

EMPLOYMENT PRACTICES LIABILITY INSURANCE



WHAT IS EPL?

Employment Practices Liability insurance is the best way of protecting your company from the financial impact of employment-related legal actions from current, previous or prospective employees.

WHY HAVE IT?

Whilst good human resources management can help limit exposures it can never eradicate the risk completely.

And today's 'compensation culture' means that legal action is a real possibility.

The legal cost of defending an employment claim, even an unfounded one, can be substantial. And with increasing volumes of legislation, it is more difficult to stay abreast of every development.

RECENT PROSECUTIONS

Case 1 - An accountant was sacked for gross misconduct after warning his directors that his former chief executive had claimed £371,000 in cash advances and expenses without receipts.

The Public Interest Disclosures Act allows 'whistleblowers' to recover more than the normal £50,000 limit applied by tribunals. This claimant was awarded £293,000 compensation for unfair dismissal.

Case 2 - An employee of a magazine publisher told a tribunal that she was forced to resign after bosses refused to allow her to change her hours to look after her new born baby.

She had previously worked alternating shifts but now needed to finish work at 5pm to look after her child.

She claimed £43,593 compensation for sexual discrimination including £5,000 for injury to feelings.

Case 3 - A former Human Resources Manager won £19,000 compensation after claiming she was paid less than a male colleague in an equivalent job.

The employee complained that she was underpaid and the only member of the management team not to be given a mobile phone.

She resigned, claiming unfair dismissal, alleging her company had tried to demote her.

HOW MUCH IS IT?

Employment Practices Liability insurance always used to be offered only as an extension of cover to a Directors' & Officers' (D&O) Liability policy, but it is now available and affordable on a stand-alone basis.

Minimum premiums start from just £500.

More importantly, policies offer broader cover than traditional legal expense contracts.

CONTACT US

Just call your Account Manager for a no-obligation appointment on 0845 688 9088.

For full details of policy cover, terms, limits and exceptions, refer to policy wording, a copy of which is available on request.