



Bulletin 138

April 2009

New “name and shame” action for Employers who fail to pay tribunal awards

From 1 April 2009, employers or individuals who fail to pay Employment Tribunal or Employment Appeals Tribunals awards in England and Wales will be added to the Register of Judgments, Orders and Fines (the Register) once enforcement proceedings are brought against them in a County Court (The Register of Judgments, Orders and Fines (Amendment) Regulations 2009; <http://www.trustonline.org.uk>).

The Government has announced that the Register can be searched by members of the public and credit reference agencies. The Government took the decision to "name and shame" defaulters in this way in order to give weight to employment tribunal rulings, reduce the time successful claimants have to wait to receive payment, and reduce incidences of non-payment. It believes that inclusion of offending employers' details on the Register might make it more difficult for them to obtain credit, and might therefore provide an incentive for timely payment.

Practical Tip

Any awards made in Tribunal cannot be ignored. Advice should be taken as early as possible as to whether the decision or award can be challenged via review or appeal. If this is not a realistic possibility then employers must be aware of the expanding range of penalties that will go with non-payment. The most common penalty for non-payment is the accrual of interest on any unpaid award or part of an award. The employer is allowed 42 days from the date of the Tribunal's decision, after which interest begins to accumulate at the rate of 8% p.a. until payment.

If you require any specific advice in connection with the material contained in this bulletin, or on any other Employment Law issues, please contact a member of the Employment Team on 0151 600 3000. If you no longer wish to receive the bulletin please let us know by return email.

This bulletin is for general guidance purposes only and should not be used for any other purpose.

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LIVERPOOL

Horton House, Exchange Flags, Liverpool L2 3YL
0151 600 3000

MANCHESTER

55 King Street, Manchester M2 4LQ
0161 836 8800

PRESTON

7-8 Chapel Street, Preston PR1 8AN
01772 823921

email: law@brabnerscs.com www.brabnerschaffestreet.com