

SCHEDULES

SCHEDULE 4

Section 81.

CALCULATION OF REDUNDANCY PAYMENTS

- 1 The amount of a redundancy payment to which an employee is entitled in any case shall, subject to the following provisions of this Schedule, be calculated by reference to the period, ending with the relevant date, during which he has been continuously employed.
- 2 Subject to paragraphs 3 and 4, the amount of the redundancy payment shall be calculated by reference to the period specified in paragraph 1 by starting at the end of that period and reckoning backwards the number of years of employment falling within that period, and allowing—
 - (a) one and a half weeks' pay for each such year of employment which consists wholly of weeks (within the meaning of Schedule 13) in which the employee was not below the age of forty-one;
 - (b) one week's pay for each such year of employment (not falling within the preceding sub-paragraph) which consists wholly of weeks (within the meaning of Schedule 13) in which the employee was not below the age of twenty-two ; and
 - (c) half a week's pay for each such year of employment not falling within either of the preceding sub-paragraphs.
- 3 Where, in reckoning the number of years of employment in accordance with paragraph 2, twenty years of employment have been reckoned, no account shall be taken of any year of employment earlier than those twenty years.
- 4 (1) Where in the case of an employee the relevant date is after the specified anniversary, the amount of the redundancy payment, calculated in accordance with the preceding provisions of this Schedule, shall be reduced by the appropriate fraction.
(2) In this paragraph "the specified anniversary", in relation to a man, means the sixty-fourth anniversary of the day of his birth, and, in relation to a woman, means the fifty-ninth anniversary of the day of her birth, and " the appropriate fraction " means the fraction of which—
 - (a) the numerator is the number of whole months, reckoned from the specified anniversary, in the the period beginning with that anniversary and ending with the relevant date, and
 - (b) the denominator is twelve.
- 5 For the purposes of any provision contained in Part VI whereby an industrial tribunal may determine that an employer shall be liable to pay to an employee either—
 - (a) the whole of the redundancy payment to which the employee would have been entitled apart from another provision therein mentioned, or
 - (b) such part of that redundancy payment as the tribunal thinks fit,

Status: This is the original version (as it was originally enacted).

the preceding provisions of this Schedule shall apply as if in those provisions any reference to the amount of a redundancy payment were a reference to the amount of the redundancy payment to which the employee would have been so entitled.

6 The preceding provisions of this Schedule shall have effect without prejudice to the operation of any regulations made under section 98 whereby the amount of a redundancy payment, or part of a redundancy payment, may be reduced.

7 Where the relevant date does not occur on a Saturday, any reference in the preceding provisions of this Schedule to the relevant date shall be construed as a reference to the Saturday immediately following that date.