

*These notes refer to the Employment Act 2002
(c.22) which received Royal Assent on 8 July 2002*

EMPLOYMENT ACT 2002

EXPLANATORY NOTES

SUMMARY OF REGULATORY IMPACT ASSESSMENT

Fixed period of conciliation in all Tribunal cases

185. A large number of applications are settled with the help of ACAS conciliations (38%). This proportion differs between jurisdictions. In addition, withdrawn cases are sometimes influenced by ACAS conciliators. Some of the settlements or withdrawals occur just before the hearing. This can be costly for the taxpayer.
186. The provision to be introduced is to use a fixed period for conciliation during which the minds of both parties can focus on the conciliation process.
187. A fixed conciliation period of six weeks aims to increase the number of settlements and reduce the number settling close to a hearing date. The latter effect, in particular, will help the ETS to handle other applications more efficiently.
188. The number of hearings is expected to fall by between 1,700 and 3,400 each year. There are some transfers between respondents and applicants due to a change in the structure of outcomes. There are financial benefits to employers of £3-7 million and to the taxpayer of £2-3 million. Individuals also benefit by £1-2 million from more settled cases at the expense of employers.