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Third UK Company Sentenced for Corporate Manslaughter

Lion Steel was sentenced on 20th July at Manchester Crown Court after being convicted under the Corporate Manslaughter and Corporate Homicide Act 2007. The company is the third organisation to have been convicted of Corporate Manslaughter to date and was fined a record **£480,000**, although the fine was less than the recommended minimum in the sentencing guidelines of £500,000.

An employee had suffered fatal injuries when he fell through a fragile roof at Lion Steel’s site in Hyde, Cheshire in May 2008. Directors of the company had also been facing charges of gross negligence, manslaughter and health & safety offences, and the company admitted the corporate manslaughter offence on the basis that these other charges would be dropped.

The offence of Corporate Manslaughter was created to provide a means of accountability for very serious management failings across the organisation. The sentencing guidelines say that **“Fines must be punitive but capable of being paid by an offending corporation”**. However in the [first conviction](#) under the new Act in Feb 2011 Cotswold Geotechnical Holdings were fined £385,00 payable over ten years. Their annual turnover was only £300,000 and the company went into liquidation shortly afterwards.

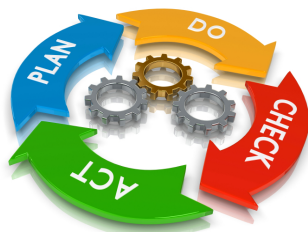
All three cases to date should be taken seriously by company directors in companies of all sizes and all “senior managers” in larger organisations. The Institute of Directors (IoD) and the Health and Safety Executive (HSE) have published guidance ([indg417](#)) which it says is **“.....designed for use by all directors, governors, trustees, officers and their equivalents in the private, public and third sectors. It applies to organisations of all sizes.”**

It includes a useful “Health and Safety Leadership Checklist” designed to help organisations, boards and directors to assess their leadership on Health and Safety.

The potential costs of getting this wrong could have serious/terminal consequences for your business, on top of the enormous emotional costs caused by the loss of a precious life. Please review your arrangements, and if you would like a **FREE 1 hour telephone consultation to discuss your circumstances/systems then please get in touch. (see header for contact details.)**



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