

- ARC Ltd - Media Design Agency
- Employee capacity of 100
- Gross annual turnover of £1.4 million
- Holds a Commercial Legal Protection Insurance policy (CLPI)



Age Old Story

ARC Ltd was having complications and needed to make redundancies to keep the business going. They had Commercial Legal Protection Insurance with Abbey Legal Protection (ALP) so they phoned the advice line for guidance on their existing redundancy procedure. This included communication about circumstances surrounding the redundancies and a points system for assessing employees. The criteria for this included: achievement of objectives; self motivation; expertise/knowledge; application of knowledge; personal contribution; employees would also be awarded points for continuous years of service.

Mandy had been working for ARC Ltd for 15 months and was made redundant as she fitted the criteria set out. Mandy was unhappy, at 18 she felt she was a victim of age discrimination due to the length of service criteria. She initiated an unfair dismissal case.

As ARC Ltd had consulted the ALP legal line before the redundancy procedure ALP put them in touch with a solicitor with experience in this area. They went to the employment tribunal and it found in their favour as they had fulfilled their duty by following the correct redundancy procedure. The employment tribunal stated that using length of service as a criterion for the selection process did not breach The Employment Equality (Age) Regulations 2006 as it satisfied a business need. ARC's solicitor's costs of £4,000 were covered by their Commercial Legal Protection Insurance provided by ALP.

By following the correct redundancy procedure, ARC's solicitor's fees of £4,000 were covered by their CLPI provided by Abbey Legal Protection, for an annual premium of £451.50