
STATUTORY INSTRUMENTS

1991 No. 467

TERMS AND CONDITIONS OF EMPLOYMENT

**The Unfair Dismissal (Increase of Limits
of Basic and Special Awards) Order 1991**

Made - - - - *4th March 1991*
Coming into force - - *1st April 1991*

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(1) (“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 of 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 1991 and shall come into force on 1st April 1991.

(2) Subject to article 3(2), the Unfair Dismissal (Increase of Limits of Basic and Special Awards) Order 1989(2) (“the 1989 Order”) is revoked.

Increase of limits

2.—(1) Subject to article 3, the minimum award of £2,520 provided for by section 73(4A) of the 1978 Act is increased to £2,650.

(2) Subject to article 3, the sum of £12,550 specified in section 75A(1) of the 1978 Act is increased to £13,180.

(3) Subject to article 3, the sum of £25,040 specified in section 75A(1) of the 1978 Act is increased to £26,290.

(4) Subject to article 3, the sum of £18,795 specified in section 75A(2) of the 1978 Act is increased to £19,735.

(1) 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.
(2) S.I. 1989/528; this Order last increased the limits in sections 73(4A), 75A(1) and 75A(2) of the 1978 Act; previous Orders increasing the limits in those sections were S.I. 1984/2021, 1985/2033, 1986/2281 and 1988/277.

Transitional provisions

3.—(1) The increases specified in article 2 shall have effect where the appropriate date falls on or after 1st April 1991.

(2) Notwithstanding the revocation of the 1989 Order, the limits set by or, as the case may be, preserved by articles 2 and 3 of that Order shall continue to have effect as provided by that Order where the appropriate date falls before 1st April 1991.

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

- (a) in the case of a complaint presented under section 67 of the 1978 Act (complaint of unfair dismissal), the effective date of termination;
- (b) in the case of a complaint presented under section 4 of the Employment Act 1980⁽³⁾ (complaint of unreasonable exclusion or expulsion from a trade union), the date of the refusal of the application for, or of the expulsion from, membership, as the case may be;
- (c) in the case of a complaint presented under section 4 of the Employment Act 1988⁽⁴⁾ (complaint of unjustifiable discipline by a trade union), the date of the determination which the individual claims constituted an infringement of his right;

and “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⁽⁵⁾ 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 for the purposes of this article.

Signed by order of the Secretary of State.

4th March 1991

Eric Forth
Parliamentary Under Secretary of State,
Department of Employment

⁽³⁾ 1980 c. 42.

⁽⁴⁾ 1988 c. 19.

⁽⁵⁾ Section 55(5) was amended, and section 55(6) inserted, by section 21(2) of and paragraph 1 of Schedule 3 to the Employment Act 1982.

EXPLANATORY NOTE

(This note is not part of the Order)

This Order, which comes into force on 1st April 1991, increases from £2,520 to £2,650 the minimum basic award (before appropriate reductions) and increases the limits of £12,550, £25,040 and £18,795 to £13,180, £26,290 and £19,735 respectively, applicable to calculation of the special award. These limits and the minimum basic award are 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. The increase in the minimum basic award also affects the minimum amount of compensation that shall be awarded by the Employment Appeal Tribunal under sections of the Employment Act 1980 (as amended by the Employment Act 1988) in respect of a complaint under section 4 of the 1980 Act (unreasonable exclusion or expulsion from a trade union) and under section 5 of the 1988 Act in respect of a complaint under section 4 of that Act (unjustifiable discipline by a trade union).

The Order contains transitional provisions.