

ERN No

From April next year, it will be compulsory for firms purchasing Employers Liability Insurance to supply their Employer Reference Number (ERN).

This is in the wake of the Government asking the insurance industry to establish a centralised searchable database of Employers Liability Insurance records.

This is happening because industrial diseases can take years to materialise and in the past there have been cases where a worker who has fallen ill has been unable to claim compensation because it has been difficult to trace the employer responsible and/or records of their Employers Liability Insurance history.

From this month (April 2011) companies are being asked to supply their ERN when applying for new business quotations or renewals. If they are a limited company, they also need to provide the information for any subsidiary companies, which they want included under the insurance policy.

If a company does not have this information, they currently can still purchase and renew policies. However, this will change in 12 months time when provision of the ERN number will become compulsory.

It is important that company owners are aware of this forthcoming legal requirement and the reasons behind it so they do not dismiss it as a pointless additional layer of bureaucracy.

This new database is being set up to ensure that Employers Liability Insurance records are easily accessible and maintained for circumstances in which a link is made between employment practice and an injury, illness or disease which may emerge many years after an employee has left a company?

An ERN is given to every business that registers with HM Revenue and Customs as an employer. It is a unique set of letters and numbers used by the Inland Revenue and others to identify a firm. It is often referred to on tax forms as an employer PAYE reference.

ERN numbers can be found on correspondence from HMRC relating to PAYE. It also appears on any copies of P45s or P60s for previous or current employees and tax returns submitted.