

# FACT CARD - current employment legislation

## Compensation Limit As from February 2008:

Complaint	Limit on week's pay	Maximum award
Unfair dismissal		
• Basic award	£300	£9,900
• Compensatory award	-	£63,000
• Additional award – failure to reinstate	£330	£8,580 - £17,160
Redundancy pay	£330	£9,900
Discrimination	-	No limit
Dismissal for trade union reasons		
• Basic award	£330	£9,900 (subject to a minimum of £4,400)
• Compensatory award	-	£63,000
Guarantee pay	£20.40 (per day)	£102.00 in respect of 5 days in 3 month period
Contractual claims brought in employment tribunal		£25,000

## National Minimum Wage

Rate	Pay
Adult rate (22 and over)	£5.52 per hour
Development rate (18-21)	£4.60 per hour
Youth rate (16-17)	£3.40 per hour

The rate for the accommodation offset is £30.10 per week (£4.30 per day). (This will be reviewed in October 2008)

## Redundancy Calculation

The right to redundancy pay starts when the employee has completed 2 years employment. For each completed year of employment use the following multiplier:

Age of employee	Multiplier
Under the age of 22	½ x week's pay
Between 22nd and 41st birthday	1 x week's pay
41st birthday onwards	1 1/2 x week's pay

The 'week's pay' is an actual week's gross pay up to a maximum of £330.

The most recent 20 years (only) are taken into account if a long service employee is being dismissed.

The multiplier is subject to a maximum of 20 weeks.

## Statutory Notice

Section 86 ERA 1996 length of employment	Notice to employee by employer
Under 1 month	No statutory notice requirement
1 month to 2 years	1 week
2 years to 12 years	1 week for each completed year of employment
12 years or more	12 weeks

Notice by employee to employer is 1 week after 1 month's employment.

## Qualification Period and Time Limits

Complaint	Qualifying period	Time limit to bring claim*
Dismissal		
• Written reasons for dismissal	1 year	3 months starting from EDT
• Unfair dismissal	1 year (but reduced to none or 1 month in certain cases)	3 months starting from EDT
Redundancy		
• Redundancy payment	2 years	6 months from relevant date
• Failure to consult over proposed redundancies	n/a	Before dismissal or 3 months starting with date on which dismissal takes effect
Pregnancy dismissal	none	3 month from EDT
Discrimination		
• Discrimination	None	3 months from date of last act complained of
• Equal pay	None	6 months starting from termination of employment
Miscellaneous		
• Guarantee pay	1 month	3 months starting from date when payment was payable
• Written particulars of employment	None**	3 months starting from date employment ceased
• Contract claim	None	At employment tribunal – 3 months from EDT or last day worked At court – 6 years worked

EDT= effective date of termination

\*In some cases the employment tribunal may extend these periods

\*\*Employers must provide written particulars within 2 months of commencement of employment