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3HR Legal Weekly

Employment

The Importance of the Staff Handbook

What is the Staff Handbook?

A tailored, up-to-date Staff Handbook is an invaluable tool for employees and managers alike. It will establish the company's position on key matters and explain what is expected of employees and managers in certain situations, helping to manage the risks posed by employees. In addition, there are some policies and procedures that must be given to employees by law (for example, a health and safety policy and the company's disciplinary rules and procedure). A Staff Handbook is the ideal place to put them. The Staff Handbook can either be printed and a copy given to each employee or it can be put on your intranet so that all staff can use it. We strongly recommend you ask employees to sign to indicate that they have read and understood the contents, and do the same with any updates that you later issue. This shows that you as an employer have fulfilled your obligation to clearly communicate your policies to employees.

A staff handbook should be handled separately from an employment contract. Generally speaking, it is difficult to change the terms of a contract, so keeping a handbook non-contractual will allow you to update it as necessary without the complications of altering an employee's contract.

Examples of other policies that we highly recommend including are: equal opportunities, social media, sickness absence, anti-harassment and bullying and flexible working. Depending on your sector, you may wish to include others. For example, some organisations may choose to have a 'relationship policy' requiring employees who become romantically involved to disclose this to an HR manager or superior. An example of where this could be particularly important would be a financial institution where a close relationship such as this could lead to conflicts of interest.

Why is it so important?

A properly drafted and implemented Staff Handbook can help to prevent employees bringing legal action against their employer and, if your business does face such action, it will help the employer to defend itself as it will help show that the business' practices are consistent with current employment law and will enable the employer to justify disciplinary decisions.

In last year's European Court of Human Rights case, **Barbulescu v Romania** (reported by 3HR in our 12th February 2016 newsletter), a company was found not to have breached the privacy rights of an employee by monitoring his Yahoo Messenger account when it suspected him of using the account for private purposes. Significantly, the employer had a clear policy against private use of the company's resources.

Where there is no handbook in place, or where it has not been properly communicated, employers may find it difficult to deal effectively with misconduct. **Liberty Living plc v Reid [2010]** is an example of a successful claim of unfair dismissal. The company's policies around alcohol and discipline were found to be inconsistent and the employee was unaware of the drugs/alcohol policy until after his dismissal.

Why must we continue to update it?

We usually recommend that the Staff Handbook is reviewed annually to ensure it remains up to date - both to remain practically useful and to avoid becoming inconsistent with official guidance, legislation and case law (for example, the Acas Code of Practice on discipline and grievance was updated in 2015).

As mentioned above, communicating the contents of the Handbook and standards of behaviour expected is also crucial. In **Stimpson v Citigroup [2015]** a City trader was dismissed after having been accused of sharing confidential client information. The employment tribunal accepted his dismissal was unfair, even though the bank had policies which appeared to show that what he had done was forbidden. Written policies alone may not justify a dismissal, therefore we would always recommend seeking legal advice when considering taking action with employees.

3HR Corporate Solicitors offer several options for your Staff Handbook ranging from providing a basic template to a fully tailored service including a questionnaire with explanatory notes. We will help you to find the best approach for your company and employees, while remaining compliant with UK employment law. We also offer an HR and Employment Law Compliance Audit service for those wishing to evaluate their current set-up. Please contact your usual consultant if you have any queries.

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