

THE TAYLOR REVIEW OF MODERN WORKING PRACTICES

THE GOVERNMENT'S RESPONSE

The Taylor Review of Modern Working Practices (the Review) was published on 12 July 2017. In our first article on the Review, we explained the proposals of interest to employers. You can read that article [here](#). In our second article, we considered over 40 of the key proposals made in the Review and what they would mean for your business. You can read that article [here](#). In our third article in the series, we consider the Government's Response to the Review (Response), published in February 2018 and the steps you may wish to consider taking as a result.

	PROPOSAL	THE GOVERNMENT'S RESPONSE AND NEXT STEPS	ACTION POINTS FOR EMPLOYERS
PROPOSALS AFFECTING EMPLOYMENT STATUS			
1.	Definitions of employment status to be enshrined in primary legislation, with further detail in secondary legislation and guidance.	Under consultation: the Government considers that employment status is a complex issue and any potential changes require careful consideration. The Government is concerned that any action preserves flexibility in the labour market and does not impose unnecessary burdens on business. Accordingly, the question of reforming employment status is now the subject of a specific consultation jointly authored by BEIS, HM Treasury and HMRC.	Employers wishing to respond to the Employment Status consultation should do so by 1 June 2018. We would expect the Government's response to the consultation to be published by the end of 2018, meaning any subsequent legislative reforms would likely be taken forward in 2019. In the event that new status tests are implemented following the consultation, employers should consider conducting an audit to assess which status applies to each member of its workforce.
2.	Government to produce a free online tool to provide an indication of employment status and information for employers on their associated responsibilities.	Accepted but on hold: the Government agrees that an online tool would help determine employment status and it intends to develop one. However, this will only be taken forward following the final decisions on the legislative framework	There are no immediate actions for employers to take.
3.	Workers who are not employees to be renamed "dependent contractors" and the test for acquiring this status to place much greater weight on the principle of control than on a requirement for personal service.	Under consultation: as for (1) above.	Employers wishing to respond to the Employment Status consultation should do so by 1 June 2018. We would expect the Government's response to the consultation to be published by the end of 2018, meaning any subsequent legislative reforms would likely be taken forward in 2019. If the proposed dependent contractor status is implemented, employers should audit their workforce to identify the cohort of individuals (if any) who are deemed to be independent contractors solely because of the presence of a substitution clause. In future, such individuals may qualify as dependent contractors depending on how much control the employer has over them.

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4.	Employers operating in the gig economy to be able to pay dependent contractors based on the number of tasks performed, provided that an average individual earns the National Minimum Wage with a 20% margin of error.	Under consultation: the Government acknowledges that it is important that those working in the gig economy are protected by the National Minimum and National Living wage, whilst preserving the flexibility that those platforms offer. It will consult on how definitions of working time can and should apply to gig economy platform working.	Employers wishing to respond to the Employment Status consultation should do so by 1 June 2018. We would expect the Government's response to the consultation to be published by the end of 2018, meaning any subsequent legislative reforms would likely be taken forward in 2019. Gig platform employers should consider auditing their workforce either now or in the near future to assess whether the average individual earns the National Minimum / Living Wage for the work they do. Where this threshold is not being met, such employers may wish to start thinking about how they will plug the gap (e.g. absorbing the additional cost; increasing charges to customers; restructuring the workforce).
5.	Government to explore options for requiring online platforms to provide real time data of the mean hourly output rate to the dependent contractor.	Under consultation: the Government does not explicitly respond to this point in their Response. However, in the related consultation there is a series of questions around the definition of working time for those working for online platforms. One of the questions asks whether there is potential to make use of the data collected by platforms to ensure that individuals can make informed choices about when to log on to the app and to ensure fairness in the determination of work for the purposes of the National Living Wage.	Employers wishing to respond to the Employment Status consultation should do so by 1 June 2018. We would expect the Government's response to the consultation to be published by the end of 2018, meaning any subsequent legislative reforms would likely be taken forward in 2019.
6.	Employment and tax status frameworks to be aligned so that if someone is employed for tax purposes then they will be either an employee or a dependent contractor for employment status purposes (and vice versa).	Under consultation: as for (1) above.	As for (1) above.
7.	Employees and dependent contractors to have the right to receive a written statement of particulars on Day 1 of their job, including details of their statutory employment rights. They should have the right to claim compensation where an employer fails to comply.	Accepted and under consultation: the Government accepts that the right to a written statement should be extended to all workers. The question of how best to achieve this and what information should be included in the statement is included in a new consultation on measures to increase transparency in the labour market. Separately from the Review, the Government says it will also implement a recommendation made by the Low Pay Commission in 2016 to extend the right to receive a payslip to	Employers wishing to respond to the Increasing Transparency in the UK Labour Market consultation should do so by 23 May 2018. We would expect the Government's response to the consultation to be published by the end of 2018, meaning any subsequent legislative reforms would likely be taken forward in 2019. It should be relatively easy for employers to comply with this requirement when it comes into force.

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		all workers and to require employers to state the number of paid hours on the payslips of time-paid workers.	
8.	National Insurance Contributions (NICs) paid by employees and self-employed people to be moved closer to parity.	Rejected: the Government agrees that small differences in contributory benefit entitlement no longer justify the scale of difference in rates of NI contributions paid in respect of employees and the self-employed, however, it does not plan to revisit this issue (having U-turned on proposed reforms in this area outlined in the 2017 Spring Budget).	There are no actions for employers to take.
9.	Government to "address areas of entitlement" (e.g. parental leave) where self-employed people lose out.	Accepted but on hold: the Government accepts the principle of equalising benefits for the self-employed but will only consider making changes to this area once it has <i>"carefully considered this in the wider context of tax, benefits and rights over the longer term"</i> .	There are no immediate actions for employers to take.
10.	Government to consider accrediting a range of platforms designed to move towards cashless transactions. The aim is that this will increase transparency of payments made to self-employed individuals and ensure that they pay the correct amount of tax.	To be kept under review: the Government says that as new technologies develop it will keep under review how these could be used to support the self-employed with their tax obligations. In addition, the Government says it will publish a Call for Evidence on what more digital platforms (i.e. platforms which allow businesses to sell or rent services in new ways) could do to ensure their users are compliant with tax rules.	There are no immediate actions for employers to take.
11.	Government to consider making certain rights conditional on using a certain payment mechanism. The example given is linking an individual's right to work in the UK to the use of such a payment mechanism.	Under assessment: although the Response does not directly respond to the example of linking an individual's right to work in the UK to the use of a certain payment mechanism, it broadly accepts the recommendation of applying conditionality in the employment sphere. It points to a consultation by HMRC on the proposed introduction of tax-registration checks into the application process for some public sector licences that people need in order to trade. The results of the consultation will set out the sectors in which the new rules could apply.	There are no immediate actions for employers to take.

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PROPOSALS AFFECTING ATYPICAL WORKERS			
12.	Consider introduction of a new higher National Minimum Wage rate for hours of work that are not guaranteed as part of the contract.	Accepted and under assessment: the Government accepts the recommendation to explore the impacts of introducing a higher National Minimum Wage rate for hours which are not guaranteed as part of the contract. The Low Pay Commission (LPC) will provide their assessment of the impact of this recommendation, as well as alternative means of tackling the issue of "one-sided flexibility", in a report to be published in October 2018.	<p>There are no immediate actions for employers to take, save to note the date of the LPC report in October 2018.</p> <p>If the LPC does recommend an enhanced National Minimum Wage rate and this is implemented by the Government, this would have the effect of enhancing pay for zero hours workers and also many "standard" employees and workers who work non-guaranteed overtime hours. There would be a particular impact for employers operating in sectors such as hospitality, retail and social care.</p> <p>At that point, employers may wish to audit their exposure to any enhanced rate. Some employers may find that they already have this information available following an audit of working practices for the purposes of assessing holiday pay entitlements. Once any proposed enhanced rate is known, employers should then assess whether there is any shortfall in pay and, if so, what remedial action they could take (e.g. convert non-guaranteed overtime to guaranteed overtime; retain non-guaranteed overtime but enhance the rate of pay).</p>
13.	Government to consider other ways of encouraging employers to guarantee more hours to their staff, including the role of voluntary collective agreements.	No response: the Government does not respond to this recommendation.	There are no actions for employers to take.
14.	Continuous service in employment should be preserved where any gap in employment is less than 1 month, rather than the current 1 week.	Accepted and under consultation: the Government accepts that the gap should be extended beyond 1 week. However, it has not settled on the period to be used. The question of what that period should be is included in a new consultation on measures to increase transparency in the labour market. The periods offered in the consultation are 2 weeks, 3 weeks, 1 month, 6 weeks or "other".	<p>Employers wishing to respond to the Increasing Transparency in the UK Labour Market consultation should do so by 23 May 2018. We would expect the Government's response to the consultation to be published by the end of 2018, meaning any subsequent legislative reforms would likely be taken forward in 2019.</p> <p>In the event that the gap is increased following the consultation, employers should ensure that they maintain good records detailing periods of work and non-work so that an accurate assessment of service can be made.</p>

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15.	<p>Zero hours workers who have been engaged for 12 months or more to have the right to request a contract that guarantees the hours which reflect the actual hours worked. Employers to report on how many requests of this nature have been received and how many were agreed.</p>	<p>Accepted and under consultation: the Government accepts the recommendation that zero hours workers should be entitled to request a guaranteed hours contract. However, it commits to going further and creating a right for all workers to <i>"request a more predictable contract where appropriate"</i>. The question of how to implement the right to request is under consultation.</p> <p>As to the requirement for employer reporting, the Government favours a voluntary approach. It says that it will work with the Financial Reporting Council (FRC), which publishes guidance for companies on the content of annual reports, to consider how the guidance can be revised <i>"to encourage companies to provide a fuller explanation of their workforce models and practices"</i>. If this does not provoke a change in company reporting practices then the Government says it will take further action which could include introducing a requirement for companies to publish a "People Report". This could bring together employee-related reporting requirements such as gender pay gap and diversity data, with specific metrics relating to workforce structure.</p>	<p>Employers wishing to respond to the Increasing Transparency in the UK Labour Market consultation should do so by 23 May 2018. We would expect the Government's response to the consultation to be published by the end of 2018, meaning any subsequent legislative reforms would likely be taken forward in 2019.</p> <p>In the event that the proposal is implemented by the Government, employers will need to produce appropriate policies documenting how the procedure will operate within their business. It should be remembered that, as it stands, the proposal is limited to a right for workers to <i>request</i> a fixed hours contract, rather than a right to <i>move</i> to a fixed hours contract. Although there is no detail yet on how this process might work, it seems possible that it will be along the lines of the right to request a flexible working arrangement. This could mean that an employer could refuse the request provided there was a good business reason for doing so and the request was considered reasonably.</p> <p>Employers should also monitor any changes to the FRC guidance on annual reports.</p>
16.	<p>On holiday pay, the Government should increase the pay "reference period" used to calculate holiday pay for workers who do not have normal working hours from 12 to 52 weeks to take account of seasonal variations in work.</p>	<p>Accepted and under consultation: the Government agrees that the pay reference period should be increased to 52 weeks. The finer details of this proposal are dealt with in a new consultation on measures to increase transparency in the labour market. The consultation asks whether the reference period should be increased to 52 weeks or another period. It also asks whether employers and workers should be allowed to agree a shorter period.</p>	<p>Employers wishing to respond to the Increasing Transparency in the UK Labour Market consultation should do so by 23 May 2018. We would expect the Government's response to the consultation to be published by the end of 2018, meaning any subsequent legislative reforms would likely be taken forward in 2019.</p> <p>In the event that the reference period is increased following the consultation, employers will need to ensure that their payroll systems are adjusted to take account of the longer reference period, and any associated policy should also be updated to reflect the change in how holiday pay is calculated (if this is covered in the affected policy).</p>
17.	<p>All dependent contractors to be given the choice of either taking paid holiday or receiving "rolled up holiday pay" (i.e. the practice of not paying holiday</p>	<p>Rejected but under consultation: the Government says it will not take this recommendation forward <i>"at this time"</i></p>	<p>The fact that the rejection is caveated by the phrase "at this time" suggests that the Government may revisit this question after Britain has left the European Union (the expected exit date being 29 March 2019).</p>

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	pay while the worker is on holiday, but making a compensatory payment during the weeks worked).	<p>because the practice of paying rolled up holiday pay is contrary to EU law.</p> <p>However, there will be consultation on alternative action that could be taken to ensure that atypical workers receive their full holiday pay entitlement. The consultation asks how atypical workers might be offered more choice in how they receive their holiday pay.</p>	Employers wishing to respond to the Increasing Transparency in the UK Labour Market consultation should do so by 23 May 2018. We would expect the Government's response to the consultation to be published by the end of 2018, meaning any subsequent legislative reforms would likely be taken forward in 2019.
18.	Agency workers to be given clearer information on the applicable rates of pay and those responsible for paying them.	<p>Accepted and under consultation: the Government accepts the need to amend the law to allow agency workers to receive <i>"the information they need to make informed choices about the work they accept"</i>. The question of what legislative changes are needed to deliver this reform is included in a consultation on agency worker reforms. In short, the consultation proposes that any contract / terms of business between a work seeker and an employment business should contain a "Key Facts" page which should be provided to the work seeker at the time they register with the organisation</p>	<p>Employers wishing to respond to the Agency Worker consultation should do so by 9 May 2018. We would expect the Government's response to the consultation to be published by the end of 2018, meaning any subsequent legislative reforms would likely be taken forward in 2019.</p> <p>Employment businesses which place agency workers with end users should monitor the outcome of this consultation. If the proposals are taken forward, they will need to ensure the documentation they provide to agency workers complies with the new requirements.</p>
19.	Agency workers to have the right to request a direct contract of employment after 12 months with same hirer, which the hirer would have to reasonably consider. The employer should also be required to report on how many requests of this nature have been received and how many were agreed.	<p>Accepted and under consultation: as for (15) above.</p>	As for (15) above.
20.	The "Swedish derogation" should be abolished. This is the provision in the Agency Workers Regulations 2010 which allows agencies to avoid matching end-user pay by employing agency workers in a way that allows for pay between assignments.	<p>Under consultation: the Government wishes to consult further to establish the extent of abuse of pay between assignment contracts as a means of avoiding equal pay entitlements for agency workers.</p> <p>If the evidence shows that abuse is limited then the Government's view is that state enforcement may be answer, potentially by extending the remit of the Employment Agency Standards Inspectorate to cover the Agency Workers Regulations 2010. However, if the evidence shows that</p>	<p>Employers wishing to respond to the Agency Workers consultation should do so by 9 May 2018. We would expect the Government's response to the consultation to be published by the end of 2018, meaning any subsequent legislative reforms would likely be taken forward in 2019.</p> <p>Employers who engage workers and benefit from the Swedish derogation may wish to assess the potential increase to the cost of engaging such workers. This may lead employers to reconsider their use of agency workers vs. permanent workers.</p>

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		abuse is more widespread than the Government's initial view is that it would be more appropriate to abolish the derogation.	
PROPOSALS AFFECTING THE ENFORCEMENT OF EMPLOYMENT RIGHTS			
21.	HMRC to be given responsibility for enforcing holiday pay rights (in addition to National Minimum Wage and sick pay rights) for the lowest paid workers. This means that such workers would not have to enforce their rights via the Employment Tribunal.	Accepted and under consultation: the Government accepts the case for the state taking responsibility for enforcing basic employment rights on behalf of the most vulnerable workers. It will consult to gather detailed evidence of the scale and distribution of non-compliance with holiday pay and statutory sick pay obligations, and then evaluate the best way to target enforcement activity.	Employers wishing to respond to the Enforcement of Employment Rights consultation should do so by 16 May 2018. We would expect the Government's response to the consultation to be published by the end of 2018, meaning any subsequent legislative reforms would likely be taken forward in 2019. In the event this proposal is implemented, it would affect only those employers of the "lowest paid workers" (i.e. those earning the National Minimum Wage or National Living Wage), meaning we would expect to see a greater impact in sectors such as retail, hospitality and social care. Affected workers would not have to bring claims in the Employment Tribunal to enforce their holiday pay rights. Instead, they would complain to HMRC, who would then be responsible for enforcement. Whilst affected employers could benefit from avoiding the cost of Tribunal litigation, it is not clear how HMRC would determine the validity of a holiday pay claim and what right of appeal would exist from any decision reached.
22.	Claimants should be able to have their employment status determined at an expedited preliminary hearing without having to pay any fee.	Rejected: since the review was published, the Supreme Court has ruled that the fees system operating in the Tribunals was unlawful, with the result that no fees are currently being charged. Accordingly, the Government rejects this reform on the basis that individuals are currently able to get an authoritative determination of their employment status without paying a fee. Notably, the Government does not rule out reintroducing a fees system in the Tribunals. It says it is considering the Supreme Court's ruling " <i>very carefully</i> " and should it decide to reintroduce fees then it would seek to consult on the question of whether to charge fees for proceedings about the determination of employment status.	There are no actions for employers to take.

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23.	The burden of proof in hearings where employment status is in dispute should be reversed and placed upon the employer, subject to a number of safeguards, such as the use of an online tool to determine employment status.	To be kept under review: the Government says it will return to this recommendation when decisions have been reached on the way forward regarding employment legislation and when an online tool has been developed.	There are no immediate actions for employers to take.
24.	The Government should seek to enforce Tribunal awards itself without action from the claimant, or payment of any additional fee. A "naming and shaming" scheme should be established for employers who do not pay awards within a reasonable time.	Accepted and under consultation: the Government accepts that individuals who win their case at Tribunal and receive an award should get what they are owed. Plans are already afoot to reform the process for dealing with unpaid awards across the Courts and Tribunals system. The Government will consult on how best to ensure these reforms work for Employment Tribunals. The Government says it accepts the value of a naming scheme for employers who do not pay Tribunal awards within a reasonable time and will consult on the best way to implement such a scheme.	Employers wishing to respond to the Enforcement of Employment Rights consultation should do so by 16 May 2018. We would expect the Government's response to the consultation to be published by the end of 2018, meaning any subsequent legislative reforms would likely be taken forward in 2019.
25.	Tribunals should be obliged to consider the use of awarding aggravated damages and making costs orders if an employer has already lost an employment status case on broadly comparable facts.	Under consultation: the Government accepts that strong action should be taken against employers who repeatedly ignore their responsibilities and the decisions of Tribunals. The Government will consult on this issue and consider how the recommendation can be implemented. Separately, the Government says it will raise the maximum penalty for aggravated breach from £5,000 to £20,000 "as soon as practicable".	Employers wishing to respond to the Enforcement of Employment Rights consultation should do so by 16 May 2018. We would expect the Government's response to the consultation to be published by the end of 2018, meaning any subsequent legislative reforms would likely be taken forward in 2019.
26.	Tribunals should be allowed to award uplifts in compensation if there are subsequent breaches against workers with the same, or materially the same, working arrangements.	Under consultation: as for (25) above.	As for (25) above.

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PROPOSALS AFFECTING ENGAGEMENT AND TRANSPARENCY			
27.	The Government should review the Information and Consultation of Employee Regulations 2004 (ICE Regs) and extend the rules to workers and reduce the threshold from 10% to 2% of workforce making the request.	Under consultation: the Government wishes to consult further on this recommendation to extract up to date evidence which can then be used to assess whether or not there is an appetite to expand the ICE Regs. In addition, Ministers and officials will <i>"engage with interested parties"</i> to consider the future of the ICE Regs, including whether the thresholds should be lowered.	Employers wishing to respond to the Increasing Transparency in the UK Labour Market consultation should do so by 23 May 2018. We would expect the Government's response to the consultation to be published by the end of 2018, meaning any subsequent legislative reforms would likely be taken forward in 2019. In the event that: (i) the ICE Regs are expanded to cover workers; and/or (ii) the thresholds in the ICE Regs are reduced, the number of employers who could potentially receive a valid request to negotiate an information and consultation framework would increase. Employers who are currently outside the scope of the ICE Regs should then ensure that they understand the framework and are able to respond to a request to negotiate if one was triggered.
28.	The Government should work with Investors in People, Acas, trade unions and others to promote the development of better employee engagement and workforce relations, particularly in sectors with high levels of casual employment.	Accepted and under assessment: the Government will lead <i>"stakeholder engagement"</i> with experts in the coming months aimed at identifying and developing the most effective ways to promote employee engagement and workforce relations.	There are no immediate actions for employers to take.
29.	Companies above a certain size should be required to be more transparent. Amongst other things, they should be required to publicise their model of employment and use of agency services.	To be kept under review: the Government favours a voluntary approach. It says that it will supplement existing corporate governance reporting measures by working with the FRC, which publishes guidance for companies on the content of annual reports. Together, they will consider how the FRC guidance can be revised <i>"to encourage companies to provide a fuller explanation of their workforce models and practices"</i> . If this does not provoke a change in company reporting practices then the Government says it will take further action which could include introducing a requirement for companies to publish a "People Report". This could bring together employee-related reporting requirements such as gender pay gap and diversity data, with specific metrics relating to workforce structure.	Employers should monitor any changes to the FRC guidance on annual reports.

	PROPOSAL	THE GOVERNMENT'S RESPONSE AND NEXT STEPS	ACTION POINTS FOR EMPLOYERS
PROPOSALS AFFECTING OTHER AREAS			
30.	Apprenticeship Levy: the Government should ask the Institute for Apprenticeships to work with sectors using high levels of lower paying and atypical work to ensure they are making best use of the current apprenticeship framework.	To be kept under review: the Government says it will "continue to assess the impact of the levy and the apprenticeship reforms on employers, providers and individuals". It makes no commitments beyond this.	There are no immediate actions for employers to take.
31.	Apprenticeship Levy: the Government should consider making the funding generated by the levy available for high quality "off the job" training other than apprenticeships.	To be kept under review: the Government says it will "continue to work with employers on how the apprenticeship levy can be spent so the levy works effectively and flexibly for the industry and supports productivity across the country". It makes no commitments beyond this.	There are no immediate actions for employers to take.
32.	Internships: unpaid internships to be "stamped out" and the Government to clarify the interpretation of the law on employment status for interns and encourage enforcement action by HMRC.	<p>Accepted: the Government promises to take a number of steps to eradicate unpaid internships. It commits to:</p> <ul style="list-style-type: none"> engaging with sectors where unpaid internships are prevalent and with bodies that represent interns (e.g. universities) to uncover good practice examples; raising awareness of the law through better information and updated guidance; and asking HMRC to prioritise National Minimum Wage enforcement efforts and to focus on employers who use unpaid interns. <p>In the event that these measures do not work, the Government says it will undertake a review of the existing policy and legal framework to consider further action.</p>	<p>Since the Government's Response has been published, it has been reported that HMRC has written to 500 companies to remind them that interns classed as workers should be paid the National Minimum Wage.</p> <p>Given the focus on this area, employers should consider reviewing the use of interns within their businesses. Where these are unpaid, employers should carefully consider the likely employment status of these individuals. If it is concluded they are workers, steps should be taken to ensure that they are paid in line with the National Minimum / Living Wage and receive paid holiday and other worker rights.</p>
33.	Flexible working: when the flexible working system is evaluated in 2019, the Government should consider whether the system might be used to permit requests for temporary changes to contracts.	Accepted and to be reviewed: the Government accepts this recommendation and says that as part of the 2019 review process it will consider how further to promote genuine flexibility in the workplace.	There are no immediate actions for employers to take.

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34.	Flexible working: the Government should work with organisations such as Working Families and Timewise to encourage flexible working initiatives such as the use of the "happy to talk about flexible working" strapline in job advertisements.	Accepted: the Government says it will launch a joint taskforce with industry on flexible working to consider how to unlock potential within the labour market amongst women, older workers, carers and the disabled.	There are no immediate actions for employers to take.
35.	Pregnancy and maternity: guidance on pregnancy and maternity discrimination should be reviewed and consolidated to enable women to more easily spot unlawful discrimination and challenge it.	Accepted: the Government says it will continue to work with Acas and the EHRC to improve advice and guidance on pregnancy and maternity issues so employers are aware of their obligations and employees better understand their rights. Further, the relevant pages on the gov.uk website will be updated by summer 2018.	Employers should review any updated guidance as it is published.
36.	Pregnancy and maternity: consideration should also be given to "further options for legislative intervention" in this field.	Accepted and under review: the Government says it will review the legislation relating to protection against redundancy and also keep other protections under review.	This is not a new development: the Government had already agreed to review the legislation relating to redundancy protection when it responded to a separate report published by the Women and Equalities Committee in August 2016. Until further details of any reforms are released there are no obvious actions for employers to take.
37.	Sickness absence: statutory sick pay (SSP) should be reformed so that it is a basic employment right for which all workers are eligible, regardless of income, from Day 1 (and should be payable by the employer and accrued on a length of service basis).	Under consultation: the Government says that reform of SSP was considered as part of another Government initiative on work, health and disability (<i>Improving Lives: the Future of Work, Health and Disability</i>). As part of that, the Government has committed to consult on changes to SSP to better enable phased returns to work. In addition, the Work and Health Unit will run a programme of analysis and research examining the wider framework within which employers make their decisions on sickness absence. Their preliminary findings will be reported later in 2018. This research will be taken into account alongside the consultation findings to devise effective policy measures. As part of that process, the Review's recommendations on SSP will be considered.	Employers may wish to respond to the consultation on changes to the SSP regime when it is published. In the event that SSP is extended to all workers this will result in an increase to an employer's pay bill. Employers may wish to consider working out the likely approximate cost per annum of this reform (i.e. number of workers x average number of sick days taken per year) and consider how they would fund this additional cost.
38.	Sickness absence: employers to do more to support workers who are absent on long-term sickness grounds to return to work and go "above	To be assessed: the Government says that protections for individuals returning to work after a period of prolonged ill health " <i>require further thought</i> ". The Fit for Work assessment service has now been closed due to low take up rates, but the	There are no immediate actions for employers to take.

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	and beyond" the duty to make reasonable adjustments.	Government says it will " <i>consider how engagement with occupational health services can support returns to work</i> ".	
39.	Sickness absence: individuals who have been absent on "prolonged sick leave" should have the right to return to the same or similar job (conditional upon engagement with the Fit for Work service).	To be assessed: as for (38) above.	There are no immediate actions for employers to take.
40.	Low pay: the Low Pay Commission's (LPC) remit to be widened so that it can make recommendations to Government on areas of change needed to improve the quality of work in the UK.	Rejected: the Government has concluded that it is not appropriate to give the LPC all of the functions recommended by the Review. The LPC has a specialised role and extra functions could detract from that.	There are no actions for employers to take.
41.	Low pay: the LPC to work with employers, employees and stakeholders to: (i) promote quality work across all regions and sectors; and (ii) develop sector-specific codes of practice that " <i>support the provision of quality work</i> ".	Rejected: the Government says that BEIS, other Government sector teams and the Labour Market Directorate will work with employers and other stakeholders to improve the quality of work across regions and sectors.	The Government says it is starting a "dialogue" with experts to establish how to evaluate good work in the UK. Businesses are invited to participate in this discussion by contacting the following email address: modernemploymentreview@beis.gov.uk .

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