

Employment practices liability protection - anyone?

With employment law help-lines buckling under the weight of calls, as businesses of all sizes look to reduce their wage roll, fear of saying the wrong thing or of not following a procedural issue is taking valuable hours from the working day and even causing sleepless nights.

What happens when you have exhausted every avenue but you still receive an 'unfair dismissal' claim from an aggrieved ex-employee?

The good news is that you can protect yourself and business by purchasing Employment Practices Liability (EPL) insurance. This covers employers for claims of poor employment practices brought by employees. Cover is often purchased as an addition to Legal Expenses Insurance but can be purchased in isolation, and with the legal process appearing so complicated, this might be a protection that is vital.

Such policies are applicable in relation to claims for unfair dismissal or discrimination on grounds of sex, race, disability, religion, belief or sexual orientation. New EU employment legislation constantly coming into the UK may result in all kinds of unanticipated claims.

Unlike most legal expenses policies, EPL insurance covers both defence costs and awards; further it does not impose restrictive clauses dictating your employment policies and procedures.

This confirms that the policy cover has a wide wording and must surely be a product that many businesses should have as one of their core covers.

Insurers are providers of varied products and some of these have their fashionable periods. Last year's big product was Directors' and Officers' Liability Insurance. Employment Practices Liability Insurance could well be a useful policy for 2009

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