



Employment Rights Act 1996

1996 CHAPTER 18

PART X

UNFAIR DISMISSAL

CHAPTER II

REMEDIES FOR UNFAIR DISMISSAL

Compensation

124 Limit of compensatory award etc.

- (1) The amount of—
- (a) any compensation awarded to a person under section 117(1) and (2), or
 - (b) a compensatory award to a person calculated in accordance with section 123, shall not exceed [^{F1}the amount specified in subsection (1ZA)].

[^{F2}(1ZA) The amount specified in this subsection is the lower of—

- (a) [^{F3}£115,115], and
- (b) 52 multiplied by a week's pay of the person concerned.]

[^{F4}(1A) Subsection (1) shall not apply to compensation awarded, or a compensatory award made, to a person in a case where he is regarded as unfairly dismissed by virtue of section 100, 103A, 105(3) or 105(6A).]

[^{F5}(2)

- (3) In the case of compensation awarded to a person under section 117(1) and (2), the limit imposed by this section may be exceeded to the extent necessary to enable the award fully to reflect the amount specified as payable under section 114(2)(a) or section 115(2)(d).

Changes to legislation: *Employment Rights Act 1996, Section 124 is up to date with all changes known to be in force on or before 19 May 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes*

- (4) Where—
- (a) a compensatory award is an award under paragraph (a) of subsection (3) of section 117, and
 - (b) an additional award falls to be made under paragraph (b) of that subsection, the limit imposed by this section on the compensatory award may be exceeded to the extent necessary to enable the aggregate of the compensatory and additional awards fully to reflect the amount specified as payable under section 114(2)(a) or section 115(2)(d).
- (5) The limit imposed by this section applies to the amount which the [^{F6}employment tribunal] would, apart from this section, award in respect of the subject matter of the complaint after taking into account—
- (a) any payment made by the respondent to the complainant in respect of that matter, and
 - (b) any reduction in the amount of the award required by any enactment or rule of law.

Textual Amendments

- F1** Words in s. 124(1) substituted (29.7.2013) by [The Unfair Dismissal \(Variation of the Limit of Compensatory Award\) Order 2013 \(S.I. 2013/1949\)](#), arts. 1, **2(2)** (with art. 4)
- F2** S. 124(1ZA) inserted (29.7.2013) by [The Unfair Dismissal \(Variation of the Limit of Compensatory Award\) Order 2013 \(S.I. 2013/1949\)](#), arts. 1, **2(3)** (with art. 4)
- F3** Sum in s. 124(1ZA)(a) substituted (6.4.2024) by [The Employment Rights \(Increase of Limits\) Order 2024 \(S.I. 2024/213\)](#), art. 1(2), **Sch.** (with art. 4)
- F4** S. 124(1A) inserted (25.10.1999) by 1999 c. 26, s. **37(1)**; S.I. 1999/2830, art. 2(1), **Sch. 1 Pt. I**
- F5** S. 124(2) repealed (17.12.1999) by 1999 c. 26, ss. 36(1)(3), 44, **Sch. 9(10)**; S.I. 1999/3374, art. 2(b) (c), **Sch.**
- F6** Words in s. 124(5) substituted (1.8.1998) by 1998 c. 8, s. **1(2)(a)** (with s. 16(2)); S.I. 1998/1658, art. 2(1), **Sch. 1**

Modifications etc. (not altering text)

- C1** Ss. 117-127A applied (with modifications) (2.7.1999) by S.I. 1999/1548, **reg. 3**
- C2** S. 124 power to amend conferred (25.4.2013 for specified purposes, 25.6.2013 in so far as not already in force) by [Enterprise and Regulatory Reform Act 2013 \(c. 24\)](#), ss. **15(1)-(9)**, 103(1)(i), 103(2) (with s. 24(4))
- C3** S. 124(1) applied (1.11.1998) by 1998 c. 39, s. **24(4)(b)**; S.I. 1998/2574, art. 2(1), **Sch. 1**
 S. 124(1): power to amend conferred (17.12.1999) by 1999 c. 26, s. **34(1)(c)**; S.I. 1999/3374, **art. 2(a)**
 S. 124(1) applied (6.6.2000) by 1992 c. 52, s. 70A, **Sch. A1 para. 160(2)(b)** (as inserted (6.6.2000) by 1999 c. 26, s. 1, **Sch. 1**; S.I. 2000/1338, **art. 2** (with transitional provisions in art. 3)

Changes to legislation:

Employment Rights Act 1996, Section 124 is up to date with all changes known to be in force on or before 19 May 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations.

View outstanding changes

Changes and effects yet to be applied to :

- s. 124(1A) word inserted by [2020 c. 7 Sch. 7 para. 17](#)

Changes and effects yet to be applied to the whole Act associated Parts and Chapters:
Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- Pt. 8 Ch. 5 inserted by [2023 c. 20 Sch. para. 2](#)
- Pt. 8A Ch. 1 heading inserted by [2023 c. 46 s. 1\(3\)](#)
- Pt. 8A Ch. 2 inserted by [2023 c. 46 s. 1\(4\)](#)
- Pt. 8A Ch. 3 inserted by [2023 c. 46 s. 2](#)
- Pt. 8A Ch. 4 inserted by [2023 c. 46 s. 3\(2\)](#)
- s. 43K(1)(ca) and word omitted by [2013 c. 24 s. 20\(5\)](#) (This amendment not applied to [legislation.gov.uk](#). The insertion of s. 43K(1)(ba) by S.I. 2006/1056, Sch. para. 7 is to come into force on the day on which 2005 asp 13, s. 20 comes into force and that provision has never been brought into force)
- s. 43K(2)(ba) omitted by [2013 c. 24 s. 20\(6\)](#) (This amendment not applied to [legislation.gov.uk](#). The insertion of s. 43K(1)(ba) by S.I. 2006/1056, Sch. para. 7 is to come into force on the day on which 2005 asp 13, s. 20 comes into force and that provision has never been brought into force)
- s. 47C(2)(cc) inserted by [2023 c. 20 Sch. para. 22](#)
- s. 47H inserted by [2020 c. 7 Sch. 7 para. 9](#)
- s. 47AA inserted by [2008 c. 25 s. 37](#)
- s. 47EA inserted by [2023 c. 46 Sch. para. 4](#)
- s. 47EB inserted by [2023 c. 46 Sch. para. 5](#)
- s. 48(1C) inserted by [2020 c. 7 Sch. 7 para. 10\(a\)](#)
- s. 48(1C) inserted by [2023 c. 46 Sch. para. 6\(2\)](#)
- s. 48(1D) inserted by [2023 c. 46 Sch. para. 6\(3\)](#)
- s. 49(8) inserted by [2020 c. 7 Sch. 7 para. 11\(b\)](#)
- s. 49(8) inserted by [2023 c. 46 Sch. para. 7\(4\)](#)
- s. 49C inserted by [2017 c. 16 s. 32\(4\)](#)
- s. 75I(3)(g) and word inserted by [2023 c. 20 Sch. para. 23\(b\)](#)
- s. 80C(2)(bc) inserted by [2023 c. 20 Sch. para. 24\(2\)](#)
- s. 80C(4)(bc) inserted by [2023 c. 20 Sch. para. 24\(3\)](#)
- s. 80EB(2)(f) and word inserted by [2023 c. 20 Sch. para. 25\(b\)](#)
- s. 99(3)(cc) inserted by [2023 c. 20 Sch. para. 28](#)
- s. 101B inserted by [2008 c. 25 s. 38](#)
- s. 104H inserted by [2020 c. 7 Sch. 7 para. 14](#)
- s. 104CA inserted by [2023 c. 46 Sch. para. 9](#)
- s. 105(4B) inserted by [2008 c. 25 s. 39\(3\)](#)
- s. 105(7BC) inserted by [2020 c. 7 Sch. 7 para. 15](#)
- s. 105(7BAA) inserted by [2023 c. 46 Sch. para. 10](#)
- s. 108(3)(gia) inserted by [2023 c. 46 Sch. para. 11](#)
- s. 108(3)(de) inserted by [2008 c. 25 s. 39\(4\)](#)
- s. 108(3)(gn) inserted by [2020 c. 7 Sch. 7 para. 16](#)
- s. 110(3A) inserted by [2002 c. 22 s. 44](#)
- s. 205A(2)(ba) inserted by [2023 c. 46 Sch. para. 16\(2\)](#)
- s. 205A(8A) inserted by [2023 c. 46 Sch. para. 16\(3\)](#)
- s. 225(7)(8) inserted by [2023 c. 46 Sch. para. 17](#)

– s. 227(1)(zb)(zc) inserted by [2023 c. 46 Sch. para. 18](#)