



Employment alert

DTi ... DBERR ... BIS

The Government department known since 2005 as BERR (Department for Business, Enterprise and Regulatory Reform) has become 'BIS' (presumably pronounced "biz").

It stands for the Department for Business, Innovation and Skills.

Our experience is that most of our clients refer to BERR as "*the Department that used to be called the DTi*". It is currently unknown whether our clients will continue to refer to BIS in that way or else as "*the Department that used to be called BERR*".

The name change is estimated to have cost the taxpayer £33,000.

Watch this space for any futile – sorry we mean 'future' – name changes.

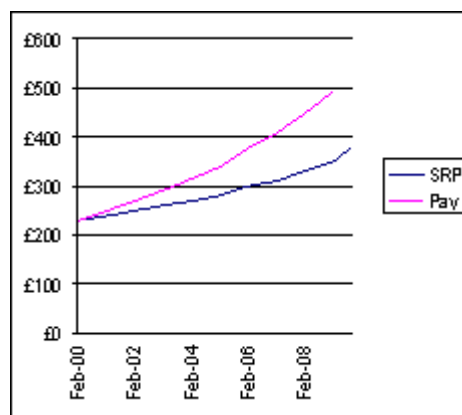
BIS announces new redundancy pay limit

One of BIS's first acts is to make an announcement about the new redundancy pay limit.

In our Spring Employment News we brought you the Budget news of a one-off increase to the limit on a week's pay for redundancy (from £350 to £380). It will take the maximum Statutory Redundancy Pay (SRP) figure from £10,500 to £11,400.

The figure increases annually in the Spring and this increase will take effect, BIS tells us, on 1 October 2009. Spring 2010's increase will not take place so effectively the rate change is being brought forward by six months.

As this graph shows, the limit has not kept pace with average pay in recent years and this announcement will barely put a dent in the disparity.



In the Budget the Chancellor was unclear about whether this one-off increase would apply to the unfair dismissal basic award as well as the SRP. It is still undecided but BIS tells us that the preferred option is to apply the increase to both.



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