

# Employment Protection Scheme

Commercial

**WILSONS**  
LEGAL EXCELLENCE

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As the Employment Protection Scheme has a built-in insurance indemnity we are required by the FSA to provide you with the following statement: We are not authorised by the Financial Services Authority. However, we are included on the register maintained by the Financial Services Authority so that we can carry on insurance mediation activity, which is broadly advising on, selling and administration of insurance contracts. This part of our business, including arrangements, complaints or redress if something goes wrong, is regulated by the Law Society. The register can be accessed via the Financial Services Authority website at [www.fsa.gov.co.uk/register](http://www.fsa.gov.co.uk/register).

Full policy details of the Wilsons Employment Protection Scheme are available upon request.

# Employment Protection Scheme

## Contact us

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# Employment Protection Scheme

In the past year there has been a 30 percent increase in employment tribunal claims, reflecting the rise in awareness of employees, and their readiness, to enforce their rights. With the recent introduction of age discrimination, and more family-friendly rights for employees, this number is likely to increase.

As an employer, you need to ensure you are as safe as possible from the damage that tribunal claims can cause to your finance and your reputation. Many employers are turning to us for help because their current risk management systems for employment disputes are failing them.

## Your questions – our answers

**1 But I'm a careful employer – surely I'm safe?**  
It is impossible to prevent employment disputes. Most employers, no matter how prudent and well-run, will face employment tribunal claims against them. Even small administrative errors can leave an employer liable for thousands of pounds, but claims need not even be valid to cause serious disruption and dislocation of management time. A vexatious claim still means wasted time and money for an employer.

**2 Are tribunal claims a big risk?**  
Tribunal claims are potentially a massive financial risk for employers and can run into tens of thousands of pounds. In addition, legal costs are generally unrecoverable from the claimant, basic compensation limits increase yearly, and the awards for discrimination claims are unlimited. If employers do not follow the statutory disciplinary and grievance rules they are liable, should they lose, to pay between 10–50% more compensation. The administrative burden for employers can also be unreasonable, resulting in a loss of profits.

**3 What can I do to minimise my risk?**  
You need to combine professional risk management with effective insurance protection – the Wilsons Employment Protection Scheme. Tailored to your specific needs and deliberately designed to help save you money, the scheme will safeguard you against the unpredictable costs of employment litigation. Taken together with the high-quality legal advice that Wilsons provides as standard, you can be sure that you are in the best position should the threat of litigation become a reality.

**4 How would the scheme protect me?**  
The scheme covers your legal costs, any settlements you may need to make and adverse awards made against you in court. When preparing your tailor-made policy, a limit for your employment law costs will be agreed. The maximum cover is £150,000 in respect of each claim against you, with an aggregate of £1 million per year.

**5 Will it be expensive for me to join?**  
The scheme costs as little as £90 per employee annually, and is ideal for organisations with 50 or more employees.

**6 What are my obligations under the Scheme?**  
You will need to take legal advice from Wilsons about each claim against you and follow that advice. Provided you do so, you should be covered against legal costs, adverse awards and settlement costs.

**7 Why should I use your scheme over others I've seen?**  
We are confident, for a number of reasons, that our scheme is unique in the marketplace. Under the scheme you are not required to contact any third party or helpline to be covered against risks. Instead, the scheme is integrated with Wilsons' dedicated and experienced employment team, who will provide expert advice on all employment-related matters. Furthermore, the scheme's insurers have authorised Wilsons to handle claims on your behalf under the policy to provide you with seamless risk management and insurance protection that you can be certain of, in an area notorious for unpredictability. We would be happy to talk to you about the comparative advantages of the package above your existing arrangements.

**8 Does Wilsons make any money if I join?**  
Wilsions gains no commission or other inducement from you joining. We have set up the scheme to provide our clients with the best protection possible against the risks of employment litigation.

**9 I'm interested in joining up – how do I find out more?**  
Please contact us for a proposal form to get a quote for your premium. If you then wish to take out a policy, Wilsons will conduct an audit of your current policies and practices before cover is granted. This is a condition of the policy and will cost £500.