

Proposal to introduce fees for claimants

From April 2013, claimants will also be required to pay a fee of £250 to lodge a claim and then a further £1,000 if a hearing is granted. The consultation will set out two proposals. The first is that employees pay an initial fee to lodge a claim and a second fee to take the claim to hearing. A second option proposes introducing a £30,000 threshold, so those seeking an award above this level will pay more to bring a claim.

The fees will be refunded if the claim succeeds. The Government has said that "poor" claimants will not have to pay, although there is currently no detail as to what qualifies as "poor". Cynics have pointed out that if "poor" is "unemployed" then, since most claimants are unemployed, very few people will have to pay, although the tribunal system will have to deal with a large administrative burden of processing fees, and repaying these to successful claimants.

The aim is to reduce the number of vexatious claims and the Government believes that the introduction of fees, together with the increase in the qualifying period, will result in 2,000 fewer tribunals each year, and a saving for business of £6 million.

Actions for Employers

- If you are currently managing a tribunal claim which you consider to be vexatious remember that you can already seek a deposit order or strike out at a pre-hearing review, or request an order for costs.