

Is Your Pharmacy Prepared For That Knock On The Door...

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The day to day challenges facing businesses seem endless and ensuring compliance with Employment Law is not always a priority and can be left on the back burner. For the National Employment Rights Authority (NERA), it's definitely top of the agenda.

NERA are working their way through different Industry Sectors and at present we know that various pharmacies have been approached. A number of our pharmacy clients have sought our advice in advance of a NERA inspection.

NERA was established in 2007 by the Government 'to secure compliance with employment rights legislation and to foster a culture of employment rights compliance in Ireland'. This sounds like a mouth full, but in simple terms, their role is to audit businesses to ensure employees receive certain basic employment rights.

Today, they have over 90 inspectors nationwide, speaking over 13 languages and have carried out over 22,674 calls, interviews and inspections. Latest results show that they have collected arrears due to employees totalling €1.8m. This is a startling figure, and to put it in terms of what your Pharmacy could end up paying is anywhere in the region of €1,200 - €1,900 per breach per employee. The question to ask is can your Pharmacy afford to absorb a cost like this?

Fergal Melia, Pharmacy Specialist, Russell Brennan Keane says "You may feel confident that you are treating your employees fairly, however do you maintain accurate records to prove this to a NERA inspector? Through our experience in reviewing the HR processes of Company's, we find that in general, they are providing their employees with the legislative entitlement to pay, annual leave, breaks etc, however they do not have effective workflow processes and records to support this".

So what can a NERA Inspection involve? Firstly, you can be asked to produce the following standard records:

- Terms of employment for each employee
- Payroll details and Payslips for each employee including deductions
- Employees job classification
- Dates of commencement and where relevant termination of employment
- Hours of work for each employee
- Record of breaks and rest periods
- Annual leave and Public Holiday entitlements

Secondly, you may be asked to provide documentation necessary to demonstrate compliance with employment rights legislation.

Don't be fooled into believing that you will always have time to prepare for a NERA inspection, they have the power under legislation to enter any premises at a reasonable time and inspect records. If a Company does not pass an inspection, then various levels of penalties apply from providing a minimum length of time to implement or rectify policies up to and including various prosecutions and fines.

"This may seem like an expensive and timely process, and yes it can be if you fail to comply with the legislative requirements under NERA. Our advice is to be pro-active and seek professional advice now, to ensure your Employee Records and HR Policies and Procedures are in line with legislation, and up to date. To become legally compliant does not cost a fortune and it will save time and money in the long term and will provide you with peace of mind should a NERA Inspector knock on your door" says Fergal.

Russell Brennan Keane HR Solutions has extensive experience in conducting HR Audits. We review existing Policies and Procedures to highlight potential problems or gaps as well as offering advice on practical solutions. This provides you with a strategy upon which to focus and strengthen your future HR activities to fully support the achievement of your business objectives.

For Further Information

If you would like to discuss your Pharmacy's individual circumstances, please contact Fergal Melia on 090 6480600 or by email: fmelia@rbk.ie.

For HR Specific queries, please contact Janet Wallace on 090 6480600 or by email: jwallace@rbk.ie.

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About RBK

Russell Brennan Keane is one of Irelands leading business advisory and accountancy firms. With 50 years experience providing professional advisory services to a range of clients in the mid to large corporate market in Ireland, and an extensive client base served from offices in Athlone, Dublin and Roscommon.

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