

Information Sheet: Employee Welfare

Introduction

As an employer there are implicit responsibilities that may not be covered by employment legislation nor referred to in the contract of employment, but nevertheless are necessary to support the employee/employer relationship and ensure the “Welfare” of the employee.

The most important is the payment of wages and organisation of payroll, including any pension scheme. Information on how to meet these responsibilities is readily available as these involve government departments and are mainly administrative. Other implied responsibilities relate to “good employer” objectives such as employee involvement and motivation. These require careful consideration and in some cases written policies, for example appraisals and training.

Payment of Wages/Payroll

A detailed payslip must be provided to all employees, containing the following information on the amounts paid and deducted. Employees have legal rights regarding what may be deducted from their pay (Employment Rights Act 1996) and must consent to any deductions.

- Earned (gross)
- Deducted (variable) for tax, which must be calculated by the employer and paid by the employer direct to the Tax Office. There are various forms, which must be completed, and related procedures - the Local Tax Office will supply forms and instructions
- Deducted (variable) for National Insurance, which also must be calculated (contributions are payable by both the employer and the employee and are based on a sliding scale related to earnings) by the employer. The Contributions Agency issues contribution tables
- Deductions (variable) for pension contributions
- Fixed deductions for union dues etc.
- Deducted for other purposes

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- Net earned

Employers also have to pay (and later reclaim from the Government) Statutory Sick Pay, Statutory Maternity Pay, Working Family Credit and Disabled Person's Tax Credit. It is a legal requirement that employers keep proper records of these items, which ideally would be part of a wider system of records that keep all documentation about an employee together and confidential.

An annual pack of information for employers is available from the Inland Revenue. Or it may be possible to arrange for another larger organisation to handle this area of work for you, or you could consider contracting the work out to a specialist firm.

Work Environment

It is generally assumed or implied a part of the contract of employment that an employer will provide a safe working environment, and the health and safety legislation seeks to ensure that this is the case.

But physical safety is only one aspect of the working environment, and consideration should be given to other aspects such as the encouragement of team spirit, mutual respect and open lines of communication. A particularly difficult area that may require special attention is the development of positive relationships between volunteers, permanent employees and casual employees. The provision of counselling support may be helpful in some situations.

Stress caused by the working circumstances is becoming a common issue, and the welfare of the employee should include prevention or reduction of potential stress. Health and safety policies would also address this issue.

Personnel Development Strategy

A good employer must fulfil a number of roles in respect of employees, over and above obligations that are discussed elsewhere. An important one is the motivation of all staff, whatever their basis of employment, to carry out their responsibilities to a high standard and to stay with the organisation. A Personnel Development Policy is helpful as it sets out what incentives, rewards and support the organisation can offer. While pay is one of these, others include recognition and promotion, increased responsibility and involvement, and training opportunities. The Appraisals System is key to implementing the policy, though it can be introduced without a policy.

Appraisal Systems

Appraisals provide an opportunity to give feedback to employees on their performance and consider how the organisation can better support and motivate the employee to develop within the organisation. In summary an appraisal system usually includes:

- Clarification as to who will carry out the Appraisal – usually a senior manager or a member of the management committee.
- A one to one meeting between the employee and the appraiser, planned and notified in advance.
- The employee should be given information about the purpose and format of the appraisal before the meeting, including a copy of the appraisal form(s)
- Joint evaluation of the employee's performance against objectives as set out in the job description (or developed at the last appraisal meeting).
- Consideration of training needs.

Training

Training needs depend on the nature of the organisation and what it does, and it is worth taking the time to think through a training plan which links training to both the needs of the individual and the needs of the organisation.

Such a plan should set out why training is necessary, what types are a priority and who will benefit (in terms of content), how individual training needs will be determined, and who will have access to training opportunities (again ensuring that equal opportunities issues are addressed). Training can be organised in many different ways, and in summary include:

Induction

An induction session is initial training, so should include equalities policies, health and safety issues and procedures and basic information about the job and the employment environment.

- On-the-job training
Focused more on the job than on the individual, this form of training allows experience to be gained under supervision and in many cases is more appropriate than lectures/reading etc. Includes apprenticeships, demonstrations and shadowing colleagues.

- **In-house training**
Generally training provided by the organisation within the organisation. Useful for developing a common understanding of organisational objectives, policies (such as equalities, harassment), and procedures. In house resources can be used, or someone with particular skills can be brought in to assist.
Can take many forms from group lunch sessions to formal seminars and speakers.
- **External Training**
Comprises conferences, visits, short and long courses and qualifications provided by parties outside the organisation. This is generally more expensive because of transport and expenses on top of fees. It may have the advantage of providing training which is impossible to arrange in house, as well as providing an outside perspective on issues and possibly a wider context or knowledge base.

Investors in People

This is a national initiative that encourages and recognises high standard in the area of human resource management, with an emphasis on employee involvement in setting objectives and development of people to meet objectives. It may be useful for larger community enterprises and other organisations that are particularly focused on becoming 'good employers'.