

Employment tribunals - how to work out your compensatory award if you are claiming unfair dismissal

If your claim for unfair dismissal is successful, a tribunal can award you money to compensate you for money you've lost because you've been dismissed. You may be entitled to a basic award and a compensatory award.

This page helps you to understand more about how to work out the compensatory award.

What compensation can a tribunal award you?

If a tribunal decides you have been unfairly dismissed, you will get compensation which is made up of:

- a basic award. This is a fixed sum and is worked out using a standard formula
- a compensatory award. This is compensation for the actual money you have lost because you were dismissed.

[More about how to work out the basic award \(/work/problems-at-work/employment-tribunals-from-29-july-2013/employment-tribunals-valuing-a-claim/employment-tribunals-how-to-work-out-your-basic-award-if-you-are-claiming-unfair-dismissal/\)](https://www.citizensadvice.org.uk/work/problems-at-work/employment-tribunals-from-29-july-2013/employment-tribunals-valuing-a-claim/employment-tribunals-how-to-work-out-your-basic-award-if-you-are-claiming-unfair-dismissal/)

How to work out your compensatory award

To calculate how much your compensation for unfair dismissal should be, you need to follow the steps below:

Step one: work out how much money you've lost so far as a result of being dismissed.

Step two: if you haven't yet found another job, work out how long you think you should be compensated for. Remember, a tribunal will want to see evidence of what you're doing to find a job to limit the amount of money you've lost.

Step three: include an amount to make up for the fact that it will take you two years in a new job to get the right to claim unfair dismissal. This is known as compensation for **loss of statutory rights**.

Step four: check whether there are any reasons why your compensation should be reduced. For example, your compensation could be reduced if you were partly responsible for the dismissal. Or if you didn't attend disciplinary or dismissal meetings because you were too ill to work.

Step five: check whether there are any reasons why your compensation could be increased. For example, your compensation could be increased if your employer didn't follow the proper procedure before dismissing you. Or if they didn't give you a written statement of your employment terms.

Step six: check whether your compensation will be below the cap for compensation payments. This is the maximum amount that can be paid out in compensation for an unfair dismissal claim.

Step seven: check whether any welfare benefits you've received since you lost your job will be deducted from your compensation.

Next steps

More about [working out how much money you've lost since you've been dismissed](/work/problems-at-work/employment-tribunals-from-29-july-2013/employment-tribunals-valuing-a-claim/compensatory-award/calculating-the-compensatory-award/employment-tribunals-compensatory-award-for-unfair-dismissal-how-much-money-have-you-lost-because-you-have-been-dismissed/) (/work/problems-at-work/employment-tribunals-from-29-july-2013/employment-tribunals-valuing-a-claim/compensatory-award/calculating-the-compensatory-award/employment-tribunals-compensatory-award-for-unfair-dismissal-how-much-money-have-you-lost-because-you-have-been-dismissed/),

More about [working out how long you think you'll need to be compensated for](/work/problems-at-work/employment-tribunals-from-29-july-2013/employment-tribunals-valuing-a-claim/compensatory-award/calculating-the-compensatory-award/employment-tribunals-compensatory-award-for-unfair-dismissal-how-long-should-you-be-compensated-for/) (/work/problems-at-work/employment-tribunals-from-29-july-2013/employment-tribunals-valuing-a-claim/compensatory-award/calculating-the-compensatory-award/employment-tribunals-compensatory-award-for-unfair-dismissal-how-long-should-you-be-compensated-for/),

More about [working out compensation for loss of statutory rights](/work/problems-at-work/employment-tribunals-from-29-july-2013/employment-tribunals-valuing-a-claim/compensatory-award/calculating-the-compensatory-award/employment-tribunals-compensatory-award-for-unfair-dismissal-how-long-should-you-be-compensated-for/) (/work/problems-at-work/employment-tribunals-from-29-july-2013/employment-tribunals-valuing-a-claim/compensatory-award/calculating-the-compensatory-award/employment-tribunals-compensatory-award-for-unfair-dismissal-how-long-should-you-be-compensated-for/),

More about [working out whether your compensation might be reduced](/work/problems-at-work/employment-tribunals-from-29-july-2013/employment-tribunals-valuing-a-claim/compensatory-award/calculating-the-compensatory-award/employment-tribunals-compensatory-award-for-unfair-dismissal-are-there-any-reasons-why-your-compensation-might-be-reduced/) (/work/problems-at-work/employment-tribunals-from-29-july-2013/employment-tribunals-valuing-a-claim/compensatory-award/calculating-the-compensatory-award/employment-tribunals-compensatory-award-for-unfair-dismissal-are-there-any-reasons-why-your-compensation-might-be-reduced/),

More about [when your compensation might be reduced if you were too ill to work](/work/problems-at-work/employment-tribunals-from-29-july-2013/employment-tribunals-valuing-a-claim/compensatory-award/calculating-the-compensatory-award/employment-tribunals-compensatory-award-for-unfair-dismissal-might-your-compensation-be-reduced-because-you-have-not-attended-meetings-or-you-have-been-too-ill-to-work/) (/work/problems-at-work/employment-tribunals-from-29-july-2013/employment-tribunals-valuing-a-claim/compensatory-award/calculating-the-compensatory-award/employment-tribunals-compensatory-award-for-unfair-dismissal-might-your-compensation-be-reduced-because-you-have-not-attended-meetings-or-you-have-been-too-ill-to-work/),

More about [working out whether your compensation might be increased](/work/problems-at-work/employment-tribunals-from-29-july-2013/employment-tribunals-valuing-a-claim/compensatory-award/calculating-the-compensatory-award/employment-tribunals-compensatory-award-for-unfair-dismissal-should-your-compensation-be-increased/) (/work/problems-at-work/employment-tribunals-from-29-july-2013/employment-tribunals-valuing-a-claim/compensatory-award/calculating-the-compensatory-award/employment-tribunals-compensatory-award-for-unfair-dismissal-should-your-compensation-be-increased/),

More about [working out whether your compensation will be below the cap for compensation payments \(/work/problems-at-work/employment-tribunals-from-29-july-2013/employment-tribunals-valuing-a-claim/compensatory-award/calculating-the-compensatory-award/employment-tribunals-is-your-compensatory-award-below-the-cap-and-will-any-welfare-benefits-you-ve-received-reduce-it/\)](#)

More about [how your welfare benefits may affect your compensation payment \(/work/problems-at-work/employment-tribunals-from-29-july-2013/employment-tribunals-valuing-a-claim/compensatory-award/calculating-the-compensatory-award/employment-tribunals-is-your-compensatory-award-below-the-cap-and-will-any-welfare-benefits-you-ve-received-reduce-it/\)](#)

Did this advice help?

Yes

No

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