



Employment Rights Act 1996

1996 CHAPTER 18

PART XIV

INTERPRETATION

CHAPTER I

CONTINUOUS EMPLOYMENT

Modifications etc. (not altering text)

- C1** Pt. XIV Ch. I (ss. 210-219) applied (with modifications) (1.4.1998) by [S.I. 1998/366](#), [reg. 31\(7\)](#)
Pt. XIV Ch. I (ss. 210-219) applied (prosp.) by [1999 c. 29](#), ss. 411(10), 425(2), [Sch. 32 para. 3\(8\)](#)
(with [Sch. 12 para. 9\(1\)](#))
Pt. XIV Ch. I (ss. 210-219) applied (29.1.2001) by [S.I. 2000/3386](#), [art. 1\(5\)](#)
Pt. XIV Ch. I (ss. 210-219) applied (E.W.) (21.5.2001) by [S.I. 2001/1185](#), arts. 3, 4, [Sch. para. 120](#)
- C2** Pt. 14 Ch. 1 applied (1.10.2002) by The Fixed-term [Employees \(Prevention of Less Favourable Treatment\) Regulations 2002 \(S.I. 2002/2034\)](#), [reg. 8\(4\)](#) (with [regs. 13-20](#))
Pt. 14 Ch. 1 applied (6.4.2002) by The Flexible working (Eligibility, Complaints and Remedies) Regulations 2002 ([S.I. 2002/3236](#)), {[reg. 3](#)}
- C3** Pt. 14 Ch. 1 applied (20.11.2003) by [Health and Social Care \(Community Health and Standards\) Act 2003 \(c. 43\)](#), ss. 1, 199(1)(4), [Sch. 1 para. 3\(3\)](#)
- C4** Pt. 14 Ch. 1 applied (E.W.) (1.3.2007) by [National Health Service Act 2006 \(c. 41\)](#), ss. 30, 227, [Sch. 7 para. 3\(4\)](#)

210 Introductory.

- (1) References in any provision of this Act to a period of continuous employment are (unless provision is expressly made to the contrary) to a period computed in accordance with this Chapter.

Status: Point in time view as at 01/08/1998.

Changes to legislation: Employment Rights Act 1996, Part XIV is up to date with all changes known to be in force on or before 11 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)

- (2) In any provision of this Act which refers to a period of continuous employment expressed in months or years—
 - (a) a month means a calendar month, and
 - (b) a year means a year of twelve calendar months.
- (3) In computing an employee's period of continuous employment for the purposes of any provision of this Act, any question—
 - (a) whether the employee's employment is of a kind counting towards a period of continuous employment, or
 - (b) whether periods (consecutive or otherwise) are to be treated as forming a single period of continuous employment,
 shall be determined week by week; but where it is necessary to compute the length of an employee's period of employment it shall be computed in months and years of twelve months in accordance with section 211.
- (4) Subject to sections 215 to 217, a week which does not count in computing the length of a period of continuous employment breaks continuity of employment.
- (5) A person's employment during any period shall, unless the contrary is shown, be presumed to have been continuous.

211 Period of continuous employment.

- (1) An employee's period of continuous employment for the purposes of any provision of this Act—
 - (a) (subject to subsections (2) and (3)) begins with the day on which the employee starts work, and
 - (b) ends with the day by reference to which the length of the employee's period of continuous employment is to be ascertained for the purposes of the provision.
- (2) For the purposes of sections 155 and 162(1), an employee's period of continuous employment shall be treated as beginning on the employee's eighteenth birthday if that is later than the day on which the employee starts work.
- (3) If an employee's period of continuous employment includes one or more periods which (by virtue of section 215, 216 or 217) while not counting in computing the length of the period do not break continuity of employment, the beginning of the period shall be treated as postponed by the number of days falling within that intervening period, or the aggregate number of days falling within those periods, calculated in accordance with the section in question.

212 Weeks counting in computing period.

- (1) Any week during the whole or part of which an employee's relations with his employer are governed by a contract of employment counts in computing the employee's period of employment.
- (2) Any week (not within subsection (1)) during an employee's period of absence from work occasioned wholly or partly by pregnancy or childbirth after which the employee returns to work in accordance with section 79, or in pursuance of an offer described in section 96(3), counts in computing the employee's period of employment.

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- (3) Subject to subsection (4), any week (not within subsection (1)) during the whole or part of which an employee is—
- (a) incapable of work in consequence of sickness or injury,
 - (b) absent from work on account of a temporary cessation of work,
 - (c) absent from work in circumstances such that, by arrangement or custom, he is regarded as continuing in the employment of his employer for any purpose, or
 - (d) absent from work wholly or partly because of pregnancy or childbirth,
- counts in computing the employee's period of employment.
- (4) Not more than twenty-six weeks count under subsection (3)(a) or (subject to subsection (2)) subsection (3)(d) between any periods falling under subsection (1).

213 Intervals in employment.

- (1) Where in the case of an employee a date later than the date which would be the effective date of termination by virtue of subsection (1) of section 97 is treated for certain purposes as the effective date of termination by virtue of subsection (2) or (4) of that section, the period of the interval between the two dates counts as a period of employment in ascertaining for the purposes of section 108(1) or 119(1) the period for which the employee has been continuously employed.
- (2) Where an employee is by virtue of section 138(1) regarded for the purposes of Part XI as not having been dismissed by reason of a renewal or re-engagement taking effect after an interval, the period of the interval counts as a period of employment in ascertaining for the purposes of section 155 or 162(1) the period for which the employee has been continuously employed (except so far as it is to be disregarded under section 214 or 215).
- (3) Where in the case of an employee a date later than the date which would be the relevant date by virtue of subsections (2) to (4) of section 145 is treated for certain purposes as the relevant date by virtue of subsection (5) of that section, the period of the interval between the two dates counts as a period of employment in ascertaining for the purposes of section 155 or 162(1) the period for which the employee has been continuously employed (except so far as it is to be disregarded under section 214 or 215).

214 Special provisions for redundancy payments.

- (1) This section applies where a period of continuous employment has to be determined in relation to an employee for the purposes of the application of section 155 or 162(1).
- (2) The continuity of a period of employment is broken where—
- (a) a redundancy payment has previously been paid to the employee (whether in respect of dismissal or in respect of lay-off or short-time), and
 - (b) the contract of employment under which the employee was employed was renewed (whether by the same or another employer) or the employee was re-engaged under a new contract of employment (whether by the same or another employer).
- (3) The continuity of a period of employment is also broken where—
- (a) a payment has been made to the employee (whether in respect of the termination of his employment or lay-off or short-time) in accordance with

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- a scheme under section 1 of the ^{M1}Superannuation Act 1972 or arrangements falling within section 177(3), and
- (b) he commenced new, or renewed, employment.
- (4) The date on which the person's continuity of employment is broken by virtue of this section—
- (a) if the employment was under a contract of employment, is the date which was the relevant date in relation to the payment mentioned in subsection (2)(a) or (3)(a), and
- (b) if the employment was otherwise than under a contract of employment, is the date which would have been the relevant date in relation to the payment mentioned in subsection (2)(a) or (3)(a) had the employment been under a contract of employment.
- (5) For the purposes of this section a redundancy payment shall be treated as having been paid if—
- (a) the whole of the payment has been paid to the employee by the employer,
- (b) a tribunal has determined liability and found that the employer must pay part (but not all) of the redundancy payment and the employer has paid that part, or
- (c) the Secretary of State has paid a sum to the employee in respect of the redundancy payment under section 167.

Modifications etc. (not altering text)

C5 S. 214 excluded (13.1.1997) by [S.I. 1996/3147](#), [reg. 4](#)

Marginal Citations

M1 1972 c. 11.

215 Employment abroad etc.

- (1) This Chapter applies to a period of employment—
- (a) (subject to the following provisions of this section) even where during the period the employee was engaged in work wholly or mainly outside Great Britain, and
- (b) even where the employee was excluded by or under this Act from any right conferred by this Act.
- (2) For the purposes of sections 155 and 162(1) a week of employment does not count in computing a period of employment if the employee—
- (a) was employed outside Great Britain during the whole or part of the week, and
- (b) was not during that week an employed earner for the purposes of the ^{M2}Social Security Contributions and Benefits Act 1992 in respect of whom a secondary Class 1 contribution was payable under that Act (whether or not the contribution was in fact paid).
- (3) Where by virtue of subsection (2) a week of employment does not count in computing a period of employment, the continuity of the period is not broken by reason only that the week does not count in computing the period; and the number of days which, for the purposes of section 211(3), fall within the intervening period is seven for each week within this subsection.

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- (4) Any question arising under subsection (2) whether—
- (a) a person was an employed earner for the purposes of the Social Security Contributions and Benefits Act 1992, or
 - (b) if so, whether a secondary Class 1 contribution was payable in respect of him under that Act,
- shall be determined by the Secretary of State.
- (5) Any legislation (including regulations) as to the determination of questions which under the ^{M3}Social Security Administration Act 1992 the Secretary of State is empowered to determine (including provisions as to the reference of questions for decision, or as to appeals, to the High Court or the Court of Session) apply to the determination of any question by the Secretary of State under subsection (4).
- (6) Subsection (2) does not apply in relation to a person who is—
- (a) employed as a master or seaman in a British ship, and
 - (b) ordinarily resident in Great Britain.

Marginal Citations

M2 1992 c. 4.

M3 1992 c. 5.

216 Industrial disputes.

- (1) A week does not count under section 212 if during the week, or any part of the week, the employee takes part in a strike.
- (2) The continuity of an employee's period of employment is not broken by a week which does not count under this Chapter (whether or not by virtue only of subsection (1)) if during the week, or any part of the week, the employee takes part in a strike; and the number of days which, for the purposes of section 211(3), fall within the intervening period is the number of days between the last working day before the strike and the day on which work was resumed.
- (3) The continuity of an employee's period of employment is not broken by a week if during the week, or any part of the week, the employee is absent from work because of a lock-out by the employer; and the number of days which, for the purposes of section 211(3), fall within the intervening period is the number of days between the last working day before the lock-out and the day on which work was resumed.

217 Reinstatement after military service.

- (1) If a person who is entitled to apply to his former employer under the ^{M4}Reserve Forces (Safeguard of Employment) Act 1985 enters the employment of the employer not later than the end of the six month period mentioned in section 1(4)(b) of that Act, his period of service in the armed forces of the Crown in the circumstances specified in section 1(1) of that Act does not break his continuity of employment.
- (2) In the case of such a person the number of days which, for the purposes of section 211(3), fall within the intervening period is the number of days between the last day of his previous period of employment with the employer (or, if there was more

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than one such period, the last of them) and the first day of the period of employment beginning in the six month period.

Marginal Citations

M4 1985 c. 17.

218 Change of employer.

- (1) Subject to the provisions of this section, this Chapter relates only to employment by the one employer.
- (2) If a trade or business, or an undertaking (whether or not established by or under an Act), is transferred from one person to another—
 - (a) the period of employment of an employee in the trade or business or undertaking at the time of the transfer counts as a period of employment with the transferee, and
 - (b) the transfer does not break the continuity of the period of employment.
- (3) If by or under an Act (whether public or local and whether passed before or after this Act) a contract of employment between any body corporate and an employee is modified and some other body corporate is substituted as the employer—
 - (a) the employee's period of employment at the time when the modification takes effect counts as a period of employment with the second body corporate, and
 - (b) the change of employer does not break the continuity of the period of employment.
- (4) If on the death of an employer the employee is taken into the employment of the personal representatives or trustees of the deceased—
 - (a) the employee's period of employment at the time of the death counts as a period of employment with the employer's personal representatives or trustees, and
 - (b) the death does not break the continuity of the period of employment.
- (5) If there is a change in the partners, personal representatives or trustees who employ any person—
 - (a) the employee's period of employment at the time of the change counts as a period of employment with the partners, personal representatives or trustees after the change, and
 - (b) the change does not break the continuity of the period of employment.
- (6) If an employee of an employer is taken into the employment of another employer who, at the time when the employee enters the second employer's employment, is an associated employer of the first employer—
 - (a) the employee's period of employment at that time counts as a period of employment with the second employer, and
 - (b) the change of employer does not break the continuity of the period of employment.
- ^{F1}(7) If an employee of the governors of a school maintained by a local education authority is taken into the employment of the authority or an employee of a local education

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authority is taken into the employment of the governors of a school maintained by the authority—

- (a) his period of employment at the time of the change of employer counts as a period of employment with the second employer, and
- (b) the change does not break the continuity of the period of employment.

(8) If a person employed in relevant employment by a health service employer is taken into relevant employment by another such employer, his period of employment at the time of the change of employer counts as a period of employment with the second employer and the change does not break the continuity of the period of employment.

(9) For the purposes of subsection (8) employment is relevant employment if it is employment of a description—

- (a) in which persons are engaged while undergoing professional training which involves their being employed successively by a number of different health service employers, and
- (b) which is specified in an order made by the Secretary of State.

(10) The following are health service employers for the purposes of subsections (8) and (9)—

- (a) Health Authorities established under section 8 of the ^{M5}National Health Service Act 1977,
- (b) Special Health Authorities established under section 11 of that Act,
- (c) National Health Service trusts established under Part I of the ^{M6}National Health Service and Community Care Act 1990,
- (d) the Dental Practice Board, and
- (e) the Public Health Laboratory Service Board.

Textual Amendments

F1 S. 218(7) extended (*temp.* from 1.4.1999 to 1.9.1999) by S.I. 1999/638, **reg. 4**

Marginal Citations

M5 1977 c. 49.

M6 1990 c. 19.

219 Reinstatement or re-engagement of dismissed employee.

(1) Regulations made by the Secretary of State may make provision—

- (a) for preserving the continuity of a person's period of employment for the purposes of this Chapter or for the purposes of this Chapter as applied by or under any other enactment specified in the regulations, or
- (b) for modifying or excluding the operation of section 214 subject to the recovery of any such payment as is mentioned in that section,

in cases where ^{F2}... a dismissed employee is reinstated [^{F3}, re-engaged or otherwise re-employed] by his employer or by a successor or associated employer of that employer [^{F4}in any circumstances prescribed by the regulations.]

^{F5}(2)

^{F5}(3)

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^{F5}(4)

Textual Amendments

- F2** Words in s. 219(1) repealed (1.8.1998) by 1998 c. 8, s. 15, Sch. 1 para. 25(2)(a), **Sch. 2**; S.I. 1998/1658, art. 2(1), **Sch. 1**
- F3** Words in s. 219(1) substituted (1.8.1998) by 1998 c. 8, s. 15, **Sch. 1 para. 25(2)(b)**; S.I. 1998/1658, art. 2(1), **Sch. 1**
- F4** Words in s. 219(1) inserted (1.8.1998) by 1998 c. 8, s. 15, **Sch. 1 para. 25(2)(c)**; S.I. 1998/1658, art. 2(1), **Sch. 1**
- F5** S. 219(2)-(4) repealed (1.8.1998) by 1998 c. 8, s. 15, Sch. 1 para. 25(3), **Sch. 2**; S.I. 1998/1658, art. 2(1), **Sch. 1**

Modifications etc. (not altering text)

- C6** S. 219 restricted (W.) (12.5.2006) by The Education (Modification of Enactments Relating to Employment) (Wales) Order 2006 (S.I. 2006/1073), arts. 1(1), **5(2)**

CHAPTER II

A WEEK'S PAY

Modifications etc. (not altering text)

- C7** Pt. XIV Ch. II (ss. 220-229) applied (with modifications) (1.8.1998) by 1992 c. 52, s. **87(8)** (as substituted (1.8.1998) by 1998 c. 8, s. **6**; S.I. 1998/1658, art. 2(1), **Sch. 1** (with art. 3(2))
 Pt. XIV Ch. II (ss. 220-229) applied (with modifications) (4.9.2000) by 1999 c. 26, s. **11(4)** (with ss. 14, 15); S.I. 2000/2242, art. **2(1)**
 Pt. XIV Ch. II (ss. 220-229) applied (15.12.1999) by S.I. 1999/3312, **reg. 2(2)**
 Pt. XIV Ch. II (ss. 220-229) applied (with modifications) (21.6.2000) by S.I. 2000/1410, **Pt. III reg. 6(4)** (as amended (retrospectively) by S.I. 2002/769, **regs. 1(1)**, 3(b) (with reg. 12))
 Pt. XIV Ch. II (ss. 220-229) applied (E.W.) (21.5.2001) by S.I. 2001/1185, arts. 2, 3, **Sch. para. 122**
- C8** Pt. XIV Ch. II (ss. 220-229) modified (15.12.1999) by S.I. 1999/3312, **reg. 22**
- C9** Pt. XIV Ch. II (ss. 220-229) extended (15.1.2000) by S.I. 1999/3323, **reg. 26(2)**
- C10** Pt. 14 Ch. 2 applied (with modifications) (1.10.2004) by Employment Act 2002 (c. 22), **ss. 38(6)(7)**, 55(2); S.I. 2004/1717, art. **2(2)** (subject to art. 3)
- C11** Pt. 14 Ch. 2 applied (8.10.2004) by The European Public Limited-Liability Company Regulations 2004 (S.I. 2004/2326), regs. 1(2), **40(2)**
- C12** Pt. 14 Ch. 2 applied (6.4.2005) by The Information and Consultation of Employees Regulations 2004 (S.I. 2004/3426), regs. 1(2), **28(2)** (with reg. 3)
- C13** Pt. 14 Ch. 2 applied (18.8.2006) by The European Cooperative Society (Involvement of Employees) Regulations 2006 (S.I. 2006/2059), regs. 1(2), **29(2)**
- C14** Pt. 14 Ch. 2 applied (1.10.2006) by The Employment Equality (Age) Regulations 2006 (S.I. 2006/1031), regs. 1(1), 47, **Sch. 6 para. 11(4)** (with regs. 44-46, Sch. 7)
- C15** Pt. 14 Ch. 2 applied (1.10.2006) by The Employment Equality (Age) Regulations 2006 (S.I. 2006/1031), regs. 1(1), 47, **Sch. 6 para. 12(4)** (with regs. 44-46, Sch. 7)
- C16** Pt. 14 Ch. 2 applied (15.12.2007) by The Companies (Cross-Border Mergers) Regulations 2007 (S.I. 2007/2974), **reg. 44(2)**
- C17** Pt. 14 Ch. 2 applied (1.10.2009) by The European Public Limited-Liability Company (Employee Involvement) (Great Britain) Regulations 2009 (S.I. 2009/2401), **reg. 27(2)** (with reg. 41)

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C18 Pt. 14 Ch. 2 modified (6.4.2010) by [The Employee Study and Training \(Procedural Requirements\) Regulations 2010 \(S.I. 2010/155\)](#), [reg. 17\(4\)](#)

Introductory

220 Introductory.

The amount of a week's pay of an employee shall be calculated for the purposes of this Act in accordance with this Chapter.

Modifications etc. (not altering text)

C19 [Ss. 220-224](#) applied (with modifications) (4.3.1998) by [S.I. 1998/192](#), [reg. 37\(1\)](#)

C20 [Ss. 220-228](#) applied (6.4.2006 with application in accordance with reg. 21(1) of the amending S.I.) by [The Transfer of Undertakings \(Protection of Employment\) Regulations 2006 \(S.I. 2006/246\)](#), [regs. 1\(2\), 16\(4\)](#) (with [reg. 21\(5\)](#))

Employments with normal working hours

221 General.

- (1) This section and sections 222 and 223 apply where there are normal working hours for the employee when employed under the contract of employment in force on the calculation date.
- (2) Subject to section 222, if the employee's remuneration for employment in normal working hours (whether by the hour or week or other period) does not vary with the amount of work done in the period, the amount of a week's pay is the amount which is payable by the employer under the contract of employment in force on the calculation date if the employee works throughout his normal working hours in a week.
- (3) Subject to section 222, if the employee's remuneration for employment in normal working hours (whether by the hour or week or other period) does vary with the amount of work done in the period, the amount of a week's pay is the amount of remuneration for the number of normal working hours in a week calculated at the average hourly rate of remuneration payable by the employer to the employee in respect of the period of twelve weeks ending—
 - (a) where the calculation date is the last day of a week, with that week, and
 - (b) otherwise, with the last complete week before the calculation date.
- (4) In this section references to remuneration varying with the amount of work done includes remuneration which may include any commission or similar payment which varies in amount.
- (5) This section is subject to sections 227 and 228.

Modifications etc. (not altering text)

C21 [Ss. 220-224](#) applied (with modifications) (4.3.1998) by [S.I. 1998/192](#), [reg. 37\(1\)](#)

C22 [Ss. 221-224](#) applied (with modifications) (24.12.2003) by [The Merchant Shipping \(Working Time: Inland Waterways\) Regulations 2003 \(S.I. 2003/3049\)](#), [reg. 11\(4\)](#)

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- C23** Ss. 221-224 applied (with modifications) (16.8.2004) by [The Fishing Vessels \(Working Time: Sea-fishermen\) Regulations 2004 \(S.I. 2004/1713\)](#), regs. 1, 4, **11(4)**
- C24** Ss. 220-228 applied (6.4.2006 with application in accordance with reg. 21(1) of the amending S.I.) by [The Transfer of Undertakings \(Protection of Employment\) Regulations 2006 \(S.I. 2006/246\)](#), regs. 1(2), **16(4)** (with reg. 21(5))

222 Remuneration varying according to time of work.

- (1) This section applies if the employee is required under the contract of employment in force on the calculation date to work during normal working hours on days of the week, or at times of the day, which differ from week to week or over a longer period so that the remuneration payable for, or apportionable to, any week varies according to the incidence of those days or times.
- (2) The amount of a week's pay is the amount of remuneration for the average number of weekly normal working hours at the average hourly rate of remuneration.
- (3) For the purposes of subsection (2)—
 - (a) the average number of weekly hours is calculated by dividing by twelve the total number of the employee's normal working hours during the relevant period of twelve weeks, and
 - (b) the average hourly rate of remuneration is the average hourly rate of remuneration payable by the employer to the employee in respect of the relevant period of twelve weeks.
- (4) In subsection (3) "the relevant period of twelve weeks" means the period of twelve weeks ending—
 - (a) where the calculation date is the last day of a week, with that week, and
 - (b) otherwise, with the last complete week before the calculation date.
- (5) This section is subject to sections 227 and 228.

Modifications etc. (not altering text)

- C25** Ss. 220-224 applied (with modifications) (4.3.1998) by [S.I. 1998/192](#), **reg. 37(1)**
- C26** Ss. 221-224 applied (with modifications) (24.12.2003) by [The Merchant Shipping \(Working Time: Inland Waterways\) Regulations 2003 \(S.I. 2003/3049\)](#), **reg. 11(4)**
- C27** Ss. 221-224 applied (with modifications) (16.8.2004) by [The Fishing Vessels \(Working Time: Sea-fishermen\) Regulations 2004 \(S.I. 2004/1713\)](#), regs. 1, 4, **11(4)**
- C28** Ss. 220-228 applied (6.4.2006 with application in accordance with reg. 21(1) of the amending S.I.) by [The Transfer of Undertakings \(Protection of Employment\) Regulations 2006 \(S.I. 2006/246\)](#), regs. 1(2), **16(4)** (with reg. 21(5))

223 Supplementary.

- (1) For the purposes of sections 221 and 222, in arriving at the average hourly rate of remuneration, only—
 - (a) the hours when the employee was working, and
 - (b) the remuneration payable for, or apportionable to, those hours, shall be brought in.

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(2) If for any of the twelve weeks mentioned in sections 221 and 222 no remuneration within subsection (1)(b) was payable by the employer to the employee, account shall be taken of remuneration in earlier weeks so as to bring up to twelve the number of weeks of which account is taken.

(3) Where—

- (a) in arriving at the average hourly rate of remuneration, account has to be taken of remuneration payable for, or apportionable to, work done in hours other than normal working hours, and
- (b) the amount of that remuneration was greater than it would have been if the work had been done in normal working hours (or, in a case within section 234(3), in normal working hours falling within the number of hours without overtime),

account shall be taken of that remuneration as if the work had been done in such hours and the amount of that remuneration had been reduced accordingly.

Modifications etc. (not altering text)

- C29** Ss. 220-224 applied (with modifications) (4.3.1998) by [S.I. 1998/192](#), [reg. 37\(1\)](#)
- C30** Ss. 221-224 applied (with modifications) (24.12.2003) by [The Merchant Shipping \(Working Time: Inland Waterways\) Regulations 2003](#) (S.I. 2003/3049), [reg. 11\(4\)](#)
- C31** Ss. 221-224 applied (with modifications) (16.8.2004) by [The Fishing Vessels \(Working Time: Sea-fishermen\) Regulations 2004](#) (S.I. 2004/1713), [regs. 1, 4, 11\(4\)](#)
- C32** Ss. 220-228 applied (6.4.2006 with application in accordance with [reg. 21\(1\)](#) of the amending S.I.) by [The Transfer of Undertakings \(Protection of Employment\) Regulations 2006](#) (S.I. 2006/246), [regs. 1\(2\), 16\(4\)](#) (with [reg. 21\(5\)](#))

Employments with no normal working hours

224 Employments with no normal working hours.

- (1) This section applies where there are no normal working hours for the employee when employed under the contract of employment in force on the calculation date.
- (2) The amount of a week's pay is the amount of the employee's average weekly remuneration in the period of twelve weeks ending—
 - (a) where the calculation date is the last day of a week, with that week, and
 - (b) otherwise, with the last complete week before the calculation date.
- (3) In arriving at the average weekly remuneration no account shall be taken of a week in which no remuneration was payable by the employer to the employee and remuneration in earlier weeks shall be brought in so as to bring up to twelve the number of weeks of which account is taken.
- (4) This section is subject to sections 227 and 228.

Modifications etc. (not altering text)

- C33** Ss. 220-224 applied (with modifications) (4.3.1998) by [S.I. 1998/192](#), [reg. 37\(1\)](#)
- C34** Ss. 221-224 applied (with modifications) (24.12.2003) by [The Merchant Shipping \(Working Time: Inland Waterways\) Regulations 2003](#) (S.I. 2003/3049), [reg. 11\(4\)](#)

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- C35** Ss. 221-224 applied (with modifications) (16.8.2004) by [The Fishing Vessels \(Working Time: Sea-fishermen\) Regulations 2004 \(S.I. 2004/1713\)](#), regs. 1, 4, **11(4)**
- C36** Ss. 220-228 applied (6.4.2006 with application in accordance with reg. 21(1) of the amending S.I.) by [The Transfer of Undertakings \(Protection of Employment\) Regulations 2006 \(S.I. 2006/246\)](#), regs. 1(2), **16(4)** (with reg. 21(5))

The calculation date

225 Rights during employment.

- (1) Where the calculation is for the purposes of section 30, the calculation date is—
 - (a) where the employee's contract has been varied, or a new contract entered into, in connection with a period of short-time working, the last day on which the original contract was in force, and
 - (b) otherwise, the day in respect of which the guarantee payment is payable.
- (2) Where the calculation is for the purposes of section 53 or 54, the calculation date is the day on which the employer's notice was given.
- (3) Where the calculation is for the purposes of section 56, the calculation date is the day of the appointment.
- (4) Where the calculation is for the purposes of section 62, the calculation date is the day on which the time off was taken or on which it is alleged the time off should have been permitted.
- (5) Where the calculation is for the purposes of section 69—
 - (a) in the case of an employee suspended on medical grounds, the calculation date is the day before that on which the suspension begins, and
 - (b) in the case of an employee suspended on maternity grounds, the calculation date is—
 - (i) where the day before that on which the suspension begins falls within either the employee's maternity leave period or the further period up to the day on which the employee exercises the right conferred on her by section 79, the day before the beginning of the maternity leave period, and
 - (ii) otherwise, the day before that on which the suspension begins.

226 Rights on termination.

- (1) Where the calculation is for the purposes of section 88 or 89, the calculation date is the day immediately preceding the first day of the period of notice required by section 86(1) or (2).
- (2) Where the calculation is for the purposes of section 93, 117 or 125, the calculation date is—
 - (a) if the dismissal was with notice, the date on which the employer's notice was given, and
 - (b) otherwise, the effective date of termination.
- (3) Where the calculation is for the purposes of section 119 or 121, the calculation date is—

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- (a) if the employee is taken to be dismissed by virtue of section 96(1), the last day on which the employee worked under her contract of employment immediately before the beginning of her maternity leave period,
 - (b) if by virtue of subsection (2) or (4) of section 97 a date later than the effective date of termination as defined in subsection (1) of that section is to be treated for certain purposes as the effective date of termination, the effective date of termination as so defined, and
 - (c) otherwise, the date specified in subsection (6).
- (4) Where the calculation is for the purposes of section 147(2), the calculation date is the day immediately preceding the first of the four, or six, weeks referred to in section 148(2).
- (5) Where the calculation is for the purposes of section 162, the calculation date is—
 - (a) if the employee is taken to be dismissed by virtue of section 137(1), the last day on which the employee worked under her contract of employment immediately before the beginning of her maternity leave period,
 - (b) if by virtue of subsection (5) of section 145 a date is to be treated for certain purposes as the relevant date which is later than the relevant date as defined by the previous provisions of that section, the relevant date as so defined, and
 - (c) otherwise, the date specified in subsection (6).
- (6) The date referred to in subsections (3)(c) and (5)(c) is the date on which notice would have been given had—
 - (a) the contract been terminable by notice and been terminated by the employer giving such notice as is required by section 86 to terminate the contract, and
 - (b) the notice expired on the effective date of termination, or the relevant date, (whether or not those conditions were in fact fulfilled).

Modifications etc. (not altering text)

C37 Ss. 226-229 applied (with modifications) (4.3.1998) by S.I. 1998/192, reg. 37(1)

Maximum amount of week's pay

227 Maximum amount.

- (1) For the purpose of calculating—
 - (a) a basic award of compensation for unfair dismissal,
 - (b) an additional award of compensation for unfair dismissal, or
 - (c) a redundancy payment,the amount of a week's pay shall not exceed [^{F6}£220].
- (2) The Secretary of State may vary the limits imposed by subsection (1), after a review under section 208, by order made in accordance with that section.
- (3) Such an order may provide that it applies in the case of a dismissal—
 - (a) in relation to which the date which is the effective date of termination for the purposes of this subsection by virtue of section 97(2) or (4) falls after the order comes into force, or

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(b) in relation to which the date which is the relevant date for the purposes of this subsection by virtue of section 145(5) falls after the order comes into force, even if the date which is the effective date of termination, or the relevant date, for other purposes of this Act falls before the order comes into force.

(4) Subsection (3)—

- (a) does not apply to a case within section 96(1) or 137(1), but
- (b) is without prejudice to section 236(5).

Textual Amendments

F6 Sum in s. 227(1) substituted (1.4.1998) by [S.I. 1998/924, art. 3, Sch.](#) (with art. 4)

Modifications etc. (not altering text)

C38 [Ss. 226-229](#) applied (with modifications) (4.3.1998) by [S.I. 1998/192, reg. 37\(1\)](#)

C39 [S. 227\(1\)\(c\)](#) excluded (4.3.1998) by [S.I. 1998/192, reg. 37\(1\)](#)

Miscellaneous

228 New employments and other special cases.

- (1) In any case in which the employee has not been employed for a sufficient period to enable a calculation to be made under the preceding provisions of this Chapter, the amount of a week's pay is the amount which fairly represents a week's pay.
- (2) In determining that amount the [^{F7}employment tribunal]—
 - (a) shall apply as nearly as may be such of the preceding provisions of this Chapter as it considers appropriate, and
 - (b) may have regard to such of the considerations specified in subsection (3) as it thinks fit.
- (3) The considerations referred to in subsection (2)(b) are—
 - (a) any remuneration received by the employee in respect of the employment in question,
 - (b) the amount offered to the employee as remuneration in respect of the employment in question,
 - (c) the remuneration received by other persons engaged in relevant comparable employment with the same employer, and
 - (d) the remuneration received by other persons engaged in relevant comparable employment with other employers.
- (4) The Secretary of State may by regulations provide that in cases prescribed by the regulations the amount of a week's pay shall be calculated in such manner as may be so prescribed.

Textual Amendments

F7 Words in [s. 228\(2\)](#) substituted (1.8.1998) by [1998 c. 8, s. 1\(2\)\(a\)](#) (with [s. 16\(2\)](#)); [S.I. 1998/1658, art. 2\(1\), Sch. 1](#)

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Modifications etc. (not altering text)

- C40** Ss. 226-229 applied (with modifications) (4.3.1998) by [S.I. 1998/192](#), [reg. 37\(1\)](#)
- C41** Ss. 220-228 applied (6.4.2006 with application in accordance with reg. 21(1) of the amending S.I.) by [The Transfer of Undertakings \(Protection of Employment\) Regulations 2006](#) (S.I. 2006/246), [regs. 1\(2\), 16\(4\)](#) (with [reg. 21\(5\)](#))

229 Supplementary.

- (1) In arriving at—
- (a) an average hourly rate of remuneration, or
 - (b) average weekly remuneration,
- under this Chapter, account shall be taken of work for a former employer within the period for which the average is to be taken if, by virtue of Chapter I of this Part, a period of employment with the former employer counts as part of the employee's continuous period of employment.
- (2) Where under this Chapter account is to be taken of remuneration or other payments for a period which does not coincide with the periods for which the remuneration or other payments are calculated, the remuneration or other payments shall be apportioned in such manner as may be just.

Modifications etc. (not altering text)

- C42** Ss. 226-229 applied (with modifications) (4.3.1998) by [S.I. 1998/192](#), [reg. 37\(1\)](#)

CHAPTER III

OTHER INTERPRETATION PROVISIONS

230 Employees, workers etc.

- (1) In this Act “employee” means an individual who has entered into or works under (or, where the employment has ceased, worked under) a contract of employment.
- (2) In this Act “contract of employment” means a contract of service or apprenticeship, whether express or implied, and (if it is express) whether oral or in writing.
- (3) In this Act “worker” (except in the phrases “shop worker” and “betting worker”) means an individual who has entered into or works under (or, where the employment has ceased, worked under)—
- (a) a contract of employment, or
 - (b) any other contract, whether express or implied and (if it is express) whether oral or in writing, whereby the individual undertakes to do or perform personally any work or services for another party to the contract whose status is not by virtue of the contract that of a client or customer of any profession or business undertaking carried on by the individual;
- and any reference to a worker's contract shall be construed accordingly.

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- (4) In this Act “employer”, in relation to an employee or a worker, means the person by whom the employee or worker is (or, where the employment has ceased, was) employed.
- (5) In this Act “employment”—
- (a) in relation to an employee, means (except for the purposes of section 171) employment under a contract of employment, and
 - (b) in relation to a worker, means employment under his contract;
- and “employed” shall be construed accordingly.

Modifications etc. (not altering text)

C43 [S. 230\(3\)\(b\)](#) applied (1.11.1998) by [1998 c. 39, s. 24\(5\)](#); [S.I. 1998/2574, art. 2\(1\)](#), [Sch. 1](#)

231 Associated employers.

For the purposes of this Act any two employers shall be treated as associated if—

- (a) one is a company of which the other (directly or indirectly) has control, or
 - (b) both are companies of which a third person (directly or indirectly) has control;
- and “associated employer” shall be construed accordingly.

Modifications etc. (not altering text)

C44 [S. 231](#) applied (8.12.2002) by [The Statutory Paternity Pay and Statutory Adoption Pay \(General\) Regulations 2002 \(S.I. 2002/2822\)](#), [reg. 36\(e\)](#)

232 Shop workers.

- (1) In this Act “shop worker” means an employee who, under his contract of employment, is or may be required to do shop work.
- (2) In this Act “shop work” means work in or about a shop in England or Wales on a day on which the shop is open for the serving of customers.
- (3) Subject to subsection (4), in this Act “shop” includes any premises where any retail trade or business is carried on.
- (4) Where premises are used mainly for purposes other than those of retail trade or business and would not (apart from subsection (3)) be regarded as a shop, only such part of the premises as—
- (a) is used wholly or mainly for the purposes of retail trade or business, or
 - (b) is used both for the purposes of retail trade or business and for the purposes of wholesale trade and is used wholly or mainly for those two purposes considered together,
- is to be regarded as a shop for the purposes of this Act.
- (5) In subsection (4)(b) “wholesale trade” means the sale of goods for use or resale in the course of a business or the hire of goods for use in the course of a business.
- (6) In this section “retail trade or business” includes—

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- (a) the business of a barber or hairdresser,
- (b) the business of hiring goods otherwise than for use in the course of a trade or business, and
- (c) retail sales by auction,

but does not include catering business or the sale at theatres and places of amusement of programmes, catalogues and similar items.

(7) In subsection (6) “catering business” means—

- (a) the sale of meals, refreshments or intoxicating liquor for consumption on the premises on which they are sold, or
- (b) the sale of meals or refreshments prepared to order for immediate consumption off the premises;

and in paragraph (a) “intoxicating liquor” has the same meaning as in the ^{M7}Licensing Act 1964.

(8) In this Act—

“notice period”, in relation to an opted-out shop worker, has the meaning given by section 41(3),

“opted-out”, in relation to a shop worker, shall be construed in accordance with section 41(1) and (2),

“opting-in notice”, in relation to a shop worker, has the meaning given by section 36(6),

“opting-out notice”, in relation to a shop worker, has the meaning given by section 40(2), and

“protected”, in relation to a shop worker, shall be construed in accordance with section 36(1) to (5).

Marginal Citations

M7 1964 c. 26.

233 Betting workers.

(1) In this Act “betting worker” means an employee who, under his contract of employment, is or may be required to do betting work.

(2) In this Act “betting work” means—

- (a) work at a track in England or Wales for a bookmaker on a day on which the bookmaker acts as such at the track, being work which consists of or includes dealing with betting transactions, and
- (b) work in a licensed betting office in England or Wales on a day on which the office is open for use for the effecting of betting transactions.

(3) In subsection (2) “betting transactions” includes the collection or payment of winnings on a bet and any transaction in which one or more of the parties is acting as a bookmaker.

(4) In this section “bookmaker” means any person who—

- (a) whether on his own account or as servant or agent to any other person, carries on (whether occasionally or regularly) the business of receiving or negotiating bets or conducting pool betting operations, or

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- (b) by way of business in any manner holds himself out, or permits himself to be held out, as a person who receives or negotiates bets or conducts such operations.
- (5) Expressions used in this section and in the ^{M8}Betting, Gaming and Lotteries Act 1963 have the same meaning in this section as in that Act.
- (6) In this Act—
 - “notice period”, in relation to an opted-out betting worker, has the meaning given by section 41(3),
 - “opted-out”, in relation to a betting worker, shall be construed in accordance with section 41(1) and (2),
 - “opting-in notice”, in relation to a betting worker, has the meaning given by section 36(6),
 - “opting-out notice”, in relation to a betting worker, has the meaning given by section 40(2), and
 - “protected”, in relation to a betting worker, shall be construed in accordance with section 36(1) to (5).

Marginal Citations

M8 1963 c. 2.

234 Normal working hours.

- (1) Where an employee is entitled to overtime pay when employed for more than a fixed number of hours in a week or other period, there are for the purposes of this Act normal working hours in his case.
- (2) Subject to subsection (3), the normal working hours in such a case are the fixed number of hours.
- (3) Where in such a case—
 - (a) the contract of employment fixes the number, or minimum number, of hours of employment in a week or other period (whether or not it also provides for the reduction of that number or minimum in certain circumstances), and
 - (b) that number or minimum number of hours exceeds the number of hours without overtime,
 the normal working hours are that number or minimum number of hours (and not the number of hours without overtime).

Modifications etc. (not altering text)

C45 S. 234 applied (prosp.) by Education and Skills Act 2008 (c. 25), ss. 5(5), 173(4) (with ss. 62(1)(5)(6), 64(1)(5)(6))

235 Other definitions.

- (1) In this Act, except in so far as the context otherwise requires—

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“act” and “action” each includes omission and references to doing an act or taking action shall be construed accordingly,

“basic award of compensation for unfair dismissal” shall be construed in accordance with section 118,

“business” includes a trade or profession and includes any activity carried on by a body of persons (whether corporate or unincorporated),

“childbirth” means the birth of a living child or the birth of a child whether living or dead after twenty-four weeks of pregnancy,

“collective agreement” has the meaning given by section 178(1) and (2) of the ^{M9}Trade Union and Labour Relations (Consolidation) Act 1992,

“conciliation officer” means an officer designated by the Advisory, Conciliation and Arbitration Service under section 211 of that Act,

“dismissal procedures agreement” means an agreement in writing with respect to procedures relating to dismissal made by or on behalf of one or more independent trade unions and one or more employers or employers’ associations,

“employers’ association” has the same meaning as in the Trade Union and Labour Relations (Consolidation) Act 1992,

“expected week of childbirth” means the week, beginning with midnight between Saturday and Sunday, in which it is expected that childbirth will occur,

“guarantee payment” has the meaning given by section 28,

“independent trade union” means a trade union which—

- (a) is not under the domination or control of an employer or a group of employers or of one or more employers’ associations, and
- (b) is not liable to interference by an employer or any such group or association (arising out of the provision of financial or material support or by any other means whatever) tending towards such control,

“job”, in relation to an employee, means the nature of the work which he is employed to do in accordance with his contract and the capacity and place in which he is so employed,

“maternity leave period” shall be construed in accordance with sections 72 and 73,

“notified day of return” shall be construed in accordance with section 83,

“position”, in relation to an employee, means the following matters taken as a whole—

- (a) his status as an employee,
- (b) the nature of his work, and
- (c) his terms and conditions of employment,

“redundancy payment” has the meaning given by Part XI,

“relevant date” has the meaning given by sections 145 and 153,

“renewal” includes extension, and any reference to renewing a contract or a fixed term shall be construed accordingly,

“statutory provision” means a provision, whether of a general or a special nature, contained in, or in any document made or issued under, any Act, whether of a general or special nature,

“successor”, in relation to the employer of an employee, means (subject to subsection (2)) a person who in consequence of a change occurring (whether by virtue of a sale or other disposition or by operation of law) in the ownership

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of the undertaking, or of the part of the undertaking, for the purposes of which the employee was employed, has become the owner of the undertaking or part,
 “trade union” has the meaning given by section 1 of the ^{M10}Trade Union and Labour Relations (Consolidation) Act 1992,
 “week”—

- (a) in Chapter I of this Part means a week ending with Saturday, and
- (b) otherwise, except in section 86, means, in relation to an employee whose remuneration is calculated weekly by a week ending with a day other than Saturday, a week ending with that other day and, in relation to any other employee, a week ending with Saturday.

(2) The definition of “successor” in subsection (1) has effect (subject to the necessary modifications) in relation to a case where—

- (a) the person by whom an undertaking or part of an undertaking is owned immediately before a change is one of the persons by whom (whether as partners, trustees or otherwise) it is owned immediately after the change, or
- (b) the persons by whom an undertaking or part of an undertaking is owned immediately before a change (whether as partners, trustees or otherwise) include the persons by whom, or include one or more of the persons by whom, it is owned immediately after the change,

as it has effect where the previous owner and the new owner are wholly different persons.

(3) References in this Act to redundancy, dismissal by reason of redundancy and similar expressions shall be construed in accordance with section 139.

(4) In sections 136(2), 154 and 216(3) and paragraph 14 of Schedule 2 “lock-out” means—

- (a) the closing of a place of employment,
- (b) the suspension of work, or
- (c) the refusal by an employer to continue to employ any number of persons employed by him in consequence of a dispute,

done with a view to compelling persons employed by the employer, or to aid another employer in compelling persons employed by him, to accept terms or conditions of or affecting employment.

(5) In sections 91(2), 140(2) and (3), 143(1), 144(2) and (3), 154 and 216(1) and (2) and paragraph 14 of Schedule 2 “strike” means—

- (a) the cessation of work by a body of employed persons acting in combination, or
- (b) a concerted refusal, or a refusal under a common understanding, of any number of employed persons to continue to work for an employer in consequence of a dispute,

done as a means of compelling their employer or any employed person or body of employed persons, or to aid other employees in compelling their employer or any employed person or body of employed persons, to accept or not to accept terms or conditions of or affecting employment.

Marginal Citations

M9 1992 c. 52.

M10 1992 c. 52.

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