

Penalties toughened over deaths at work

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Companies convicted of corporate manslaughter face "punitive" fines – in most cases upwards of £500,000 – according to new sentencing guidelines.

The fines will apply to all companies found guilty in the courts from this week, even if the actual incident happened some years ago.

The Sentencing Guidelines Council has said that fines for companies and organisations "may be millions of pounds and should seldom be below £500,000".

It recommends that for other health-and-safety offences that cause death, fines from £100,000 up to "hundreds of thousands of pounds" should be imposed.

Publicity orders – compelling companies and organisations to publish statements about any convictions for corporate manslaughter, as well as details of the offence and fine – "should be imposed in virtually all cases", the council states, adding that they "are part of the penalty".

The move comes as the **first corporate manslaughter trial** is due to start in Bristol next week. Cotswold Geotechnical Holdings, a geological survey company, is accused of a "gross breach" of duty in connection with the death of Alexander Wright, a junior employee who died when a pit collapsed on him.

The 2007 Corporate Manslaughter and Corporate Homicide Act came into force last April and aims to ensure organisations are held to account if a workplace death can be attributed to serious managerial failings.

Brought in after a series of failed prosecutions over disasters such as the 1987 capsizing of the Herald of Free Enterprise ferry outside Zeebrugge and the Southall rail crash 10 years later, the law was designed to boost health-and-safety standards through the threat of tougher penalties.

Lawyers expect there will be a small number – possibly less than a dozen – prosecutions brought against companies for corporate manslaughter each year.

Tim Hill, partner at law firm Eversheds, said the new guidelines had been introduced after initial proposals to link fines to a percentage of turnover were almost universally criticised. The size of the company would have to be considered when handing out fines, he said.

"However, there is a clear intention that there should be a step change in the level of fines to reflect the public perception that historically, fines have been too low," said Mr Hill.

"In conjunction with the threat of up to two years in prison for individual directors, managers or employees [under existing health and safety legislation], organisations should now be in no doubt that demonstrating a strong health and safety culture is as strategically vital as dealing with any other business risk."

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