Good Work consultations: a flurry of activity!

General Features

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LITRG have been busy responding to the recent consultations issued by the government as part of the next phase of the Good Work Plan. Here we round up the consultations and our responses.

The government published a consultation in July, in response to the Low Pay Commission's recommendations to address issues around one-sided flexibility in the labour market. Views were invited on proposals such as compensation when shifts are cancelled at short notice for workers and a right for workers to be entitled to a reasonable period of notice for their allocated shift.

LITRG responded to this consultation with some points to consider relating to how the payment of compensation for cancelled shifts will work for national minimum wage, tax and benefit purposes.

A separate consultation was published by the Department for Business, Energy and Industrial Strategy (BEIS) on new proposals for a single labour market enforcement body and how the enforcement landscape could be simplified.

In our response, we recommended that the Gangmasters and Labour Abuse Authority (GLAA)'s powers be extended to take on the role of enforcing holiday pay and umbrella companies, rather than the creation of a new single enforcement body. The GLAA already have licensing standards covering basic employment rights including holiday pay, and umbrella companies already operate in GLAA licensed sectors, so there would be no reinventing of the wheel.
We also reiterated our long held view that there is a clear and unequivocal need for HMRC's tax compliance function and the labour market enforcement bodies to work together in partnership on cross cutting areas such as false self-employment, non-provision of pay documents and umbrella companies.

BEIS also launched consultations calling for views on proposed changes to parental leave entitlements to try to ensure they better reflect our modern society and the desire to share childcare more equally. We looked specifically at the proposals for a new leave and pay entitlement for parents of babies that require neonatal care after birth. While agreeing that providing additional support for parents by way of statutory neonatal leave and pay is positive, we highlighted the need for work to be done to establish how the payments and statutory leave period will affect entitlement to tax credits, universal credit and other work-related benefits so as to ensure that recipients will not inadvertently be made worse off.

LITRG stressed that consideration must be given to small and micro employers, including accidental employers, that will have to administer any new statutory payment. We also highlighted concerns regarding the condition of having to meet the lower earnings limit in order to receive neonatal pay, as this could cause problems for the very low paid or those with irregular earnings, such as part-time or casual workers.

Last, but not least, while not part of the Good Work Plan per se – but certainly work and wellbeing related – there was the 'Health is everyone's business: proposals to reduce ill health-related job loss' consultation.

We focused our comments on how Statutory Sick Pay (SSP) should be reformed to better support people with disabilities and long-term health conditions. To achieve this aim, overall, we said that the government need to think holistically about how they can create supportive working environments – the availability of SSP, in reality, is probably only a very small part of this. However, we agreed that the system of SSP is inflexible and does not reflect modern working practices. Improvements to the system would help alleviate the increasing (and often competing) pressures in the workplace and so would be worthwhile from that perspective at least.

Some comments and recommendations we made included:

- Facilitating phased returns to work within SSP is a good idea but in addition to an online calculator on GOV.UK, HMRC's Basic PAYE Tools should also be programmed to calculate and record phased return to work SSP.
- In terms of widening eligibility, it would be helpful and intuitive if SSP was also made expressly a 'worker' employment law right, rather than one reliant on there being a secondary contributor (that is, someone that is liable to

employers' National Insurance), in order that some 'dependent' self-employed people could benefit.
- SSP enforcement officers should be careful not to get bogged down in chasing small administrative errors or technical oversights, as there are more serious abuses to be tackled that serve to deny employees SSP – for example, bogus self-employment.
- In terms of how a rebate of SSP might work, we do not think that it should be only available to those that demonstrate 'best practice' in supporting employees on sickness absence, as it is not clear what would be considered 'best practice' or how this would be monitored.

Our submissions can be found here:

Good Work Plan: one-sided flexibility – addressing unfair flexible working practices

Good Work plan: establishing a new single enforcement body for employment rights

Good Work Plan: Neonatal Leave and Pay

Health is everyone's business: Proposals to reduce ill health-related job loss