

Employers' Liability Tracing Office

What is it?

In April 2010 the insurance industry announced that it would establish the Employers' Liability Tracing Office (ELTO) to provide claimants and their representatives with quick and easy access to a central database of Employers' Liability (EL) policies.

ELTO is an independent industry body comprising members who are EL insurers.

Why was it established?

ELTO is a move by the insurance industry to help those who have suffered injury or disease in the work place to identify the relevant insurer quickly and efficiently in an open and transparent way. At the heart of this process is a centralised database - the Employers' Liability Database (ELD) - which will contain all new and renewed EL insurance policies and old EL policies that may have new claims made against them.

What's required from you?

As your insurance brokers we are required to capture certain policy information for ELD purposes as per FSA regulations. We are making the necessary arrangements and will contact you shortly to obtain and record the additional data which needs to be uploaded to the ELD within 90 days of the effective date (ie the cover start date for new business and renewals).

In addition, from April 2012 we will be required to supply ELTO members with all subsidiary company names as well as the Employer Reference Number (ERN) for the policyholder and all their subsidiaries. Your ERN is your employer's PAYE code.

Employer Reference Number (ERN)

- ELTO has adopted the Employer Reference Number (ERN) as the most effective unique identifier.
- The format of the ERN/PAYE code for most numbers allocated since 2001 is NNN/AZnnnnn where NNN is the 3 digit number for the tax office catchment area the employer falls into, A and Z are letters and n is numeric.
- For numbers allocated prior to 2001 the format is NNN/Annnnn in the majority of cases with some less than 7 digits. Again NNN is the tax office, A is a letter and n is numeric.
- No retrospective changes are made to an employer's ERN. Therefore, even if the employer is taken over, ceases trading or moves tax office, the ERN for a specific point of time is permanent.
- The employer's PAYE code will be readily available from your payroll department and can also be found on such documents as P45, P60, P11/D and on most payslips. There is a possibility that there is more than one employer's PAYE code but this is thought to be rare.
- A tiny minority may have a legitimate exemption – the most common reason is where the employer pays all their employees under the PAYE threshold which is currently £589 per month. If there are any exemptions who fall under this then you will need to notify us.

Any views or opinions expressed in this briefing are for guidance only and are not intended as a substitute for appropriate professional advice. We have taken all reasonable steps to ensure that the information contained herein is accurate at the time of writing but it should not be regarded as a complete or authoritative statement of law.

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