

*"Your staff are your most valuable resource..." Whether your company employs two people or two hundred, this key item should be at the top of every manager's priority list. Yet, keeping up to date with changing employment legislation - especially with added European Community Directives - becomes more complex and costly every day. In these Fact Sheets, we have tried to provide basic guidelines and ideas to help you adapt or improve your personnel procedures. Please remember the advice given is general and not intended to be legally definitive. The Fact Sheets on various employment and human resource matters can be accessed at [www.aslrecruitment.co.uk/useful-resources](http://www.aslrecruitment.co.uk/useful-resources)*

## LIMITS FOR AWARDS IN UNFAIR DISMISSAL CLAIMS INCREASE

The Employment Rights (Increase of Limits) Order 2012 (the ERO) increases the financial limits for various tribunal awards (including those for unfair dismissal) from 1 February 2013.

In particular, the ERO confirms that the following new rates will apply:

Subject of provision	Old limit – 1 February 2012	Current Limit – 1 February 2013
Unlawful inducement relating to trade union membership activities.	£3,500	£3,600
Minimum award where dismissal is unfair by virtue of the Trade Union Act 1992	£5,300	£5,500
Minimum award where individual excluded or expelled from union in contravention of the Trade Union Act 1992	£8,100	£8,400
Limit on guarantee daily payment to an employee	£23.50	£24.20
Minimum award where dismissal is unfair by virtue of the Employment Rights Act 1996	£5,300	£5,500
Limit on amount of compensatory award for unfair dismissal	£72,300	£74,200
Limits on amount in respect of any one week payable to an employee	£430	£450
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To calculate the basic award of compensation for unfair dismissal or a statutory redundancy payment, allow:

- One-and-a-half weeks' pay for each year of employment in which the employee was aged 41 or over;
- One week's pay for each year of employment in which the employee was aged between 22 and 40-; and
- Half-a-week's pay for each year of employment in which the employee was aged 21.