

## An Employer's Guide to Redundancy



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**1** You need to work out how many redundancies you need to make. Think about whether it's a redundancy or a reorganisation scenario. Also think about whether there are ways of avoiding redundancies.

**2** If you're proposing to make more than 20 people redundant from one establishment, you need to start consulting with your recognised union (if you recognise one) or start the process of electing employee representatives.

**3** Choose your selection pool and provisionally choose your selection criteria.

**4** Write to those who may be affected, explaining why you're making redundancies, setting out the anticipated number of redundancies and the pool they're being drawn from, telling them about the proposed selection criteria, and explaining the whole process and timetable.

**5** Call for voluntary redundancies, explaining the terms of any enhanced voluntary redundancy package.

**6** Hold your first individual consultation meeting with each person affected. Explain the position again, give them the chance to comment on the selection criteria (or, if you're consulting collectively, do that as part of the collective consultation), and discuss voluntary redundancies. Listen carefully to any suggestions they make, and if you agree with their suggestions, do what they've suggested.

**7** Do the individual scoring, and send each employee a copy of their score sheet. Ideally send them anonymised scores for others, but if that would be difficult, tell them which quartile their score falls into. Either way, tell them the break point, ie the score above which people's jobs are safe.

If you're consulting collectively, you'll also be meeting regularly with the representatives while all this is going on to discuss ways to avoid redundancies and soften the impact.

**8** Hold a second consultation meeting with all the employees who fall below the break point. Go through their scores with them and give them the chance to explain if and why they think you've underscored them. Listen with an open mind. If you accept what they say, adjust their scores. If that moves them above the break point, pushing someone who was previously above it down underneath the break point, you need to hold this second consultation with the employee who has been pushed below the break point, allowing them to comment on their scores. If you don't accept their arguments, make sure you keep a note of what they said and your reasons as to why you didn't accept it. Also, at second consultation meeting, open discussions about alternative employment. Is there anything you've identified as suitable? Is there anything they'd like to be considered for? Invite the employee to consider their position and get back to you within the next few days if they want to be offered or considered for any particular role.

**9** If no suitable alternative employment has been identified and you have not revised their scores upwards, hold a third and final consultation meeting at which you tell them their selection for redundancy is now confirmed and you are giving them notice. If you have identified suitable alternative employment, explain and offer it to them. If not, tell them you will keep looking (and actually do so) up until the date their notice expires. Explain their right to time off to seek new employment. Remind them they can come forward at any time with suggestions for alternative employment. Explain how their notice pay, redundancy payment and any other payments will be calculated, and tell them when their final day of work will be. If they have any outstanding holiday, consider making them take it during their notice period. Make it clear whether you want them to work their notice or whether they can stay at home. If you're going to, offer a right of appeal.

**10** Keep looking for alternative employment, and keep a paper trail of your search. In a large organisation, you might need another meeting to discuss alternative employment again.

**11** When their notice period expires, make any outstanding payments (likely to be outstanding holiday pay, outstanding expenses and their redundancy payment).

**Important:** All meetings should be followed up and confirmed to the employees in writing.



**MODULE 1:** Introduction

**MODULE 2:** Definition of Redundancy and Challenging

**MODULE 3:** Avoiding Redundancies

**MODULE 4:** Choosing your selection pool

**MODULE 5:** Choosing your selection criteria

**MODULE 6:** Scoring and individual consultation

**MODULE 7:** Collective consultation

**MODULE 8:** Alternative employment

**MODULE 9:** Dismissal

**MODULE 10:** Miscellaneous issues

**THESE BONUS RESOURCES ARE AVAILABLE IN THE VAULT TO ALL PURCHASERS OF GETTING REDUNDANCY RIGHT:**

One complimentary place at Daniel Barnett's next 'HR Secrets' seminar tour (the previous tour took place in 15 cities around the UK, with topics including holiday pay, spotting malingering, and top mistakes made by HR Professionals)

**FIRST 100 PURCHASERS ONLY | Value: £120**

Daniel Barnett's template redundancy selection matrix, which you can use to score employees during a selection process

**Value: £75**

Daniel Barnett's redundancy policy, which he uses with his regular corporate clients

**Value: £100**

Private online forum, where you can discuss issues arising from redundancies and ask questions

**Value: £125**

3 x live Zoom Q&A sessions with expert guest speakers on redundancy

**Value: £100**

Access to videos of 31 webinars chaired by Daniel Barnett in early 2020, with 31 employment barristers on 31 aspects of employment law

**Value: £60**