

17 July 2015

3HR Legal Weekly

HR

London Underground Strikes

How should we handle employee lateness due to London Underground strikes?

We received several queries last week related to the London Underground strike. As a fresh strike has now been announced for 5th August, we recommend considering how your Company will deal with this issue. Making your stance known to employees through an email or announcement will provide clarity and reassurance that you will treat all employees equally.

We recommend letting employees know that your Company expects employees to make efforts to get to work on time even if this means they have to start their journeys earlier than usual.

That being said however, it can be a good idea to be somewhat understanding on these kinds of occasions as employees might well be late despite their best efforts. You should check contracts to see if employees have any contractual right to be paid under these circumstances (either through custom and practice or any policies already in place).

It is a good idea to have a clear written policy regarding this kind of travel disruption due to strike or extreme weather. If employees can work from home on this kind of occasion without it being too disruptive to the business then this could also be considered. Showing flexibility towards employees will be much appreciated.

Often Companies ask employees to take annual or unpaid leave if they will be late by more than one hour for example. If you decide to follow this rule do let employees know in advance. You should also let employees know what actions you expect them to take regarding calling in to notify their manager. There will probably be no need for employees to provide evidence of why they are late on days when tube strikes have already been announced.

For more advice on this issue, contact your usual 3HR consultant.

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Employment Law Mental Health

Protect your business by looking after your employees' mental health

Mental health has suffered significant stigmatism in the past, but with 1 in 3 of us suffering with mental health issues at some point in our lives and over 70 million working days reported as being lost each year as a result, employers cannot afford to ignore this very real issue.

Employers have a statutory duty to protect their staff and maintain a safe working environment. This obligation also extends to preventing employees from suffering both physical and mental harm. In addition to their legal obligations, employers should also be concerned about protecting their staff from mental health issues because these issues can have significant negative effects on employers' businesses

Ignoring the issue can lead to unwell employees feeling unable to speak out and the problems will likely increase or persist longer than they might otherwise. Mental health issues also result in low staff morale, depression and burnout, resulting in increased staff turnover and sickness absence. All of these factors can mean low productivity and higher overheads and costs for the business.

To avoid this, we advise our clients to put in place policies on health and safety, sickness absence management and carry out well-being training to help identify issues early on. Managers should remain aware of the risks and regularly review their staff's health and well-being through one to one meetings.

If you would like any advice on how to prevent and handle mental health issues, please get in touch with our Employment and HR team.

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Commercial

The importance of guarantees and indemnities

Guarantees and indemnities are a common way for creditors to protect themselves from the risk of non-payment of a debt. They are often sought if the lender has doubts about the borrower's ability to fulfill its obligations under a loan agreement.

A guarantee is a contractual promise to ensure that a third party fulfils its obligations. It can also be an agreement to pay an amount owed by a third party if it fails to do so itself.

Indemnities are often found in commercial agreements and as it is an independent obligation of a third party to the beneficiary of the indemnity under which the loss arose, care should be taken before signing contracts that contain them.

When considering both guarantees and indemnities in contractual documentation, the following points should be noted:

- Guarantee documents often include both a guarantee and a supporting indemnity. The exact wording of the terms of the obligation must make it clear that both are available. If there is any ambiguity, the court is likely to disregard the indemnity and class it as a guarantee only.
- A guarantee must be in writing and signed by the guarantor. They are often executed as deeds.
- It is possible that a series of documents form a guarantee; as long as the name of the guarantor and evidence that there is both an intention to sign and an intention to contract is present, this will be sufficient.

Should you need any assistance with the drafting or review of guarantee documents or commercial agreements containing indemnities, please do not hesitate to contact the Commercial Law team at 3HR Legal.

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