

Finance Scheme Lending Improves

“Lending under the Government’s Enterprise Finance Guarantee Scheme (EFG) which, lends to small business has improved following previous declines”

Lending increased to £84m in the previous quarter the highest since March 2011 (17% up year on year). This is still down nearly 60% on 2009 levels where lending reached £200m. We reported previously that Business Minister Michael Fallon was putting pressure on high street banks to improve provision & take up.

Since May 2010 EFG has offered £1.2bn in loans to over 12,000 small & medium businesses. Commenting Michael Fallon said the increased take up shows that businesses are increasing seeking to invest & grow, a positive indicator for the wider economy. The scheme has been made easier & more flexible and the introduction of the business bank will further improve funding availability to SMEs. The turnover limit for business applicants has been increased from £25m to £41m.

Can you Demote as a Sanction?

“Demotion is an acceptable disciplinary sanction, along with written warnings & dismissal BUT employers do not have an automatic right to do so”

To be able to use this option you must have reserved this right in the employee’s employment contract otherwise do not even consider this option. It’s also a good idea to reserve the right to make a comparable reduction in salary during the demotion period. Even if you have the contractual right you must always make absolutely sure that you can justify your actions and that the demotion is reasonable given the circumstances. If you do not you risk breaching the implied duty of mutual trust & confidence; your employee may resign & claim constructive dismissal.

Tips: (1)Only use this as a last resort, instead of dismissal and never as a norm and only in exceptional circumstances. (2)The demotion must only be temporary otherwise a tribunal will be highly likely to deem it unfair.(3)Employees retain the right to appeal and the “fair & reasonable” requirement still applies.

Council Fined After Electrical Burns

“South Lanarkshire Council fined after 2 workers suffered flash burns when they struck a cable while digging”

The 2 men were digging the ditch prior to laying a drainpipe when Mr Zambonini, who suffered burns to arms & face, thought he hit a rock. He picked up a steel bar to break it up & hit an 11,000 volt live cable. His insulated gloves saved him from further injury. His was blown off his feet and had an eye burned.

South Lanarkshire Council failed to follow its own protocols by not obtaining service plans before work started. On 28th August the Council was fined £35,000 after pleading guilty to breaching section 2 of the Health & Safety at Work Act 1974. For the full story go to:- <http://www.hse.gov.uk/press/2013/rnn-sco-02513.htm>

Mortgages Most Affordable for 14 Years

“Mortgage payments now account for 27% of new borrowers’ income”

Lloyds banking Group reports that for the past years 30 average income percentages have stood at 36%, making rates in the last quarter the lowest for 14 years. Current rates represent a 21% points improvement on the 48% high in 2007.

According to the Halifax, lower house prices & mortgage rates have been the main contributory factors for the reduction with the Funding for lending Scheme also having an impact.

Improvements have been felt across the UK but the North/South divide continues. Scotland & N. Ireland experienced the lowest rates with Greater London, S East & S West being the highest. The last quarter also showed the highest first-time buyer figures since 2007, with over 68,000 first-time purchasers. Deposits however are still proving a barrier but figures show 10,000 have already signed up to the Help to Buy Scheme

Can you Order a Tattoo Cover Up?

“Last year the Metropolitan police ordered a cover up by officers & staff of all visible tattoos on the grounds that they damage the Met’s professional image”

If you feel the same about your organisation, you can do the same. You must have reasonable justification but the law does allow considerable flexibility with regard appearance during working hours. Set a minimum appearance standard in a written policy which makes any breach a disciplinary offence. Apply the rule fairly & consistently. If an employee accuses you of discrimination, don’t worry The Equality Act 2010 does not afford any protection to employees in respect of non-medical tattoos for fashionable reasons. Tribunals regularly uphold an employer’s right to project a professional image, just be sure that there is underlying ethnic or religious reasons for the visible tattoos.

Care Home Made to pay £40k

“A private Wallasey care home has been ordered to pay £40,000 in fines & costs after it failed to manage the risk of a potentially fatal form of pneumonia”

Mother Redcaps Care Home Ltd was prosecuted after it failed to comply with an improvement notice to assess the risk from the legionella bacteria. It did not have a system in place for managing its hot & cold water. Despite 2 extensions to the improvement notice it failed to carry out a suitable & sufficient risk assessment by May 2012 even though it was offered help 7 guidance. The home was fined £6,525 with £33,475 costs after pleading guilty to a breach of the Health & Safety at Work Act 1974. For the full story go to:-

<http://www.hse.gov.uk/press/2013/rnn-nw-mother-redcaps.htm>