



Bulletin 193

January 2011

STOP PRESS: GOVERNMENT ANNOUNCES FUNDAMENTAL REFORMS TO THE EMPLOYMENT TRIBUNAL SYSTEM

The government has today announced plans to reform the Employment Tribunal system.

The aims of the proposed reforms are to encourage small businesses to recruit, to improve the tribunal system and reduce the number of unreasonable claims being brought by employees.

The proposals include:

- Raising the qualifying period for bringing an unfair dismissal claim from 1 to 2 years
- Requiring all claims to be submitted to ACAS for conciliation before a claim is lodged at Tribunal
- Introducing a fee to lodge a claim
- Not requiring witnesses to read out their statements in Tribunal
- Providing greater flexibility to strike out weaker cases
- Increasing limits for costs orders from £10,000 to £20,000
- Introducing financial penalties for employers who have breached rights.

The proposed changes have been welcomed by the British Chambers of Commerce and the CBI who want to see an end to employees bringing vexatious claims against employers. However, the Unions are concerned that the changes will make it easier for employers to dismiss staff.

The government is also planning an "Employer's Charter", the aim of which is to remind employers of what they can and cannot do in relation to their employees. It is also considering ways of excluding small companies from certain employment law obligations.

The government has launched consultation on its proposals, which will be open until 20 April 2011. Comments from businesses, individuals and other interested parties are invited.

We will update you once the outcome of the consultation process has been published.

If you require any specific advice in connection with the material contained in this bulletin, or on any other Employment Law issues, please contact: Paul Chamberlain in Manchester on 0161 836 8864, Andrew Cross in Liverpool on 0151 600 3062 or Kevin James in Preston on 01772 229847.

If you no longer wish to receive the bulletin please let us know by return e-mail to kimberley.malcolm@brabnerscs.com

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