

# What is a Redundancy?

1



## **Business Closure**

Ceasing to carry on the business which employs the employee

OR

2



## **Workplace Closure**

Ceasing to carry on business in the place where the employee is employed

OR

3



## **Reduced Requirement for Employees**

Having a reduced need for employees to carry out work of a particular kind

## What do I need to consider?



### Collective Consultation

Required if proposal to dismiss 20 or more employees over a 90 day period or less.

Consult with union or elected employee representatives - must supply prescribed information and consult on avoiding redundancies, reducing the number and mitigating the consequences.

Must notify Secretary of State.

Minimum period of consultation: 30 days if 20-99 dismissals proposed; 45 days if 100 or more.



### Individual Consultation

REMEMBER! Employees must be consulted individually regardless of the number of proposed redundancies.

Employees with 2+ years service have the right not to be unfairly dismissed and have a right to a statutory redundancy payment.



### Selection Process

Must involve the fair application of objective selection criteria if there is a pool of affected employees.

BEWARE! Check whether criteria are in any way discriminatory.



### Suitable Alternative Employment

Is there suitable alternative employment which would avoid the redundancies?  
If so - obliged to offer.

CONSIDER! Trial periods where terms and conditions vary.



### Process

What process are you putting in place and over what time frame?

Meetings which may result in dismissal should only take place once employees are warned of the possible outcome and employees must be given the right to be accompanied and normally a right of appeal.

Are you considering volunteers?



### High Risk Areas

THINK! Are any of the affected employees pregnant or on maternity leave?

What about those on long term sick leave or PHI?

Particular care needs to be taken when employees in these categories are included.