

April 2012 UK Employment Law Changes

Article By:

Labor & Employment Practice

A number of important changes to UK employment law have come into effect in April 2012, including increases in statutory payment rates, a longer unfair dismissal qualifying period for new employees and changes in Employment Tribunal procedure.

Significant changes affecting employers and employees include:

1) Statutory payment rates

The standard weekly rates for the following payments have increased:

Statutory maternity pay, paternity pay and adoption pay – the weekly rate has risen from £128.73 to £135.45 (effective from 1 April 2012);

Statutory sick pay – the weekly rate has increased from £81.60 to £85.85 (effective from 6 April 2012).

The weekly earnings threshold in relation to the above rates has risen from £102 to £107.

2) Unfair dismissal

On 6 April 2012, the qualifying period for making unfair dismissal claims was increased from one to two years (103 weeks in practice), applicable to new joiners who commenced their employment on or after 6 April 2012. The change is not retrospective, so the 51 week period of continuous service required to qualify for the right to bring an unfair dismissal claim will still apply to existing employees who started employment before 6 April 2012.

The qualifying period for the right of employees to receive, on request, a written statement of reasons for their dismissal has also been increased from one to two years.

3) Employment Tribunal procedure

Cost awards – the maximum amount of costs a Tribunal can order the losing party of a claim to pay in favour of a legally represented party has increased from £10,000 to £20,000. This will apply to cases

brought on or after 6 April 2012.

Deposit orders – the maximum amount the Tribunal is able to order a party to pay as a deposit if their claim has little reasonable prospect of succeeding has increased from £500 to £1,000. This will apply to cases presented on or after 6 April 2012.

Witness statements – unless directed otherwise by the Tribunal Judge, witness statements will now be taken as ‘read’, although parties will still be able to make an application for witnesses to read out their statements at a hearing. This will apply to cases presented on or after 6 April 2012.

Witness expenses - the Tribunal has the power to direct, at its discretion, that witnesses’ expenses should be met by the party calling them, as the government has withdrawn state-funded expenses. To date, there has not been any further guidance as to when this discretion would be exercised or if any other limitations apply. This will apply to claims with a hearing date on or after 6 April 2012 and not only to claims submitted on or after that date.

Unfair dismissal cases being heard by a single Judge - unless otherwise ordered by the Judge, unfair dismissal cases will be heard by a Judge sitting alone, without a panel of lay members. This position will be reviewed by the government after one year.

©2025 Greenberg Traurig, LLP. All rights reserved.

National Law Review, Volume II, Number 117

Source URL: <https://natlawreview.com/article/april-2012-uk-employment-law-changes>