

Beecroft plans must be acted on, says Bibby Consulting & Support

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Recommendations in the Beecroft report to cut red tape should be welcomed says Michael Slade, Managing Director of employment law specialist (<http://www.bibbycas.com/employment-law.html>) Bibby Consulting & Support.

Slade was commenting after the Business Secretary Vince Cable published the report, but then appeared to dismiss several of its proposals as "not the right approach".

"Beecroft's ideas are very interesting and could make a real difference to SMEs who are continually hampered by far too much red tape," Slade said. "So it is disappointing to hear a cabinet minister reacting negatively to the thoughts of someone who has vast experience in business and commercial matters.

"It is also disappointing – if it is true – that the Prime Minister 'doctored' Beecroft's findings in some way. Yet again, we find ourselves in the position where a government starts off with good intentions to help businesses but for whatever reason, presumably political, they fail to make any progress."

Slade pointed out that official figures have shown how the cost of red tape has ironically risen for businesses, costing an extra £18.5m since the beginning of 2011, even though ministers were meant to scrap one rule for every new one they introduced. In fact, some Whitehall departments had not scrapped a single regulation in the last 18 months.

"While trading is still tough for so many SMEs, it is imperative that employers have the ability to dismiss employees who are underperforming without the fear of getting wrapped up in red tape," Slade said. "People who are a drain on the business, who do not perform, who drag their feet and regularly turn up late should be aware that such behaviour will not be tolerated. We really don't believe that a return to a common sense approach to people management such as this will scare employees 'witless', as was suggested by Cable."

Slade went on: "SMEs will be more likely to recruit new employees if they know they can get rid of the bad apples easily and quickly, so we hope that Beecroft's suggestions are taken seriously by government ministers. If they mean what they say about helping small businesses to take people on and grow then ministers must think radically and make a real difference."

Slade also welcomed the Enterprise and Regulatory Reform Bill which is now before parliament. This introduces a mandatory period of Acas conciliation before instituting tribunal proceedings, 'legal officers' who will make decisions in certain cases, and the idea that employment appeal tribunal cases could be heard by a judge alone.

There are also proposals to limit unfair dismissal compensatory awards, possibly to the equivalent of one year's earnings, and make employers pay 50 per cent of any financial award up to a maximum of £5,000.

Slade said: "Employment tribunals should be avoided at all costs so we welcome the idea of an Acas conciliation period. We also welcome putting affordable limits on compensation payments. Any new legislation that helps businesses should be applauded and we should not let politics get in the way of this."

- ENDS -

Editor's Notes:

About Bibby Consulting & Support

Bibby Consulting & Support has earned the reputation of being one of the UK's leading providers of compliance management services. We enable employers and senior managers to attain and maintain compliance within the demanding, complex and constantly evolving fields of Employment Law, Health and Safety and Environmental legislation.

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