

## Employment Law Reforms

Two significant changes to Employment Law have recently been announced by Chancellor George Osborne. These changes will be implemented with the hope of reducing the number of employment tribunal claims and provide the economy with a much needed boost.



The first change is to increase the qualifying period for unfair dismissal to two years (previously one) from the 1 April 2012.

Secondly, it has been announced that fees will be introduced for tribunal claims. Due to there being very little information available at present details of how it will be implemented are scarce. However, it seems that there will be a fee structure put in place for the tribunal process.

- Lodging an ET1 will result in an initial fee of £250 payable by the claimant.
- An additional £1,000 is charged when the hearing is listed, also payable by the claimant.
- Higher fee rates will apply if the claim is for over £30,000.
- If the claimant wins, the fees are refunded, yet if the Tribunal is lost, the fees are still payable.
- These fees are dropped for those claimants with no money, meaning that if the assessment criteria is based on benefits, many recently unemployed will qualify for fees being waived.

Given this announcement, it is now imperative that any potential tribunal claims are dealt with robustly at a very early stage so that claimants are aware of the weaknesses in their claim, and appreciate the risks and costs involved in bringing claims to the Tribunal, and understand they may forfeit their deposit.

Accountax employment law retainer service provides this valuable support in dealing with the early stages of potential tribunal claims. To speak to one of our consultants, please call **08450 660 035** or email [mail@accountaxconsulting.com](mailto:mail@accountaxconsulting.com)

