



Crush Complexity: employment tribunals – mediate, or pay?

David Woods, AUGUST 08, 2012



The old chestnut of tribunal reform has barely been out of the news, since HR called on HRDs last month (cover pictured right) to propose their agendas for change in the tribunal procedure, in our bid to minimise the great complexity in employment regulations.

The Ministry of Justice said it would introduce fees for users of an employment tribunal from the summer of 2013, in a bid to encourage employers and staff to mediate or settle disputes. Mediation by judge will cost £600.

The Government hopes the fees of people using employment tribunals will contribute a major part of the £84 million cost of the system. The aim is to reduce taxpayer subsidy of tribunals by transferring some of the cost to those using the service, while protecting access to justice for all.

The intention is to encourage people to look for alternatives - such as mediation - so tribunals remain a last resort, for the most complex cases. Taxpayers will continue to meet the full cost of the Advisory, Conciliation and Arbitration Service (Acas), which provides a free service to help settle disputes without a tribunal.

Justice minister, Conservative MP Jonathan Djanogly, said: "It is in everyone's interest to avoid long drawn-out disputes, which emotionally damage workers and financially damage businesses."

Lib Dem employment relations minister Norman Lamb MP unveiled plans to increase mediation services, with the naming of a provider for the Regional Mediation Network pilot scheme: Consensio, a member of the Civil Mediation Council, has been appointed to develop a mediation training package for a group of SMEs in Cambridge and Manchester.

In the same week, law firm, EMW, reported that the tribunal system is "heading towards breaking point". The number of outstanding Tribunals Service cases almost quadrupled, from 144,900 cases in 2007 to 530,400 at the end of 2011, with new cases continuing to outstrip completed ones.

Louise Holder, employment principal at EMW, said: "The tribunal system is over-stretched. Longer case lead times mean more resources are used up that could be spent on something else. Businesses may end up spending prolonged periods of time with the threat of a financial penalty hanging over them."

You can see the initial thoughts of our employment law taskforce here. So far, responses to our panellists' thoughts on how best to reform employment tribunals have been mixed. This gives an opportunity to bring your arguments forward and help us to put a viable case to the employment relations minister, as *HR's* campaign to simplify the complexity in employment law continues.