



# Employment Rights Act 1996

## 1996 CHAPTER 18

### PART X

#### UNFAIR DISMISSAL

#### CHAPTER I

##### RIGHT NOT TO BE UNFAIRLY DISMISSED

##### *Fairness*

#### 98 General.

- (1) In determining for the purposes of this Part whether the dismissal of an employee is fair or unfair, it is for the employer to show—
  - (a) the reason (or, if more than one, the principal reason) for the dismissal, and
  - (b) that it is either a reason falling within subsection (2) or some other substantial reason of a kind such as to justify the dismissal of an employee holding the position which the employee held.
- (2) A reason falls within this subsection if it—
  - (a) relates to the capability or qualifications of the employee for performing work of the kind which he was employed by the employer to do,
  - (b) relates to the conduct of the employee,
  - (c) is that the employee was redundant, or
  - (d) is that the employee could not continue to work in the position which he held without contravention (either on his part or on that of his employer) of a duty or restriction imposed by or under an enactment.
- (3) In subsection (2)(a)—
  - (a) “capability”, in relation to an employee, means his capability assessed by reference to skill, aptitude, health or any other physical or mental quality, and

*Status: Point in time view as at 06/04/2005. This version of this provision has been superseded.*

*Changes to legislation: Employment Rights Act 1996, Section 98 is up to date with all changes known to be in force on or before 28 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)*

- (b) “qualifications”, in relation to an employee, means any degree, diploma or other academic, technical or professional qualification relevant to the position which he held.
- (4) Where the employer has fulfilled the requirements of subsection (1), the determination of the question whether the dismissal is fair or unfair (having regard to the reason shown by the employer)—
- (a) depends on whether in the circumstances (including the size and administrative resources of the employer’s undertaking) the employer acted reasonably or unreasonably in treating it as a sufficient reason for dismissing the employee, and
- (b) shall be determined in accordance with equity and the substantial merits of the case.
- <sup>F1</sup>(5) .....
- (6) [<sup>F2</sup>Subsection (4)] [<sup>F3</sup>is] subject to—
- (a) sections [<sup>F4</sup>98A] to 107 of this Act, and
- (b) sections 152, 153 [<sup>F5</sup>, 238 and 238A] of the <sup>M1</sup>Trade Union and Labour Relations (Consolidation) Act 1992 (dismissal on ground of trade union membership or activities or in connection with industrial action).

#### Textual Amendments

- F1** S. 98(5) repealed (15.12.1999) by 1999 c. 26, ss. 9, 44, Sch. 4 Pt. III para. 15(a), **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)
- F2** Words in s. 98(6) substituted (15.12.1999) by 1999 c. 26, s. 9, **Sch. 4 Pt. III para. 15(b)**; S.I. 1999/2830, art. 2(2), **Sch. 1 Pt. II** (with Sch. 3 paras. 10, 11)
- F3** Word in s. 98(6) substituted (1.10.2004) by Employment Act 2002 (c. 22), ss. 53, 55(2), **Sch. 7 para. 32(a)**; S.I. 2004/2185, **art. 2**
- F4** Word in s. 98(6)(a) substituted (1.10.2004) by Employment Act 2002 (c. 22), ss. 53, 55(2), **Sch. 7 para. 32(b)**; S.I. 2004/2185, **art. 2**
- F5** Words in s. 98(6)(b) substituted (6.4.2005) by Employment Relations Act 2004 (c. 24), ss. 57(1), 59(2)-(4), **Sch. 1 para. 30**; S.I. 2005/872, **arts. 4, 5**, Sch. (subject to arts. 6-12)

#### Modifications etc. (not altering text)

- C1** S. 98(1) modified (1.1.1999) by 1998 Measure No. 1, s. 6(1), **Sch. 3 para. 3(2)(b)**; Instrument dated 14.10.1998 made by the Archbishops of Canterbury and York

#### Marginal Citations

- M1** 1992 c. 52.

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