FACT SERVICE

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Review of tribunal fees finally published

The long-awaited government review of the introduction of employment tribunal fees has finally been published by the Ministry of Justice. And it's a whitewash.

In his foreword to the review, Sir Oliver Heald, minister for justice, said that "there has been a significant fall in employment tribunal claims" since the introduction of fees, "but it is hardly surprising that charging for something that was previously free would reduce demand" and "while it is clear that many people have chosen not to bring claims to the employment tribunals, there is nothing to suggest they have been prevented from doing so".

Yet in the executive summary the review points out that "an Acas evaluation of the early conciliation service has identified a group (which we estimate to be between 3,000 and 8,000 people) who were unable to resolve their disputes through conciliation, but who did not go on to issue proceedings because they said that they could not afford to pay. We do not believe, however, that this necessarily means that those people could not realistically afford to pay the fee."

The review later echoes the justice minister's words: "While there is clear evidence that ET fees have discouraged people from bringing claims, there is no conclusive evidence that they have been prevented from doing so."

Annex E of the review provides a detailed analysis of claims received before and after the introduction of fees. In the year before fees there were 195,570 claims accepted by the tribunal and 2,249 cases went to an employment appeal tribunal (EAT).

In the year after fees were introduced the number of claims to the tribunal plummeted by 78% to 43,951 and EAT cases were down by 39% to 1,364.

In the second years after the introduction of fees, claims accepted were 74,979 — a 62% fall on the period before the introduction of fees and EAT numbers were down by 53% to 1,065.

Public services union UNISON is taking the fight against the introduction of fees through the courts and its case is due to be heard in the highest court in the land — the Supreme Court — at the end of March.

UNISON general secretary Dave Prentis said: "The introduction of fees was a terrible decision. The Lord Chancellor should be big enough now to accept her department got this one badly wrong.

"Tribunal fees should be scrapped immediately, before any more law-breaking employers escape punishment because wronged workers simply don't have the cash to take them to court.

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"Unfortunately it's now much harder for people who've been treated unfairly at work to seek justice. Women have been the biggest losers, bad bosses the undoubted winners.

"The government originally said making people pay would weed out vexatious claims. All it's done is punish lower paid employees with genuine grievances. That's why our legal challenge continues."

The findings of the review were also criticised by the Law Society, the representative body for solicitors in England and Wales.

Robert Bourns, president of the Law Society, said: "The minister asserts there is 'no evidence to suggest' the fees are limiting access to justice – but the evidence in his own report suggests that tens of thousands of people are slipping through the cracks.

"The truth is employment tribunal fees have had a chilling effect on the number of people able or willing to bring a case against their employer.

"Particularly affected are claims in areas such as sexual discrimination and equal pay – and the reduction in tribunal cases is not offset by the increase in people using Acas' early conciliation service. Solicitors working in this area also report that the reduced number of claims has altered the behaviour of employers and we will address this concern in our consultation response.

"No matter who you are, everyone in England and Wales must be able to access the justice system. It is a public good which should not be used to generate revenue. If these fundamental principles are not followed, we risk squandering years of progress and damaging the reputation of England and Wales as one of the fairest justice systems in the world."

www.gov.uk/government/uploads/system/uploads/attachment_data/file/587649/Review-of-introduction-of-fees-in-employment-tribunals.pdf

www.unison.org.uk/news/press-release/2017/01/the-government-should-admit-employment-tribunal-fees-were-a-mistake-and-scrap-them-says-unison/

www.lawsociety.org.uk/news/press-releases/employment-tribunal-fees-are-blocking-access-to-justice/

Plan to tackle abusive hiring practices

A letter of intent to strengthen their collaboration on tackling abusive recruitment practices that trick workers into modern slavery and forced labour has been signed by the International Labour Organisation and the Gangmasters Licensing Authority.

The International Labour Organisation (ILO) is a tripartite organisation of the United Nations, while the Gangmasters Licensing Authority (GLA) was set up to protect vulnerable workers in the UK.

The letter of intent was signed Guy Ryder, director-general of the ILO and Paul Broadbent, chief executive of the GLA in the presence of representatives from the Home Office, the Confederation of British Industry employers' body and the Trades Union Congress.

The ILO and the GLA have been collaborating closely in the fight against fraudulent and abusive recruitment practices, forced labour and trafficking in persons over the past few years.

In the framework of the Fair Recruitment Initiative, led by the ILO and supported by the ITUC and the International Organisation of Employers, new "General principles and operational guidelines for fair recruitment" were launched in September 2016, and have been recognised widely as an international benchmark on how to address the issue.

"Tackling abusive recruitment practices is key in effectively preventing modern slavery and forced labour nationally and across borders. The GLA's work has changed how the regulation and monitoring of labour recruiters is carried out in the UK. It is a model which can inspire other governments on how to implement the Fair Recruitment Principles and Guidelines," said Ryder.

Following the enactment of the UK's *Immigration Act 2016*, the GLA has been given new powers, including the possibility to investigate modern slavery offences related to labour exploitation, with increased powers of arrest, search and seizure of evidence of labour abuse. The GLA will be able to investigate across the entire UK labour market, and not solely in the fresh goods and related processing and packaging sectors as before.

"These extended powers will help us pursue our goal to protect vulnerable workers from being exploited in the UK," said Broadbent. "Strengthening our collaboration with the ILO will provide the opportunity to share the experience we have gained and contribute to training programmes and tools to increase reporting and identification of forced labour and abusive labour practices across supply chains."

Cooperation between the GLA and the ILO will also contribute to raising awareness on the transparency provisions of the UK's *Modern Slavery Act 2015,* which require companies to ensure that human trafficking is not taking place in any of its supply chains. The ILO Protocol to the Forced Labour Convention also promotes due diligence by both the public and private sectors to prevent and respond to the risks of forced labour.

"The fact that in today's world there are still children, women and men in modern slavery, is an affront to all people and nations everywhere. We all have a role to play to eliminate it once and for all. Social partners are a central piece of the equation, together with other valuable partners such as the GLA," said Ryder.

www.gla.gov.uk/whats-new/latest-press-releases/270117-gla-and-ilo-join-forces-in-tackling-abusive-recruitment-practices/

Insecure work on rise

The number of people in insecure work has increased by more a quarter over the past five years, according to new research commissioned and published by the TUC.

The TUC reckons that over three million people – or one in 10 workers – now work in insecure jobs. That's a 27% increase on the 2.4 million workers in 2011.

This growth in people being forced into precarious work that leaves them vulnerable is being driven mainly by traditional industries, rather than newer tech sectors, the TUC found.

Restaurant and pub waiters make up one fifth of the increase: The number in insecure work more than doubled, rising by 146,000 (+128%) since 2011. One in 4 waiting staff (259,000) are now stuck in insecure work.

The number of education staff in insecure work has risen by 82,000 since 2011 (+42%). One in 10 working in education now face insecurity and all the problems that accompany it.

Meanwhile, the number of care home workers facing insecurity has risen by 66,000 (+133%) since 2011. Over one in 10 are now in insecure jobs.

The study, commissioned by the TUC from the Learning and Work Institute, defines insecure work as seasonal, casual, temporary or agency work, those on zero-hours contracts and low-paid self-employed workers.

The TUC says what all these contracts have in common is that they leave working people in the position where:

- their wages can fluctuate without warning;
- they find it hard to get their basic employment rights respected;
- they miss out on key protections like sick pay; and
- they are at the mercy of bosses who can withdraw their hours or even take them off the job with no notice.

TUC general secretary Frances O'Grady said: "Insecurity at work is becoming the new normal for too many workers. It's happening across new and old industries, with workers forced onto shady contracts whether they're Uber drivers, bar staff or teaching assistants.

"People need jobs they can live on and build a life around. But if you don't how much work you will have from one day to the next, making ends meet is a nightmare.

"How is a working parent supposed to plan childcare when they don't know the hours they'll be working? And how can it be right that in 2017 workers are at the mercy of bad bosses who can just take away all their hours or throw them off the job with no notice?

"The rules that protect workers need to be dragged into the 21st century. The government's Taylor review is a prime opportunity to sort this.

"But we also need to get more people into unions. Workers in unionised workplaces are twice as likely to be on secure contract."

www.tuc.org.uk/workplace-issues/basic-rights-work/insecure-work-quarter-2011-finds-tuc

Twenty eight directors share £68.4 million

The reporting season for companies is starting again and so their remuneration reports are revealing the latest pay packages given to top executives at stock exchange-quoted companies.

The first list in *Fact Service's* reporting season covers 28 executives at 14 companies that had a remuneration package of over £1 million. The total paybill for the 28 came to £68.37 million.

Richard Cousins has been chief executive (CEO) of contract services group Compass for 10 years. His first full-year package as CEO came to £2.23 million and last year it came to £5.82 million – a

161% rise over the decade. Over the same period, average earnings in the whole economy have only risen by 15%.

Alison Cooper became CEO at tobacco multinational Imperial Brands in 2010. Her first full-year package came to £1.91 million, while last year it totalled £5.53 million – a 290.6% increase. Over the same period, average earnings in the whole economy have only risen by 9.5%.

Another Compass executive, Gary Green, took third spot with a £4.13 million package in his role as chief operating office for the group's US operations.

Year-on-year comparisons could be made for 24 executives and 15 saw their packages grow over the last two financial years.

Steve Hare, chief financial officer at software group Sage, topped the rises with a 193.4% hike taking his package to £3.13 million last year.

Alison Cooper took second spot with an annual rise of 52.2%, while third place went to another Imperial Brands executive — Oliver Tant. As chief financial officer, his package grew by 51.6% to £2.76 million.

One of the City's top fund managers has warned that executive pay is already "too high" and investors are ready to take a tough line with firms that present plans to boost bosses' remuneration.

David Cumming, head of equities at Standard Life, said his firm "could not justify" pay going any higher. He told the BBC's *Today* programme: "We continue to see too many proposals that would bring a substantial increase [in pay], and we have to signal that we are not happy with that."

● The total remuneration figure given in the table includes: basic salary, cash bonus, long-term share bonuses, golden hello, golden handshake, cash pension payments and a cash figure for other benefits that directors receive, such as use of company car, life insurance, private health benefits and housing allowance. It does not include dividends received from their shareholdings in their company.

Executive	Company (financial year end)	Total remuneration (£000)	% change
Richard Cousins	Compass (9.16)	5,822	9.3
Alison Cooper	Imperial Brands (9.16)	5,537	52.2
Gary Green	Compass (9.16)	4,130	19.1
George Weston	ABF (9.16)	3,133	-0.2
Steve Hare	Sage (9.16)	3,125	193.4
Martin Gilbert	Aberdeen Asset Man (9.16)	2,807	-35.3
Andrew Rashbass	Euromoney (9.16)	2,761	n.a
Oliver Tant	Imperial Brands (9.16)	2,755	51.6
Ted Ayres	Bellway (7.16)	2,657	35.6
Hugh Young	Aberdeen Asset Man (9.16)	2,647	-33.1
Matthew Phillips	Imperial Brands (9.16)	2,539	50.1
Patrick Coveney	Greencore (9.16)	2,523	-32.7
Johnny Thomson	Compass (9.16)	2,501	n.a
Dominic Blakemore	Compass (9.16)	2,461	3.0
John Bason	ABF (9.16)	2,218	2.3
David Duffy	CYBG (9.16)	2,048	n.a
Brian Bickell	Shaftesbury (9.16)	1,991	30.7
Nigel Terrington	Paragon (9.16)	1,862	-26.9
Simon Litherland	Britvic (9.16)	1,776	-42.2
Stephen Kelly	Sage (9.16)	1,711	n.a
Bruce Thompson	Diploma (9.16)	1,634	43.5
Keith Adey	Bellway (7.16)	1,570	33.1
Carolyn McCall	EasyJet (9.16)	1,465	-76.5
Alan Williams	Greencore (9.16)	1,423	-39.2
Simon Quayle	Shaftesbury (9.16)	1,417	30.5
Thomas Welton	Shaftesbury (9.16)	1,404	30.6
Chris Wars	Shaftesbury (9.16)	1,318	30.6
Richard Woodman	Paragon (9.16)	1,131	-26.1

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