

1988 No. 277

**TERMS AND CONDITIONS OF EMPLOYMENT**

**The Unfair Dismissal (Increase of Limits of Basic and  
Special Awards) Order 1988**

*Made* - - - - - *18th February 1988*

*Coming into force* *1st April 1988*

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(a) ("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 (4) of the 1978 Act and 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 1988 and shall come into force on 1st April 1988.

(2) Subject to article 4(2), the Unfair Dismissal (Increase of Limits of Basic and Special Awards) Order 1986(b) ("the 1986 Order") is revoked.

**Interpretation**

2. In this Order, "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(c) 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 of termination for the purposes of this Order.

**Increase of limits**

3.—(1) Subject to article 4, the minimum award of £2,300 provided for by section 73(4A) of the 1978 Act is increased to £2,400.

(2) Subject to article 4, the sum of £11,500 specified in section 75A(1) of the 1978 Act is increased to £11,950.

(3) Subject to article 4, the sum of £23,000 specified in section 75A(1) of the 1978 Act is increased to £23,850.

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(a) 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.

(b) S.I. 1986/2281; 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 and S.I. 1985/2033.

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

(4) Subject to article 4, the sum of £17,250 specified in section 75A(2) of the 1978 Act is increased to £17,900.

**Transitional provision**

4.—(1) The increases specified in article 3 shall have effect where the effective date of termination falls on or after 1st April 1988.

(2) Notwithstanding the revocation of the 1986 Order, the limits set by or, as the case may be, preserved by articles 3 and 4 of that Order shall continue to have effect as provided by that Order where the effective date of termination falls before 1st April 1988.

Signed by order of the Secretary of State.

18th February 1988

*John Cope*  
Minister of State,  
Department of Employment

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**EXPLANATORY NOTE**

*(This note is not part of the Order)*

This Order, which comes into force on 1st April 1988, increases from £2,300 to £2,400 the minimum basic award (before appropriate reductions) and increases the limits of £11,500, £23,000 and £17,250 to £11,950, £23,850 and £17,900 respectively, applicable to calculation of the special award. These limits and the minimum basic award are only 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.

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