

Employment Tribunals Still at the forefront

All businesses need to be aware of their legal requirements when it comes to employment law, but it is equally important that business owners fully appreciate the consequences of non-compliance. Methods that were once used in the past to solve a thorny issue could now end up putting employers in a very undesirable situation due to the raft of new, amended and proposed employee friendly legislation. Citation PLC provide some guidance.



Tribunal claims up 42%

The Employment Tribunal Service's statistics for 2007-08 show a massive 42% increase in the number of cases brought by employees – up from 132,577 in 2006-07 to 189,303 in 2007-8. Broken down, that equates to 3640 claims per week!

The highest number of claims by jurisdiction was 62,706 for equal pay, a figure that continues to be bolstered by local authority claims in the wake of their 'single status' pay re-alignment process. There were 55,712 claims under the various working time regulations, whilst unfair dismissal was relegated to third place with 40,941 claims.

Increase in employment tribunal statutory payments

The maximum tribunal compensatory award for ordinary unfair dismissals has increased to £66,200* (from £63,000) and the maximum week's pay for the basic award to £350 (from £330) for dismissals where the effective date of

termination is 1st February 2009 or later. The maximums week's pay for redundancy pay has also increased to £350 for dismissals where the relevant date is on or after 1st February 2009 and statutory guarantee pay has increased to a maximum of £21.50 a day (from £20.40).

Needless to say, some of these awards could be crippling to companies, and they could set a precedent for other employees to chance their arm with an unjustified claim against their employer. It highlights the need to check your companies' position on employment legislation, so you are sure you are up to date with your requirements and obligations. A business that takes a pro-active stance in these areas may still experience an employment tribunal, but having the ability to demonstrate that you have done all you could to avoid it will give you a much firmer foundation to present your case and hopefully provide a positive outcome.

* increased to £66,200 from 1st February 2009

The highest award for unfair dismissal was £76,536 (capped at £63,000*) and the average award was £8,058. The highest awards in discrimination cases, where there is no cap, were:

- Disability – £227,208
- Sex – £131,466
- Race – £68,991
- Sexual orientation – £22,850
- Age – £12,124
- Religious – £5,750