
EXPLANATORY NOTE

(This note is not part of the Order)

This Order, which applies in relation to England and Wales and comes into force on the day after it is made, enables an employee to bring a claim for damages for breach of his contract of employment, or for a sum due under that contract, before an industrial tribunal if the claim arises or is outstanding on the termination of his employment. The Order also enables an employer to make such a claim against an employee where the employee has claimed against him under the Order.

Article 5 contains certain exclusions. Broadly, these relate to claims about the provision of living accommodation, intellectual property (for example, copyright), obligations of confidence on the employee and covenants in restraint of trade.

Articles 7 and 8 provide that an employee's complaint about a contractual claim must normally be presented within a period of three months beginning with the "effective date of termination" as defined in section 55(4) of the Employment Protection (Consolidation) Act 1978, and that an employer's complaint about a contractual claim must be presented within six weeks of receiving a copy of an originating application relating to the employee's complaint. The tribunal is given a discretion to allow a complaint to be presented later if it was not reasonably practicable for the complaint to be presented within these periods.

Article 10 provides that the maximum which a tribunal may order to be paid in respect of a contract claim, or a number of claims relating to the same contract, is £25,000.

The Order contains a transitional provision.