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STATUTORY INSTRUMENTS

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**1995 No. 1953**

**TERMS AND CONDITIONS OF EMPLOYMENT**

**The Employment Protection (Increase of Limits) Order 1995**

*Made* - - - - - *27th July 1995*

*Coming into force* - - - - - *27th September 1995*

Whereas in accordance with section 148 of the Employment Protection (Consolidation) Act 1978<sup>(1)</sup> (“the 1978 Act”) the Secretary of State has reviewed the limits referred to in sections 15 and 122(5) of, and the limits imposed by paragraph 8(1) of Schedule 14 to, that Act<sup>(2)</sup> :

And whereas the Secretary of State having regard to the considerations mentioned in section 148(2) of that Act has determined that certain of those limits should be varied as hereinafter provided:

And whereas a draft of the following Order was laid before Parliament in accordance with sections 73(6D)<sup>(3)</sup>, 75(2)<sup>(4)</sup>, 75A(8)<sup>(5)</sup> and section 148(3) of that Act and with section 159(3) of the Trade Union and Labour Relations (Consolidation) Act 1992<sup>(6)</sup> (“the 1992 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 15(5)<sup>(7)</sup>, 73(6C)<sup>(8)</sup>, 75(2), 75A(7), 122(6), 148, 154(3) and 154(4)<sup>(9)</sup> of, and paragraph 8(2), (3) and (4) of Schedule 14 to, the 1978 Act<sup>(10)</sup>, and section 159 of the 1992 Act and of all other powers enabling him in that behalf, hereby makes the following Order:—

**Citation and commencement**

1.—(1) This Order may be cited as the Employment Protection (Increase of Limits) Order 1995 and shall come into force at the end of the period of two months beginning with the day on which it is made.

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(1) 1978 c. 44.  
(2) These limits were last varied by S.I. 1992/312.  
(3) Section 73(6D) was added by the Trade Union Reform and Employment Rights Act 1993 (c. 19) (the 1993 Act), Schedule 5, paragraph 8.  
(4) Section 75 was amended by the 1993 Act, section 30(4).  
(5) Section 75A was added by the 1993 Act, Schedule 5, paragraph 9.  
(6) 1992 c. 52.  
(7) Section 15(5) was amended by the Employment Act 1980 (c. 42) (the 1980 Act), Schedule 1, paragraph 8.  
(8) Section 73 (6C) was added by the 1993 Act, Schedule 5, paragraph 8.  
(9) Section 154(4) was amended by the 1980 Act, Schedule 1, paragraph 22.  
(10) Paragraph 8(3) was amended by the Employment Act 1982 (c. 46) (the 1982 Act), Schedule 3, paragraph 30(3).

## Revocation

2. Subject to article 4, the following Orders are revoked:—

The Employment Protection (Variation of Limits) Order 1992**(11)**;

The Unfair Dismissal (Increase of Limits of Basic and Special Awards) Order 1992**(12)**; and

The Unfair Dismissal (Increase of Compensation Limit) Order 1993**(13)**.

## Increase of limits

3. Subject to article 4, the limits referred to in columns 1 and 2 of the Table in the Schedule to this Order are increased by the substitution of the new figure in column 3 for the old figure in column 4.

## Supplementary and Transitional provisions

4.—(1) The increases specified in article 3 shall have effect where the appropriate date falls on or after the date this Order comes into force.

(2) Notwithstanding the revocation of each of the Orders in article 2, the limits set by or, as the case may be, preserved by articles 2 and 3 in each of those Orders shall continue to have effect where the appropriate date falls before the date this Order comes into force.

(3) In this article “the appropriate date” means—

- (a) in the case of a guarantee payment, a day in respect of which an employee is entitled to a guarantee payment under section 12 of the 1978 Act;
- (b) in the case of a complaint presented under section 67 of the 1978 Act (a complaint of unfair dismissal) for the purposes of calculating the basic award, compensatory award or special award (under section 72**(14)** of that Act) and any special award under section 157 of the 1992 Act, the effective date of termination;
- (c) in the case of an award under section 71(1)**(15)** of the 1978 Act, the date by which the order of reinstatement (specified under section 69(2)(c) of that Act) or, as the case may be, re-engagement (as specified under section 69(4)(f) of that Act) must be complied with;
- (d) in the case of an additional award of compensation (under section 71(2)(b) of the 1978 Act**(16)** where an employer has failed to comply with an order of reinstatement or re-engagement, the date specified under section 69(2)(c) or, as the case may be, section 69(4)(f) of that Act, by which the order must be complied with;
- (e) in the case of entitlement to a redundancy payment by virtue of section 81(1)(a) of the 1978 Act, the relevant date (as defined by section 90(1) or 90(3) of that Act);
- (f) in the case of entitlement to a redundancy payment by virtue of section 81(1)(b) of the 1978 Act (lay off or a keeping on short time), the relevant date (as defined by section 90(2) of that Act);
- (g) in the case of a complaint presented under section 124 of the 1978 Act**(17)**, the relevant date (as defined by section 122(2) of that Act**(18)**);

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**(11)** S.I. 1992/312.

**(12)** S.I. 1992/313.

**(13)** S.I. 1993/1348.

**(14)** Section 72 was substituted by the Trade Union and Labour Relations (Consolidation) Act 1992 (c. 52) (the 1992 Act), Schedule 2, paragraph 16, and further amended by the 1993 Act, Schedule 5, paragraph 7.

**(15)** Section 71(1) was amended by the 1993 Act, section 30(2).

**(16)** Section 71(2)(b) was amended by the 1993 Act, Schedule 5, paragraph 6.

**(17)** Section 124 was amended by the Social Security Act 1986 (c. 50), Schedule 10, paragraph 31.

**(18)** Section 122(2) was amended by the Insolvency Act 1985 (c. 65), section 218(3), and by the 1992 Act, Schedule 2, paragraph 18.

- (h) in the case of a complaint presented under section 66 of the 1992 Act<sup>(19)</sup> (unjustifiable discipline by a trade union), the date of the determination which constitutes an infringement of the claimant’s right;
    - (i) in the case of a complaint presented under section 137(2) of the 1992 Act (refusal of employment on grounds related to union membership) or section 138(2) of that Act (refusal of service of employment agency on grounds related to union membership), the date of the conduct (as determined by section 139 of that Act) to which the complaint relates; and
    - (j) in the case of a complaint presented under section 174 of the 1992 Act<sup>(20)</sup> (exclusion or expulsion from a trade union), the date of the exclusion or expulsion from membership of the trade union.
- (3) In this article “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)<sup>(21)</sup> of that Act would have the effect of treating a later date as the effective date of termination, in which case the later date shall be the effective date for the purposes of this article.

Signed by order of the Secretary of State.

27th July 1995

*Jonathan Evans*  
Parliamentary Under Secretary of  
State, Department of Trade and Industry.

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<sup>(19)</sup> Section 66 was amended by the 1993 Act, Schedule 8, paragraph 50.

<sup>(20)</sup> Section 174 was substituted by the 1993 Act, section 14.

<sup>(21)</sup> Section 55(5) was amended, and section 55(6) inserted, by the 1982 Act, Schedule 3, paragraph 1. Sections 55(5) and (6) were further amended by the 1993 Act, Schedule 10.

**Status:** This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

## SCHEDULE

[Article 3]

## Table of Increase of Limits

Provision	Subject of Provision	New Figure	Old Figure
(22) 1. Section 15(1) of the 1978 Act	Limit on the amount of guarantee payment payable to an employee in respect of any day	£14.50	£14.10
(23) 2. Section 73 (6A) of the 1978 Act	Minimum amount of basic award of compensation under section 73(6A)	£2,770	£2,700
(24) 3. Section 75(1) of the 1978 Act	(25)(26) Limit on the amount of a compensation award to a person under section 71(1) or of a compensatory award to a person under section 74 (save where the exception in section 71(1A) or 74(8) applies)	£11,300	£11,000
4. Section 75A(1)(b) of the 1978 Act	Minimum level of the special award under section 75A(1)(b)	£13,775	£13,400
5. Section 75A(1) of the 1978 Act	The maximum amount of the special award under section 75A(1)	£27,500	£26,800
6. Section 75A(2) of the 1978 Act	The minimum amount of the special award under section 75A(2)	£20,600	£20,100
7. Section 122(5) of the 1978 Act(a)	(27) Limit on the amount payable to an employee in respect of any debt mentioned in section 122(3) of the 1978 Act where that debt is referable to a period of time	£210	£205

(22) This limit was last increased by [S.I. 1992/312](#).

(23) Section 73(6A) was inserted by the 1993 Act, Schedule 5, paragraph 8.

(24) This limit was last increased by [S.I. 1993/1348](#).

(25) Section 74 was amended by the 1982 Act, Schedule 3, paragraph 23 and by the 1993 Act, section 30(3).

(26) Section 71(1A) was inserted by the 1993 Act, Schedule 2, paragraph 15.

(27) Section 122(3) was amended by the 1982 Act, Schedule 3, paragraphs 3, 4 and 5.

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Provision	Subject of Provision	New Figure	Old Figure
8. Paragraph 8(1)(a) of Schedule 14 to the 1978 Act(a)	Limit on the amount of “a week’s pay” for the purpose of calculating additional award of compensation where employer fails to comply with order for reinstatement or re-engagement under section 69 of the 1978 Act	£210	£205
9. Paragraph 8(1)(b) of Schedule 14 to the 1978 Act(a)	<b>(28)</b> Limit on the amount of “a week’s pay” for the purposes of calculating basic award of compensation for unfair dismissal under section 73 of the 1978 Act	£210	£205
10. Paragraph 8(1)(c) of Schedule 14 to the 1978 Act(a)	Limit on amount of “a week’s pay” for the purposes of calculating redundancy payment	£210	£205
<b>(29)</b> 11. Section 156(1) of the 1992 Act	Minimum amount of basic award of compensation payable under section 156(1) of the 1992 Act	£2,770	£2,700
12. Section 158(1) of the 1992 Act(h)	Minimum amount of special award under section 158(1) of the 1992 Act	£13,775	£13,400
13. Section 158(1) of the 1992 Act(h)	Maximum amount of special award under section 158(1) of the 1992 Act	£27,500	£26,800
14. Section 158(2) of the 1992 Act(h)	Minimum amount of special award payable under section 158(2) of the 1992 Act	£20,600	£20,100

**(28)** Section 73 was amended by the 1980 Act, section 9; the 1982 Act, section 4 and Schedule 2 paragraph 5; the Sex Discrimination Act 1986 (c. 59), section 3(2); the 1992 Act, Schedule 2, paragraph 17; and the 1993 Act, Schedule 5, paragraph 8.

**(29)** This limit, which is now found in the 1992 Act, was last raised before its consolidation into the 1992 Act by [S.I. 1992/313](#).

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## EXPLANATORY NOTE

*(This note is not part of the Order)*

This Order, which comes into force two months after it is made, increases certain of the limits which are required to be reviewed annually by the Secretary of State under section 148 of the Employment Protection (Consolidation) Act 1978 (“the 1978 Act”). It also raises the limits found in sections 75 and 75A of the 1978 Act and sections 156 and 158 of the Trade Union and Labour Relations (Consolidation) Act 1992 (“the 1992 Act”).

The limit of the amount of guarantee payment set out in section 15(1) of the 1978 Act in respect of any day is increased from £14.10 to £14.50.

The limit of the amount for the purpose of calculating the sum payable by the Secretary of State under section 122 of the 1978 Act in respect of the debt due to an employee whose employer becomes insolvent is increased from £205 to £210.

The limits of the amount of “a week’s pay” for the purposes of calculating redundancy payments and the basic and additional awards of compensation on a complaint of unfair dismissal are increased from £205 to £210.

The increase in the amount of “a week’s pay” is also one of the constituents of the limit applied by section 67(8) of the 1992 Act to compensation on a complaint of unjustifiable discipline by a trade union, and under section 174(6) in respect of a complaint of exclusion or expulsion from a trade union.

The limit of the amount of compensation which can be awarded by an industrial tribunal in claims for unfair dismissal as the compensatory award or as compensation for failure fully to comply with the terms of an order of reinstatement or re-engagement is raised to £11,300. This increase also affects the maximum amount of compensation that may be awarded under section 67 of the 1992 Act on a complaint of unjustifiable discipline by a trade union; under section 140 of that Act on a complaint of refusal of employment or refusal of service of employment agency on grounds related to trade union membership; and under section 176 of that Act on a complaint of exclusion or expulsion from a trade union.

The Order also increases from £2,700 to £2,770 the minimum basic award and increases the limits of £13,400, £26,800 and £20,100 to £13,775, £27,500 and £20,600 respectively, applicable in calculating special awards on a complaint of unfair dismissal on trade union grounds (section 152 of the 1992 Act) and health and safety grounds (section 57A of the 1978 Act).

The Order contains transitional provisions.