
STATUTORY INSTRUMENTS

1986 No. 2281

TERMS AND CONDITIONS OF EMPLOYMENT

The Unfair Dismissal (Increase of Limits of Basic and Special Awards) Order 1986

Laid before Parliament in draft

Made - - - 18th December 1986

Coming into Operation 1st April 1987

Whereas a draft of the following Order was laid before Parliament in accordance with sections 73(4B) and 75A(7) of the Employment Protection (Consolidation) Act 1978(a) ("the 1978 Act") and approved by resolution of each House of Parliament:

Now, therefore, the Secretary of State, in exercise of the powers conferred on him by sections 73(4B), 75A(7), 154(3) and 154(4) of the 1978 Act and all other powers enabling him in that behalf hereby makes the following Order:—

Citation, commencement and revocation

1.—(1) This Order may be cited as the Unfair Dismissal (Increase of Limits of Basic and Special Awards) Order 1986 and shall come into operation on 1st April 1987.

(2) Subject to Article 4(2), the Unfair Dismissal (Increase of Limits of Basic and Special Awards) Order 1985(b) ("the 1985 Order") is revoked.

Interpretation

2. In this Order, "effective date of termination" has the same meaning as in section 55(4) of the 1978 Act except in a case in which section 55(5) or (6) of that Act would have effect so as to treat a later date as the effective date of termination, in which case that later date shall be the effective date of termination for the purposes of this Order.

(a) 1978 c.44; sections 73(4A) and 73(4B) were inserted by section 4(1) of the Employment Act 1982 (c.46), and section 75A was inserted by section 5(3) of the Employment Act 1982; section 55 was amended by section 21(2) of and paragraph 1 of Schedule 3 to the Employment Act 1982.

(b) S.I. 1985/2033; this Order increased the limits in sections 73(4A), 75A(1) and 75A(2) of the 1978 Act from £2,100, £10,500, £21,000 and £15,750 to £2,200, £11,000, £22,000 and £16,500 respectively; the limits in those sections were increased from £2,000, £10,000, £20,000 and £15,000 to £2,100, £10,500, £21,000 and £15,750 respectively by S.I. 1984/2021.

Increase of limits

3.—(1) Subject to Article 4, the minimum award of £2,200 provided for by section 73(4A) of the 1978 Act is increased to £2,300.

(2) Subject to Article 4, the sum of £11,000 specified in section 75A(1) of the 1978 Act is increased to £11,500.

(3) Subject to Article 4, the sum of £22,000 specified in section 75A(1) of the 1978 Act is increased to £23,000.

(4) Subject to Article 4, the sum of £16,500 specified in section 75A(2) of the 1978 Act is increased to £17,250.

Transitional provision

4.—(1) The increases specified in Article 3 shall have effect where the effective date of termination falls on or after 1st April 1987.

(2) Notwithstanding the revocation of the 1985 Order, the limits set by or, as the case may be, preserved by Articles 3 and 4 of that Order shall continue to have effect as provided by that Order where the effective date of termination falls before 1st April 1987.

Signed by order of the Secretary of State.

John Lee,
Parliamentary Under Secretary of State,
Department of Employment.

18th December 1986.

EXPLANATORY NOTE

(This Note is not part of the Order.)

This Order, which comes into operation on 1st April 1987, increases from £2,200 to £2,300 the minimum basic award (before appropriate reductions) and increases the limits of £11,000, £22,000 and £16,500 to £11,500, £23,000 and £17,250 respectively, applicable to calculation of the special award. These limits and the minimum basic award are only relevant to dismissals which are to be regarded as unfair by virtue of section 58 or 59(a) of the Employment Protection (Consolidation) Act 1978.