

Company fined for not having compulsory insurance for its workers

- Cheshire-based scrap merchant didn't have employers liability compulsory insurance.
- Issue came to light after visit from the Health and Safety Executive.
- HSE reminding companies that having insurance not an 'optional extra'.

Britain's workplace regulator is reminding all company owners of their legal responsibility to hold Employers' Liability Compulsory Insurance (ELCI).

The message comes from the Health and Safety Executive (HSE) following its prosecution of Mill House Metals, a scrap metal merchant based in Widnes, Cheshire.

The company was fined £1,000 and ordered to pay £2,000 towards costs after pleading guilty to breaching the Employers' Liability Compulsory Insurance Act 1969. By law, employers are required to insure against liability for injury or disease to their employees arising out of their employment – it is compulsory insurance.

Liverpool Magistrates Court heard that following an incident at its Hale Road site, the HSE found that there had been no valid certificate of insurance between 18 April 2025 and 30 September 2025. As Mill House Metals Ltd were unable to produce a valid ELCI certificate, this meant that their staff had no means of pursuing a civil claim against the business had they been injured at work or contracted a work-related illness or disease.

Most employers are required by law to provide ELCI cover to ensure successful civil claims can be met. Further guidance can be found on the HSE website at [Employers' Liability \(Compulsory Insurance\) Act 1969 – HSE](#).

Mill House Metals Ltd, of Hale Road, Widnes, Cheshire, pleaded guilty to breaching the Employers' Liability Compulsory Insurance Act 1969. The company was fined £1,000 and ordered to pay £2,000 in costs at Liverpool Magistrates Court on 15 April 2026.

HSE principal inspector Emily Osborne said:

“Had Mill House Metal's employees suffered a work-related injury or illness that warranted a claim for damages, they would have been denied a chance to claim the compensation as recompense for any pain and suffering they had endured.

“That is the purpose of ELCI. It is not a trivial optional extra, it is a compulsory requirement that is designed solely to protect employees.

“The law expects employers to take all reasonably practicable steps to prevent their workforce from being injured or becoming ill, but if incidents do occur then Employers' Liability Compulsory Insurance cover is vital.”

This HSE prosecution was brought by enforcement lawyer Gemma Zakrzewski.

Further information:

1. [The Health and Safety Executive](#) (HSE) is Britain's national regulator for workplace health and safety. We are dedicated to protecting people and places, and helping everyone lead safer and healthier lives.
2. More information about the [legislation](#) referred to in this case is available.
3. Further details on the latest [HSE news releases](#) is available.
4. Relevant guidance can be found here – [Employers' Liability \(Compulsory Insurance\) Act 1969 – HSE](#)
5. HSE does not pass sentences, set guidelines or collect any fines imposed. Relevant sentencing guidelines must be followed unless the court is satisfied that it would be contrary to the interests of justice to do so. The sentencing guidelines for health and safety offences can be found [here](#).