

Sharp Increase In Tribunal Claims

The Tribunal Service has released its annual statistics report for 2009/10, covering the period 1 April 2009 to 31 March 2010. The key findings indicate a sharp increase in the number of claims being brought to the Tribunal, believed, at least in part, to be a consequence of the economic recession. The tribunal service now plans to publish quarterly statistics rather than a single annual report.

In the year to end March 2010, the number of claims lodged increased by 56% on the previous year. Claims associated with unfair dismissal, breach of contract and redundancy increased by 17% and these types of claims are up by 40% on 2007/08 figures that predate the start of the credit crunch. Unlawful deductions (former Wages Act) claims have almost doubled since before the credit crunch, as have working time claims. Claims for redundancy payments have increased by 62%.

As in previous years, the vast majority of claims settled or were withdrawn before a hearing, but of those that went to a full hearing, slightly more employees won their claims than lost. The average award in an unfair dismissal claim rose by 12.5% despite the cap on possible compensation decreasing for the first time ever.

The overall increase has also been affected by multiple claims and airline litigation. Despite the increase in volume of claims, the tribunal service disposed of 22% more claims than in 2008/09, however the percentage of claims disposed of within the target of six months fell by 9% to 65%. In a response to challenging times, some tribunal offices have piloted a scheme to hear cases of more straightforward claims (such as Wages Act claims) in the evenings after work (from 6-8pm) and a major recruitment exercise for tribunal panel members was carried out in the spring of this year. The next quarterly statistics should make interesting reading....

Karen McGill is a Partner in the Employment Law Group at MacRoberts LLP. For further information, please contact Karen.mcgill@macroberts.com

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