



Employment Rights Act 1996

1996 CHAPTER 18

PART XI

REDUNDANCY PAYMENTS ETC.

CHAPTER V

OTHER PROVISIONS ABOUT REDUNDANCY PAYMENTS

162 Amount of a redundancy payment.

- (1) The amount of a redundancy payment shall be calculated by—
 - (a) determining the period, ending with the relevant date, during which the employee has been continuously employed,
 - (b) reckoning backwards from the end of that period the number of years of employment falling within that period, and
 - (c) allowing the appropriate amount for each of those years of employment.
- (2) In subsection (1)(c) “the appropriate amount” means—
 - (a) one and a half weeks’ pay for a year of employment in which the employee was not below the age of forty-one,
 - (b) one week’s pay for a year of employment (not within paragraph (a)) in which he was not below the age of twenty-two, and
 - (c) half a week’s pay for each year of employment not within paragraph (a) or (b).
- (3) Where twenty years of employment have been reckoned under subsection (1), no account shall be taken under that subsection of any year of employment earlier than those twenty years.
- (4) ^{F1}
- (5) ^{F1}

Status: Point in time view as at 01/04/2014.

Changes to legislation: Employment Rights Act 1996, Section 162 is up to date with all changes known to be in force on or before 27 June 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)

- (6) [^{F2}Subsections (1) to (3)] apply for the purposes of any provision of this Part by virtue of which an [^{F3}employment tribunal] may determine that an employer is liable to pay to an employee—
 - (a) the whole of the redundancy payment to which the employee would have had a right apart from some other provision, or
 - (b) such part of the redundancy payment to which the employee would have had a right apart from some other provision as the tribunal thinks fit,
 as if any reference to the amount of a redundancy payment were to the amount of the redundancy payment to which the employee would have been entitled apart from that other provision.

^{F4}(7)

(8) ^{F1}

Textual Amendments

- F1** S. 162(4)(5)(8) repealed (1.10.2006) by [The Employment Equality \(Age\) Regulations 2006](#) (S.I. 2006/1031), regs. 1(1), 49(1), **Sch. 8 para. 32(2)** (with regs. 44-46, Sch. 8 para. 33)
- F2** Words in s. 162(6) substituted (1.10.2006) by [The Employment Equality \(Age\) Regulations 2006](#) (S.I. 2006/1031), regs. 1(1), 49(1), **Sch. 8 para. 32(3)** (with regs. 44-46, Sch. 8 para. 33)
- F3** Words in s. 162(6) 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**
- F4** S. 162(7) repealed (15.12.1999) by 1999 c. 26, ss. 9, 44, Sch. 4 Pt. III para. 30, **Sch. 9(2)**; S.I. 1999/2830, art. 2(2)(3), Sch. 1 Pt. II, **Sch. 2 Pt. II** (with Sch. 3 paras. 10, 11)

Modifications etc. (not altering text)

- C1** S. 162 modified (1.9.1999) by S.I. 1999/2277, art. 3, **Sch. 2 Pt. I para. 3**

Status:

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