

LEGAL BULLETIN



PRINCIPLE LAW LTD
Solicitors & Higher Courts Advocates (Civil)

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Welcome to
another Issue of
Principle Law
Legal Bulletin

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EMPLOYMENT

Annual Increase in Compensation Limits

The annual increase in compensation (for dismissals and other events occurring **after 1st February 2009**) will increase. The key increases are:

- Maximum limit on the amount of compensatory award up from £63,000 to **£66,200**;
- Maximum amount of “a week's pay” for the purpose of calculating a redundancy pay or for various awards including the basic or additional award or compensation for unfair dismissal will increase from £330 to **£350**; and
- Maximum redundancy payment up from £9,900 to **£10,500**

Note:

For discrimination claims there is no cap on the maximum compensation.

More Changes on the Way

There are more changes on the way which are to come into effect during 2009. One of the major changes to come is the scrapping of the current Statutory Disciplinary and Dismissal Procedure. This is to be replaced by a new ACAS Disciplinary and Grievance Code of Practice, which the tribunal will take into account when considering claims. The tribunals will have the power to uplift the award by up to 25% if the Code has not been followed by the employer, or to reduce it by 25% where the employee has failed to follow it.

It is still important as ever that the employer follows the statutory procedures until the new code is implemented.

To avoid the risk of a potential claim and large awards being made, it is important to seek advice as soon as you recognise a potential problem. Early advice on what may be a minor issue now can prevent it becoming a major issue later and possibly leading to a tribunal claim.

“Dealing with conflict at an early stage to nip it in the bud and stop the situation developing into a full-blown dispute will save time, money and stress later on” [ACAS].

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DEBT RECOVERY

DEBT RECOVERY SERVICES

Currently the most spoken of topic is the affect that the credit crunch is having on the UK economy and most importantly on each of us.

It is no secret that bad debts have risen dramatically. Whether you are an individual or a

business you cannot afford losing money in this uncertain climate.

Our experience of such difficulties goes back a long way to the early 90's when business found themselves in similar situations. We will be happy to discuss the various options available to you and to advise and guide you as to the best way of paying your debt or recovering money due to you. Irrespective of the value of the debt, we can advise you on the steps you can take and discuss the costs involved.

Some Examples:

Business Debt – A Successful Recovery

We acted for a large wholesale business which was owed a substantial sum by one of its major customer but the customer continued to make excuses, delay payment and dispute the debt. We were instructed to seek recovery and after serving the appropriate warning notices of intended court proceedings, the dispute was soon settled and arrangement made to settle the amount due.

Of course if you are a debtor, we can assist in negotiating an appropriate payment schedule with your creditors, so as to enable you to trade through difficult period and avoid court action and insolvency.

Rent Arrears

A common scenario that most landlords find themselves in is that the tenant has fallen in to substantial rent arrears and the situation is getting worse each month.

What actions can the landlord take, when the tenant refuses to pay the rent and/or breaches other conditions of the tenancy agreement, i.e. being a nuisance or keeping a pet in the property?

There are various options available depending on the circumstances. Most landlords will want to take back possession and/or repayment of the rent due. However, every landlord must be cautious as to the steps s/he takes. There are certain prescribed steps which unless taken properly, could render any action invalid.

It is therefore important that professional advice is sought before embarking on any action. We will of course be happy to take you through all the procedure and advise you on the appropriate steps. We are experienced to take matters from the start and through the court, if necessary.

Our Success Story:

We acted for a private landlord. The tenant was in receipt of housing benefit, but failed every month to pay the balance of the rent due. The tenant also changed the locks and kept a pet at the property, contrary to the tenancy agreement. We served the appropriate notices and issued court proceedings. The Judge ordered possession within a short time and payment of all money due to the landlord plus interest.

This bulletin does not provide a comprehensive or complete statement of the law relating to the issues discussed nor does it constitute legal advice. It is intended only to highlight general issues. Specialist legal advice should always be sought in relation to particular circumstances.

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