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## NEW COMPENSATION LIMITS

It's that time of year again when the compensation limits increase.

As from the 1<sup>st</sup> February 2007, the following changes apply:

- The limit on the amount of a week's pay for the purposes of calculating, among other things, statutory redundancy payments and the basic award for unfair dismissal will increase from £290 to **£310** with the maximum basic award capped at **£9,300**
- The maximum compensatory award for unfair dismissal increases from £58,400 to **£60,600**
- Guarantee increases from the rate of £18.90 a day to £19.60 a day
- The minimum basic award in cases where the dismissal was unfair by virtue of health and safety, employee representative, trade union, or occupational pension trustee reasons will increase from £4,000 to £4,200

These rates apply in cases where the event giving rise to compensation or payment occurs on or after the 1<sup>st</sup> February 2007.

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