

**Employers, are you ready for a NERA Inspection?**

**14<sup>th</sup> May 2009**



The activities of NERA (National Employment Rights Authority) have proved to be a serious wake-up call for thousands of SME's around the country. NERA's role is to audit businesses to ensure they are complying with labour laws and based on anecdotal evidence from a number of businesses visited in the midland region recently, NERA are very active.

NERA's focus on specific industry sectors yields quick results for its 90 inspectors, simply because many businesses are unaware of conditions of employment, rates of pay etc for their industry sector. During 2008 NERA carried out over 28,000 calls, interviews and inspections and collected arrears due to employees totalling over €3m.

"Many businesses, who have been approached by NERA, have sought advice from our HR Consultants to ensure they are compliant prior to their actual audit" says Irene Colclough, HR Consultant, Russell Brennan Keane.

"Businesses may feel confident that employees are treated fairly, however maintaining accurate records to prove this to a NERA inspector is critical. Through our experience in reviewing the HR processes of businesses before an inspection, we find businesses are providing their employees with the legislative entitlements but in many cases do not have effective workflow processes and records to support this. Unless companies address this, they are open to fines".

NERA are entitled to enter any business premises, often unannounced, and demand records for inspection. They can also interview and require information from employees.

So what can a NERA Inspection involve? Inspectors can seek the following information from employers:

- Employer Registration number with the Revenue Commissioners.
- List of all employees, their contact details and PPS numbers.
- Terms of employment for each employee
- Payroll details and Payslips for each employee
- Annual leave and Public Holiday entitlements
- Employees job classification
- Dates of commencement and where relevant termination of employment
- Hours of work for each employee

- Record of breaks and rest periods
- Register of employees under 18 years of age
- Whether board and/or lodgings are provided and relevant details.

“Don’t be fooled into believing that you will always have time to prepare for a NERA inspection. In order to keep every employer on their toes, there is a random element to NERA’s inspections policy” continued Irene.

“Remember, employers who are compliant or endeavouring to be compliant have nothing to fear from NERA. Our advice is to be pro-active and seek professional advice now. To become compliant does not cost a fortune and it will save time and money in the long term should a NERA Inspector knock on your door” says Irene.

If you would like to discuss your individual circumstances in confidence, please contact Irene Colclough on 090 6480600 or 01 6440100 by email: [icolclough@rbk.ie](mailto:icolclough@rbk.ie)

**ENDS**

**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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