes the principles underlying the proposed NI reforms in the 2017 Spring Budget are correct. The level of NI contributions paid by employees and self-employed people should be moved closer to parity while we should also address those remaining areas of entitlement - parental leave in particular - where self-employed people lose out</p>	<p>Agree that the small differences in contributory benefits no longer justify the scale of differences in rates of NI contributions, but we have no plans to revisit this issue</p>
<p>27 The government should continue to develop advice and support for people embarking on a self-employed career to ensure they have the greatest chance of succeeding. This includes ensuring that self-employment is considered by work coaches at Job Centre Plus as an option, where this would be appropriate, as well as ensuring careers advice includes information on becoming your own boss</p>	<p>Accept</p>

Good Work

	Recommendation	Response
28	The government should work with partners to create a Catalyst to stimulate the development of a range of WorkerTech models and platforms in the UK. This would allow new and emerging solutions to develop and grow, in a 'sandbox environment' with a view to better supporting self-employed people	Accept
29	The government should actively support technology that helps ensure self-employed people have the opportunity to come together and discuss the issues that are affecting them, working with employers to make sure this is positively encouraged	Accept
30	We encourage the government to think creatively on ways to improve pension provision amongst the self-employed, making the most of opportunities presented by digital platforms and the move to more cashless transactions	Accept
31	The government should continue to work with providers to ensure that self-employed people have access to online tools that support compliance with the principles of MTD even if they do not meet the minimum statutory threshold	Agree
32	The government should consider accrediting a range of platforms designed to support the move towards more cashless transactions with a view to increasing transparency of payments, supporting individuals to pay the right tax	Agree
33	HMRC should link up with others across government to examine whether the underlying principles of conditionality could be applied more broadly in this space, supporting both self-employed people and consumers in their choices	Agree
34	<p>As the new apprenticeship system beds in, government should examine how the apprenticeship levy could be made to work better for those working atypically, including through agencies. The Institute for Apprenticeships should work with sectors with high levels of lower-paying and atypical work to ensure that they are making best use of the current apprenticeship framework</p> <p>Following the delivery of the three million apprenticeships that it is committed to, government should consider making the funding generated by the levy available for high-quality, off-the-job training other than Apprenticeships. The Institute for Apprenticeships should also be tasked with reporting on and addressing disparities in the take-up of apprenticeships for different groups</p>	We agree to consider next steps following delivery of current targets

Recommendation	Response
<p>35 Learning from the failings of Individual Learning Accounts the government should explore a new approach to learning accounts, perhaps with an initial focus on those with a long working record, but who need to retrain and those in receipt of Universal Credit. The new £40 million Lifelong Learning Fund is a starting point for this and should be developed by bringing together employers, civic society and the education sector</p>	<p>Agree in principle, work being taken forward in other work programmes</p>
<p>36 The government should use its convening power to bring together employers and the education sector to develop a consistent strategic approach to employability and lifelong learning. This should cover formal vocational training, 'on the job' learning and development, lifelong learning and informal learning outside work. It could be linked to the longer-term development of life-time digital individual learning accounts. As part of this, the government should seek to develop a unified framework of employability skills and encourage stakeholders to use this framework</p>	<p>Agree in principle and will develop a unified framework of employability skills</p>
<p>37 The government should strongly encourage gig platforms to enable individuals to be able to carry their verified approval ratings with them when they move from the platform and to share them with third parties</p>	<p>Accept in principle; will monitor changes and assess what further action needs to be taken</p>
<p>38 In developing a national careers strategy, the government should pay particular attention to how those in low paid and atypical work are supported to progress. It should take a well-rounded approach including examining the role of high-quality work experience and encounters at different education stages</p>	<p>Agree</p>
<p>39 The government should ensure that exploitative unpaid internships, which damage social mobility in the UK, are stamped out. The government should do this by improving both the interpretation of the law and enforcement action taken by HMRC in this area</p>	<p>Accept</p>
<p>40 As part of the statutory evaluation of the Right to Request Flexible Working in 2019, government should consider how further to promote genuine flexibility in the workplace. For example, it should consider whether temporary changes to contracts might be allowed, to accommodate flexibility needed for a particular caring requirement. The government should work closely with organisations like Timewise and Working Families to encourage flexible working and initiatives like 'happy to talk flexible working' to a wider range of employers</p>	<p>Accept</p>

Recommendation	Response
<p>41 The government should review, and in any event, consolidate in one place guidance on the legislation which protects those who are pregnant or on maternity leave to bring clarity to both employers and employees. In parallel with the range of non-legislative options set out above, the government should consider further options for legislative interventions. If improvements around leadership, information and advice do not drive the culture change we are seeking, the government will need to move quickly to more directive measures to prevent pregnancy and maternity discrimination</p>	<p>Accept</p>
<p>42 We recommend that the relevant government Departments - BEIS, MHCLG, DWP and DH explore ways of supporting and incentivising local authorities, particularly City Regions and combined authorities to develop integrated approaches to improving health and wellbeing at work</p>	<p>Agree</p>
<p>43 The government should reform Statutory Sick Pay so that it is explicitly a basic employment right, comparable to the National Minimum Wage, for which all workers are eligible regardless of income from day 1. It should be payable by the employer and should be accrued on length of service, in a similar way to paid holiday currently. The government should ensure that there is good awareness of the right amongst workers and businesses</p>	<p>Work being taken forward as part of <i>Improving Lives: the Future of Work, Health and Disability</i></p>
<p>44 Those individuals with the relevant qualifying period are already entitled to have their job protected for a period of time when they are away for work for perfectly reasonable reasons, for instance, having a child. A similar approach should be adopted for sick leave with individuals having the right to return to the same job after a period of prolonged ill health. This right to return should be conditional on engagement with the Fit for Work service when an assessment has been recommended</p>	<p>Work being taken forward as part of <i>Improving Lives: the Future of Work, Health and Disability</i></p>
<p>45 The government should seek to develop a better understanding of what progression at work is and the public policy levers which influence it. Building on the trials to date, government should work with external providers to determine what really works in supporting individuals to obtain better quality - and not just more - work. This should not be limited to increasing earnings to a level of self-sufficiency in Universal Credit and should take particular account of the effect of increases in the National Living Wage. It should reflect the opportunities offered by atypical and gig working</p>	<p>Accept - work ongoing as part of our assessment on what constitutes 'good work' and trialling in-work support for UC claimants</p>

	Recommendation	Response
46	The government must place equal importance on the quality of work as it does on the quantity by making the Secretary of State for Business, Energy and Industrial Strategy responsible for the quality of work in the British economy	Accept
47	The government should identify a set of metrics against which it will measure success, reporting annually on the quality of work on offer in the UK	Accept
48	The Department for Business, Energy and Industrial Strategy should take the lead for government in identifying emerging issues and be the custodian for ensuring market conditions allow for the creation of quality work	Accept
49	The emphasis in the Industrial Strategy and sector deals on technology and innovation should be linked to the importance of human factors in driving productivity and enabling more rewarding working lives	Accept
50	The LPC should have its remit widened so that it can both make recommendations to the government on what needs to change (including NMW rates) to improve quality of work in the UK as well as work with employers, employees and stakeholders to promote quality work across all regions and sectors	The LPC has reservations about extending its role in this way. The Industrial Strategy Council will be tasked with advising on measuring and assessing quality of work. BEIS will take forward proactive work with sectors to promote quality work, drawing on the advice of the LPC, Acas, the Director of Labour Market Enforcement and others
51	The LPC should work with experts, from the new Director of Labour Market Enforcement to the Chartered Institute of Personnel and Development, as well as business groups and trade unions and make recommendations to government if changes to the legal framework are needed to ensure fair and decent work is delivered	As above
52	The LPC should work with employers and worker representatives to ensure sector-specific codes of practice and guidance are developed that support the provision of quality work	As above
53	The LPC should promote what works in sectors and encourage greater collaboration to improve quality work in low-paying areas	As above

Summary of the recommendations from the work and pensions and business, energy and industrial strategy committees

Recommendation	Response
<p>1 We recommend the government legislates to introduce greater clarity on definitions of employment status. This legislation should emphasise the importance of control and supervision of workers by a company, rather than a narrow focus on substitution, in distinguishing between workers and the genuine self-employed</p>	<p>The government will take forward further work on how best to clarify definitions of employment status</p>
<p>2 We recommend the government legislate to implement a worker by default model, as set out in Part 2 of our draft Bill. This would apply to companies who have a self-employed workforce above a certain size defined in secondary legislation</p>	<p>The government believes clarifying status and rights along with actions to make redress easier and faster should help address the concerns underlying this recommendation</p>
<p>3 We recommend that the government work with the Low Pay Commission to pilot, for workers who work non-contracted hours, a pay premium on the National Minimum Wage and National Living Wage. The Low Pay Commission should be responsible for identifying suitable companies to be included in this pilot, based on workforce size and turnover. Proposed legislation to enable this is set out in Part 3 of our draft Bill</p>	<p>Agree to ask LPC to consider impacts of a higher NMW rate for hours that are not guaranteed as part of the contract</p>
<p>4 We recommend that the government extend the time allowance for a break in service while still accruing employment rights for continuous service from one week to one month. We have set out proposals in Part 5 in our draft Bill</p>	<p>Agree to extend the consideration of the relevant break in service, and consult on changes to clarify the situations where cessation of work could be justified</p>
<p>5 We recommend that the government creates an obligation on employment tribunals to consider the increased use of higher, punitive fines and costs orders if an employer has already lost a similar case. We further recommend that the government takes steps to enable greater use of class actions in disputes over wages, status and working time. Our proposals are set out in Part 4 of our draft Bill</p>	<p>The government will launch a consultation on better use of existing mechanisms and is putting forward a new proposal to increase the level of penalty for aggravated breach</p>
<p>6 We recommend the government rules out introducing any legislation that would undermine the National Minimum Wage/ National Living Wage</p>	<p>The government has no plans to legislate to undermine the minimum wage</p>

Recommendation	Response
<p>7 We recommend that the government extends the duty of employers to provide a clearly written statement of employment conditions to cover workers, as well as employees. We further recommend that this right apply from day one of a new job, with the statement to be provided within seven days. This change should be made by secondary legislation under s23 (4)-(5) of the Employment Relations Act 1999</p>	<p>The government agrees to legislate to extend to 'workers' a statement of employment conditions and will consult on what information to include</p>
<p>8 We recommend that the ICE regulations are extended to workers as well as employees. We also recommend the threshold for implementation of the regulations be reduced from 10% to 2% of the workforce. This would require amending secondary legislation under s42 of the Employment Relations Act 2004</p>	<p>The government will consult on extending the regulation and reducing the threshold</p>
<p>9 We recommend the government amends the Agency Worker Regulations 2010 to remove the opt-out for equal pay. We further recommend that the Employment Agency Standards Inspectorate be given the powers and resources it needs to enforce the remainder of those regulations</p>	<p>The government will consult on the best way to address the problems found in the use of Swedish Derogation contracts and the remit of the Employment Agency Standards Inspectorate</p>
<p>10 We recommend that the government brings forward stronger and more deterrent penalties, including punitive fines, for repeat or serious breaches of employment legislation, and expand 'naming and shaming' to all non-accidental breaches of employment rights by businesses and supply chains</p>	<p>The government will extend naming and shaming to unpaid tribunal awards and is putting forward a new proposal to increase the level of penalty for aggravated breach</p>
<p>11 We recommend that the government provides the Director of Labour Market Enforcement and the main enforcement agencies with the resources necessary to undertake both reactive and proactive roles, including deep-dives into industrial sectors and geographic areas, and supply-chain wide enforcement actions. Where extra resources are needed, they should be funded through higher fines on noncompliant organisations. We also recommend that the government sets out, in response to this report, how it intends the powers and resources of the Director of Labour Market Enforcement will develop over the next five years</p>	<p>The Director and his staff are jointly funded by BEIS and the Home Office. The government recognises that appropriate resources must be allocated. The government has increased significantly the resources for labour market state enforcement in recent years. We expect the Director of Labour Market Enforcement to reflect on and guide the level of future resources in his annual reports</p>

3.4 Leavers – by Protected Characteristic and Pay Band

Employee Nos.	Ill health dismissals / early retirements	Compulsory Redundancy	Voluntary Redundancy	Dismissals including probation	Other leavers	All leavers
	11	34	39	9	879	972
Ethnicity	Ill health dismissals / early retirements	Compulsory Redundancy	Voluntary Redundancy	Dismissals including probation	Other leavers	Total
BAME	36.36%	29.41%	56.41%	44.44%	40.27%	40.53%
White	54.55%	55.88%	38.46%	55.56%	49.37%	49.28%
Unknown	9.09%	14.71%	5.13%	-	10.35%	10.19%
Gender	Ill health dismissals / early retirements	Compulsory Redundancy	Voluntary Redundancy	Dismissals including probation	Other leavers	Total
Male	18.18%	32.35%	7.69%	55.56%	20.36%	20.58%
Female	81.82%	67.65%	92.31%	44.44%	79.64%	79.42%
Disability	Ill health dismissals / early retirements	Compulsory Redundancy	Voluntary Redundancy	Dismissals including probation	Other leavers	Total
Yes	18.18%	-	-	11.11%	1.71%	1.85%
No	36.36%	58.82%	38.46%	44.44%	75.88%	73.05%
Unknown	45.45%	41.18%	61.54%	44.44%	22.41%	25.10%
Age Range	Ill health dismissals / early retirements	Compulsory Redundancy	Voluntary Redundancy	Dismissals including probation	Other leavers	Total
16 to 24	-	-	2.56%	11.11%	4.89%	4.63%
25 to 34	-	8.82%	-	22.22%	30.03%	27.67%
35 to 44	-	11.76%	10.26%	-	22.18%	20.88%
45 to 54	18.18%	26.47%	35.90%	22.22%	19.68%	20.58%
55 to 64	81.82%	41.18%	43.59%	44.44%	17.52%	20.37%
65+	-	11.76%	7.69%	-	5.69%	5.86%
Religion	Ill health dismissals / early retirements	Compulsory Redundancy	Voluntary Redundancy	Dismissals including probation	Other leavers	Total
Christianity	18.18%	5.88%	12.82%	22.22%	9.67%	9.88%
Hinduism	9.09%	5.88%	-	-	1.82%	1.95%
Islam	-	2.94%	2.56%	-	1.82%	1.85%
Judaism	-	-	-	-	0.46%	0.41%
Jainism	-	-	2.56%	-	0.23%	0.31%
Sikh	-	-	-	-	0.80%	0.72%
Other	9.09%	-	-	-	1.02%	1.03%
No Religion/Atheist	-	5.88%	2.56%	-	4.32%	4.22%
Unknown	63.64%	79.41%	79.49%	77.78%	79.86%	79.63%

Marital Status	Ill health dismissals / early retirements	Compulsory Redundancy	Voluntary Redundancy	Dismissals including probation	Other leavers	Total
Married	63.64%	44.12%	41.03%	33.33%	25.71%	27.47%
Single	18.18%	26.47%	35.90%	22.22%	17.52%	18.62%
Separated	-	-	2.56%	-	0.46%	0.51%
Divorced	-	5.88%	2.56%	-	0.80%	1.03%
Widowed	-	-	2.56%	-	0.34%	0.41%
Unknown	18.18%	23.53%	15.38%	44.44%	55.18%	51.95%

Sexual Orientation	Ill health dismissals / early retirements	Compulsory Redundancy	Voluntary Redundancy	Dismissals including probation	Other leavers	Total
Prefer not to say	-	2.94%	-	-	0.68%	0.72%
Other	-	-	-	-	0.23%	0.21%
Unknown	63.64%	67.65%	84.62%	88.89%	80.43%	80.04%
Heterosexual/Straight	36.36%	29.41%	12.82%	11.11%	18.32%	18.62%
Bisexual	-	-	2.56%	-	0.34%	0.41%

Pregnancy / Maternity in last 2 years	Ill health dismissals / early retirements	Compulsory Redundancy	Voluntary Redundancy	Dismissals including probation	Other leavers	Total
Yes	-	5.88%	2.56%	-	5.23%	5.04%
No	100.00%	94.12%	97.44%	100.00%	94.77%	94.96%

Pay Band	Ill health dismissals / early retirements	Compulsory Redundancy	Voluntary Redundancy	Dismissals including probation	Other leavers	Total
1	72.73%	26.47%	38.46%	33.33%	38.45%	38.37%
2	18.18%	35.29%	35.90%	55.56%	30.49%	30.97%
3	9.09%	20.59%	2.56%	-	22.75%	21.50%
4	-	11.76%	23.08%	11.11%	5.80%	6.69%
5	-	2.94%	-	-	2.05%	1.95%
6	-	2.94%	-	-	0.46%	0.51%

Section 5

2017/18 Pay Bands

Pay Band	Salary in £s	Equivalent to
1	Up to 19,626	G1 to G3
2	19,627 - 31,686	G4 to G8
3	31,687 - 43,383	G9 to G11
4	43,384 - 62,613	MG1 – MG3
5	62,614 - 96,840	MG4 and D1
6	96,841 and above	D2 and above

G grades - Harrow pay spine

