A practical guide to handling redundancies

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1. Introduction

1.1. There are six quite separate stages to follow and each one must be completed before you pass onto the next. The six stages are :

1.1.1. Statutory obligation to consult with employees (Section 188) – only applicable if the employer is proposing to dismiss 20 or more employees

1.1.2. Why do we need redundancies at all?

1.1.3. Which employees are under threat?

1.1.4. What criteria are we going to use to help us identify which employees will be selected for redundancy?

1.1.5. Who will score the employees and what do the employees chosen for redundancy have to say?

1.1.6. Can we offer the chosen employee suitable alternative employment?

2. Points to note about all redundancies

2.1. The Tribunal will expect every employer to show three things namely :

2.1.1. What steps were taken to select the employee for redundancy?

2.1.2. How did the employer consult the employees and their chosen representatives?

2.1.3. What steps did the employer take to find alternative employment?

2.2. When dismissing employees for redundancy a reasonable employer might be expected to do the following :

2.2.1. Give as much warning as possible of impending redundancies

2.2.2. Consult the employees/representatives/trade union as to the selection criteria.

2.2.3. Establish selection criteria

2.2.4. Ensure that selection is made fairly in accordance with those criteria

2.2.5. Consider the availability of suitable alternative employment

2.3. Consultation with employees is absolutely essential and this is where most employers fail to do what the Employment Tribunal requires.

2.4. "Consultation" does not have a statutory definition but it does have a long standing and well established definition as a point of principle, which has arisen from case law.

2.5. A four-stage test has been established and specifically approved by many Judges and it is against this background that the consultation process will be judged by the Employment Tribunal.

2.6. The four stages of that test as to what is fair consultation are :

2.6.1. consultation when the proposals are still at a formative stage

2.6.2. adequate information on which to respond

2.6.3. adequate time in which to respond

2.6.4. conscientious consideration by the employer of the response to the consultation by the employees and/or their representatives

2.7. The test can be expressed in another way which is "consultation involves giving the body consulted a fair and proper opportunity to understand fully the matters about which it is being consulted, and to express its views on those subjects, with the consulted or thereafter considering those views properly and genuinely".

2.8. THIS TEST MUST BE APPLIED SEPARATELY TO EACH OF STAGES TWO TO SIX INCLUSIVE BEFORE MOVING ON TO THE NEXT STAGE.

2.9. A particular passage that is often quoted by Tribunal Chairmen appears in another employment case which is Rowell –v- Hubbard Group Services. In that case the Judge said "In the particular sphere of redundancy, good industrial relations practice in the ordinary case requires consultation with the redundant employee so that the employer might find out whether the needs of the business can be met in some other way other than by dismissal and, if not, what other steps the employer can take to reduce the blow to the employee. In virtually all cases the employer, if he consults, will find out what steps he can take to find the employee alternative employment. Good industrial relations practice requires that, unless there are special circumstances which render such consultation impossible or unnecessary, a fair employer will consult with the employee before dismissing."

2.10. In the case of Poat v Holiday Inn Worldwide in 1994 the Judge commented that "leaving aside anything else, it is courteous and humane to consult people when you are thinking of making

them redundant. Of course there is the possibility that the employee may have ideas for ways in which redundancy can be avoided altogether so far as he or she is concerned. The employee may be able to make suggestions about alternative employment, may indicate that he or she would be prepared to accept less paid work or work on less favourable terms or to retrain for other work or to go abroad even, or to do other things which would help the employer out in the emergency which arises". Then of course there are other matters which have been pointed out in other cases such as the question of the length of notice which is appropriate and whether the employer can help the employee in some other way by finding him employment, perhaps with a quite different firm, by giving him a reference and so forth. These are all matters which may be raised in consultation. Clearly it would be a very bold thing for any employer to say or indeed any person to say, "I can dispense with consulting somebody. Nothing that person could possibly say would make me change my mind in any material way". That is a very strong thing to say. These words have a very strong and persuasive ring to them.

STAGE ONE

3. Statutory obligation to consult employees

3.1. This obligation is contained in Section 188 of the Trade Union and Labour Relations (Consolidation) Act.

3.2. The statutory duty to consult only applies when an employer is proposing to dismiss as redundant 20 or more employees. The consultation period is at least 30 days if there are over 20 employees and at least 45 days if there are over 100 employees.

3.3. The duty on the employer is to consult about those dismissals with all those persons who are the "appropriate representatives" of any of the employees who may be dismissed.

3.4. The "appropriate representatives" may either be trade union officials where the employer recognises a trade union within the work place or may alternatively be representatives from the work force who have been elected for the purpose of consultation with the employer.

3.5. The obligation to consult under Section 188 provides a consultation period of at least 45 days where 100 or more redundancies are proposed and a consultation period of 30 days in other circumstances. The periods set out in Section 188 are minimum periods.

3.6. It is very important to recognise however that the statutory consultation periods are only triggered when at least 20 employees are under threat of redundancy. On that basis where the numbers of employees under threat are less than 20 this statutory obligation to consult does not arise.

3.7. In many situations the employees will not have a recognised trade union to turn to and will not have an employee or forum or works council in existence to turn to for help. It is the obligation of the employer in those circumstances to ensure that the employees elect representatives from within the work force to take part in these consultations.

3.8. It is important to understand that there are detailed requirements which the employer needs to comply with in connection with these elections. We have not set the requirements out in these guidelines as in most cases where redundancies are taking place the numbers are less than 20 and this obligation does not apply. However it is essential to appreciate that if the numbers are likely to be 20 or more that you should seek detailed advice from us, as to exactly what procedures need to be followed in order to make sure that representatives are elected from within the work force.

3.9. There is also an obligation on the employer to make sure that the representatives, including

trade unions, receive proper information to enable them to fully participate in the consultation and decision making process. The employer must supply in writing a number of pieces of information to the representatives to ensure that the employers have complied with the statutory obligations which are placed on their shoulders. Again we have not set out the list of the information which must be supplied and it is essential that we are asked to provide that information to you if 20 or more employees are likely to be made redundant.

3.10. Section 188 provides that consultation must be undertaken "with a view to reaching agreement with the appropriate representatives" and it must address particular issues which are :

3.10.1. Ways of avoiding the dismissals

3.10.2. Ways of reducing the numbers of employees to be dismissed

3.10.3. Any way in which the consequences of dismissals might be mitigated

3.11. It is obviously essential to consider all possible alternatives to redundancy during the consultation process. The employer must consult with the appropriate representatives in order to establish whether or not redundancies are necessary at all. It is not the case that the employer is allowed to make changes which will inevitably involve redundancies. The proposals of the employer should be open to negotiation and consideration as, after all, employees and their appropriate representatives may have different solutions. Employers must recognise that they do not have a monopoly on methods by which a business is managed or organised.

3.12. It is a very common mistake for employers to, in effect, "show their hand" by issuing dismissal notices at the beginning of the consultation process. This is completely inappropriate and must be avoided. An employer who gives employees notices of dismissal at the outset is very much running the risk that the Tribunal will decide that there was never any meaningful consultation and that the employer was in effect simply paying lip service to the legislation.

STAGE TWO

4. Why do we need redundancies at all?

4.1. An employer is not allowed to make decisions about redundancies without consulting the employees affected by the proposal.

4.2. The first question which must be asked is “Why do we need to make redundancies at all?”

4.3. The employer should therefore set out in writing in a document which he then distributes to all the employees who may be affected the “sound and necessary business reasons” why the employer believes that redundancies are necessary. In this document the employer should specify what problems the business is facing and what are the particular reasons that the employer has now proposed that redundancies are necessary. Common explanations will obviously be financial reasons, the introduction of new technology, or a reduced demand for the goods and services of the employer. It is important that in the document the full reasons are specified even if this means giving some financial information to employees. After all it is the employees who are likely to lose their jobs and not the employer.

4.4. When this document has been issued to employees there must then be detailed consultation as to whether or not the proposed solution of redundancy is in fact the solution which the employer should follow through. There are many alternatives to redundancy which employers often do not consider and it is very important at this stage that these alternatives are openly and fully discussed with employees. Alternatives to redundancy might include:-

4.4.1. Natural wastage

4.4.2. Suspending recruitment

4.4.3. Reducing overtime

4.4.4. Dismissing temporary or agency staff

4.4.5. Short time working

4.4.6. Re-deployment of employees by transferring them from one part of the business to the other in order that they are more effective

4.4.7. Re-training

4.4.8. Volunteers although the employer will often need to make sure that they keep the most skilled and experienced staff in order to make sure that their business is successful

4.4.9. Can some of the services of the employer be contracted out so that they are supplied more cheaply?

4.4.10. Are the employees prepared to take a reduction in pay "across the board" to achieve the necessary savings in order to avoid possible redundancies?

4.4.11. Have the employers themselves considered possible reductions in their own terms and conditions of employment to enable savings to be made?

4.4.12. Have all avenues of funding for the business been fully explored before redundancies are necessary?

4.4.13. Could the necessary changes be brought about by changes to working practices and increased flexibility on the part of the staff?

4.4.14. Could the changes necessary be brought about by reducing the hours of employees?

4.4.15. Are any employees prepared to "job share"?

4.4.16. Can some of the work be carried out by employees working reduced hours or even going onto permanent part time employment?

4.5. This is a long list of alternatives and illustrates why many employers "fall at the first fence". They do not consider any alternatives to redundancy and most importantly do not consult their staff about them. They assume that because they are the employer that they are entitled to make these decisions even though as we have already said it is the employees who are going to be dismissed and not the employers. It is important therefore that this mistake is not made.

4.6. Remember that the "Four Stage Test" must be applied at each of these stages. This requires :

4.6.1. Consultation when the proposals are still at a formative stage

4.6.2. Adequate information on which to respond

4.6.3. Adequate time in which to respond

4.6.4. Conscientious consideration by the employer of the responses of the employees

4.7. You should make written notes of all the meetings and discussions which take place making sure that you note the date, the names of the people who are present, the time when the meeting begins and when it finishes and most importantly a note of what is said. It is important to make sure that these notes are comprehensive and that they are legible and can

be easily understood. It is often helpful for them to be typed up as soon as possible after the meetings have ended.

4.8. We would expect that this process would take 5 – 10 working days to complete depending upon how complicated the problem is and how many employees are possibly affected.

4.9. You should finally then ask yourself these two questions :

4.9.1. Have all the above steps been completed?

4.9.2. Has the “Four Stage Test” been followed?

4.10. Only then can you proceed to Stage Three.

STAGE THREE

5. Which employees are under threat?

5.1. With regard to the pool for selection it is essential that an employer gives consideration to the group of employees from whom individuals may be selected for redundancy. When deciding what the pool shall be an employer need only show that they have applied their minds to the problem and acted from genuine motives.

5.2. Although employers have a good deal of flexibility it is important for them to consider :

5.2.1. Employees who are doing the same or similar work as the group from which it is first considered that redundancies will be made

5.2.2. Employees whose skills are interchangeable from one department to another or even from one establishment to another

5.2.3. Employees who work on different shifts but who essentially are carrying out the same work

5.2.4. Employees who are carrying out similar types of work on different sites should normally be considered as one pool and not two.

5.3. When the pool is identified consultation should take place with those employees affected.

5.4. Only then can you proceed to Stage Four

STAGE FOUR

6. What criteria are we going to use to help us identify which employees will be selected for redundancy?

6.1. With regard to selection criteria it is important that the criteria must generally be objective and not merely the individual choice of one manager who for a whole variety of reasons may be biased.

6.2. The criteria should be capable of specific measurement by reference to records of attendance, efficiency, length of service, disciplinary records, qualifications, speed of production etc.

6.3. The following are a list of commonly used selection criteria namely :

6.3.1. Last in first out.

This is obviously capable of simple measurement but will often in the present industrial climate mean that employees whose skills are most up to date are those who are selected for redundancy and its use as a selection criteria is therefore declining.

6.3.2. Skill and knowledge

Again these are matters which should be capable of objective measurement and should not be simply based on the individual opinion of one manager. The use of the word “attitude” is clearly never capable of objective measurement and should always be avoided. If someone’s attitude is unsatisfactory then it would be expected that it would have been the subject of disciplinary proceedings and in those circumstances reference to the disciplinary record would be acceptable instead.

6.3.3. Attendance records

These create a potential problem as someone may have a long length of service but have suffered an accident or undergone an operation which may not be their fault. Some consideration should obviously be given not only to the actual arithmetical attendance records but also to the reasons for absence. It is also important to note that the period of time over which attendance records are viewed should be reasonable. It should certainly be over at least one year and probably longer. Care should also be taken when considering absence for maternity. To take such records into account when determining whether or not someone is to be selected for redundancy is likely to give rise to a claim for sex discrimination and unfair dismissal.

6.3.4. Qualifications

There may be certain types of job for which formal qualifications are essential. There may also be other qualifications which whilst not essential are nevertheless of benefit to the employee and which set one employee above another. Qualifications of course must be relevant to the job in question. A Greek O' Level would therefore be of little relevance to an engineering business but it might be relevant in the travel industry.

6.3.5. Disciplinary record

Quite understandably employers will want to take this into account. Some form of grading should be established. It will also be very important for employers to make sure that they have formal records to prove that warnings have been given in order to avoid the possibility of disagreement in due course.

6.3.6. Flexibility

Very often the business of the employer will require flexibility on the part of the employee particularly in so far as working hours are concerned. It may be necessary from time to time to ask the employees to work overtime either at the end of the working day or sometimes at weekends. This may be particularly important to employers and it is perfectly justified for employers to give preference to those who are flexible over and above those who are only prepared to work from 9 – 5.

6.3.7. Custom and practice

It is however always important to take into account whether or not there has been any procedure for selecting employees for redundancy which employers have adopted in the past and which the employees and/or their representatives say is allegedly in agreement or is alternatively "Custom and Practice". Employers should however be very wary of accepting these arguments as what might have been appropriate as the basis for making redundancies a few years ago may no longer be appropriate against the background of the difficulties now facing the employer.

6.3.8. Work Performance

It is important to ensure that this can be properly measured either by quality or by quantity. The subjective opinions of a works manager will very often give rise to more dispute than agreement. It is important therefore to make sure that the employer can justify any conclusions or comments which are made by an employer under this type of heading. Complaints which have been made by customers or clients are obviously relevant.

6.3.9. Potential.

The employer may be proposing to make substantial changes to their working practices in the near future. They may for example be proposing to introduce increased levels of computer technology. The employer may have a legitimate view that certain employees will be more quickly able to adapt to these changes than others. Furthermore the employer may believe that certain employees will react more positively and enthusiastically than others. Again, it is important that the employer retains those employees who will be most valuable in the near future and who will be best placed to assist the employer in overcoming the difficulties which have given rise to the discussions about redundancy in the first place.

6.4. It is equally important that under each of the above headings that the employer makes a list of what factors the employer will be looking for in order to "score" each of the employees. These factors also need to be discussed and agreed with the employee and his/her representative so that both the employer and the employee know how to allocate low, middle and high scores. In other words the employees need to know "what the employer is looking for" in order that they can subsequently either agree or disagree with the scores which have been allocated to them.

6.5. We would strongly suggest that under each of the headings the employees are scored individually out of ten.

6.6. We would also suggest that the employer chooses the three most important criteria and in those categories the employees are scored out of twenty and not out of ten. It is important that the employer discusses with the employee and his/her representative which of the criteria he considers are most important and which he therefore proposes to score out of twenty. Consultation and discussion about the views of the employees are essential.

6.7. Remember that the "Four Stage Test" must be applied at each of these stages. This requires :

6.7.1. consultation when the proposals are still at a formative stage

6.7.2. adequate information on which to respond

6.7.3. adequate time in which to respond

6.7.4. conscientious consideration by the employer of the response to the consultation by the employees and/or their representatives.

6.8. You should make written notes of all the meetings and discussions which take place making

sure that you note the date, the names of the people who are present, the time when the meeting begins and when it finishes and most importantly a note of what is said. It is important to make sure that these notes are comprehensive and that they are legible and can be easily understood. It is often helpful for them to be typed up as soon as possible after the meetings have ended.

6.9. We believe that this stage should take a minimum of 5 working days to complete and it may take longer depending on the number of employees involved and the nature and complexity of the opinions which are expressed.

6.10. You should then ask yourself these two questions.

6.10.1. Have all the above steps been completed?

6.10.2. Has the “Four Stage Test” been followed?

6.11. Only then can you proceed to Stage Five

STAGE FIVE

7. Who will score the employees and what do the employees chosen for redundancy have to say?

7.1. It is common sense that the manager/supervisor/director who is given the task of scoring the employees against the selection criteria which have been agreed must have personal knowledge of the employees in question. Employers must avoid a situation where the employee subsequently suggests that the scores which have been attributed to him cannot be accurate because he has only met the person in question twice during his five years of service. The representative of the employer therefore ought to have a working knowledge of the day to day work completed by the employees and have some detailed knowledge of their personal qualities.

7.2. It is important that the employers' representative who is carrying out the scoring exercise has access to the personnel file of each of the employees in question. Certain of the criteria are bound to be capable of independent justification, for example by reference to disciplinary or attendance records which have been maintained. These documents ought to be on the personnel file of each employee in question. Equally where specific qualifications are being considered the employer should make sure that independent evidence of those qualifications is available. Again this will often be already on the personnel file as details should have been recorded either at the beginning of the employment of the employee or if a qualification has been gained during employment then again a record should have been kept.

7.3. It is perfectly proper for employers to include in the selection criteria matters which cannot be capable of justification by reference to records. An obvious example is "skill and knowledge". Here it is essential that the employer can justify the scores and can show what knowledge they have of the skill and experience of the employee and can demonstrate to the employee why they have been allocated a particular score within the range available. This would similarly apply to a criteria which seeks to judge the "flexibility" of an employee. An employee must understand why he has been given a particular score. The thought process of the employer therefore needs to be recorded in writing and needs to be made available to the employee if they request it. After all it may be necessary for the employer to justify the scores to an Employment Tribunal and a detailed explanation, backed up by working experience or reference to records will then be essential.

7.4. What do the employees chosen for redundancy have to say?

7.5. It is essential that a copy of the scores which have been attributed to an individual employee is given to that employee. It does not mean that they are entitled to receive the scores which have been attributed to other employees. They are only entitled to their individual scores.

7.6. Where possible some explanation should also be given to the employee as to the reasoning of the employer under each of the selection criteria headings as to why an employee has been given a particular score within the range available. After all an employee is not otherwise able to comment.

7.7. It is then essential that those employees who have been provisionally selected for redundancy on the basis of their low scores are interviewed face to face on an individual basis by a senior representative of the employer. This interview should take place at least 24 hours after the employees have been given a copy of their scores. This will enable them to consider the scores, to think about what questions and objections they have and will enable them to participate in a meaningful discussion with the employer before any final decision is made.

7.8. Careful note should be maintained to reflect the content of the discussions between the individual employees and the representative of the employer. Details of the objections raised and the questions asked by the employee and the replies which are given should be maintained.

7.9. Usually it will not be possible for the employer to immediately confirm the total score of the individual employee. It will usually be necessary for a period of reflection and even for possible investigation to take place. It may often be necessary for specific points which have been raised by the employee to be raised with the manager/supervisor who has carried out the scoring exercise in order to see whether or not they are prepared to increase the score in line with the suggestion which has been made by the employee. Again the thought process and reasoning of the employer should be recorded in writing. This is the case whether the scores are increased or whether they are maintained at the original level. Again remember that this process might well come under the scrutiny of the Employment Tribunal and written records to enable the employers to recall what they discussed and why they came to particular decisions will therefore need to be available.

7.10. It is vitally important therefore to make sure that the employee is given every opportunity to comment on their scores, that the employer can show that they have conscientiously considered all the representations which have been made by the employee, and that the employer can then demonstrate why they came to the final scores which they did.

7.11. The final decision of the employer should then be notified to the employee and an explanation should be offered to the employee as to why any representations which they might have made suggesting that their score should be increased have been rejected. It might be that the suggestion however was that their score should be substantially increased, but the employer only considered that a small increase was appropriate. Again the reasoning should be recorded and the explanations given to the employee.

7.12. At this stage the employer will have selected the employees who have the lowest scores and will therefore have selected the number of employees who are to be made redundant unless they can be found alternative employment.

7.13. You should make written notes of all the meetings and discussions which take place making sure that you note the date, the names of the people who are present, the time when the meeting begins and when it finishes and most importantly a note of what is said. It is important to make sure that these notes are comprehensive and that they are legible and can be easily understood. It is often helpful for them to be typed up as soon as possible after the meetings have ended.

7.14. We would expect that this process would take five to ten working days to complete depending upon how complicated the selection criteria is and how many employees are possibly affected.

7.15. You should finally then ask yourself these two questions :

7.15.1. Have all the above steps been completed?

7.15.2. Has the “Four Stage Test” been followed?

7.16. Only then can you proceed to the Final Stage

STAGE SIX

8. Can we offer the chosen employees suitable alternative employment?

8.1. Remember on page 2 we told you that the Tribunal would expect every employer to show what steps the employer took to find alternative employment. This is therefore compulsory.

8.2. It will not be good enough to satisfy an Employment Tribunal to show that as an employer you have just looked at the "situations vacant" column.

8.3. An employer should speak to the employee in order to obtain :

8.3.1. The views of the employee about alternative employment

8.3.2. What qualifications does the employee have? It may well be that he/she has qualifications which they have not used during the course of their employment with the employer but which may nevertheless make the employee suitable for alternative employment.

8.3.3. What opportunities for alternative employment does the employee think that there are? It is very important to ask this question and to record the replies of the employee. It is common for employees to suggest to an Employment Tribunal that there was a long list of alternative employment available which the employer did not properly consider. If you have addressed this question face to face with the employee during this process and have made a careful record of the answers which were given the employee is then prevented, no doubt with the help of his solicitor, from making these suggestions at a later date.

8.3.4. You should also consider jobs which the employee might be able to do if they were offered the benefit of training. The employee might at first sight not be suitable for those vacancies. It would be appropriate to consider the cost of retraining and how long the employer believes that it would take for the employee to become suitably qualified.

8.4. If there is more than one candidate for the vacancy then the employer will need to use a selection process. A suitable process would involve all the candidates completing a questionnaire and then having an interview against the background of the requirements for the job.

8.5. IT IS VITAL TO REMEMBER that if one of the employees who is being initially selected for redundancy is on maternity leave that that employee is entitled to be offered the job in

preference to any of the other employees whether they are male or female. This is simply one of the quirks of the maternity legislation. A failure to offer an employee on maternity leave alternative employment in these circumstances would amount to automatically unfair dismissal and substantial compensation.

8.6. At the end of the day the employer should be able to show that they have selected the best possible candidate for the job and to justify their choice by reference to recorded reasons as to why one person has been selected for the job over another.

8.7. On many occasions the only alternative employment is inferior to the job which was previously held by the employee. It is often inferior both in terms of status and also in respect of terms and conditions. It is not always necessary for an employer to offer an employee a job which is obviously inferior but the job should most definitely be discussed with the employee nevertheless. The employer would be entitled to take into account how committed they believe that the employee would be to such an inferior job and take into account whether the employer believes that they would simply use it as a holding position whilst applying for other employment. This may not be a situation which the employer is happy with and indeed may not need to tolerate.

8.8. An employer only has to offer employment which is available before the date of dismissal. However if the employee believes that work will become available in the near future, after the date of dismissal, then that should also be considered. An employer may for example have a large order in the pipeline or there may be other reasons for properly expecting an increase in work. If that is the case then the time scale for improvement in the situation of the employer would be something to consider.

8.9. If alternative employment is offered to the employee then there is a statutory four week trial period during which both the employer and the employee are entitled to look at the situation and decide whether at the end of the four weeks the employee is doing well enough to be offered the job on a permanent basis and equally the employee is entitled to say whether or not they wish to take the job on a permanent basis.

8.10. If however the alternative employment is suitable the employee would not be entitled to reject it after four weeks unless they had very good reasons for doing so.

8.11. If the offer of alternative employment involves retraining it is possible for the trial period to be longer than four weeks. Clearly longer than four weeks may be necessary to complete the retraining. The period of retraining must be specified and the employee must agree, in writing

to the extended trial period. There is no limit on the period of retraining. The employer must be able to show however that any period beyond four weeks was necessary for the purposes of retraining and not just an attempt to get round the general "four week" rule.

8.12. Remember that if alternative employment is offered that it will be necessary to issue a new statement of main terms and conditions of employment to the employee and indeed to issue a brand new contract of employment. This should be issued to the employee in writing and as we have already said the employer ought to make sure that the terms and conditions are clearly understood by the employee and that his understanding and agreement to them is recorded in writing, and that the employee signs to accept them.

For further information on this topic or any employment law or HR issue, please contact our team on: 0161 475 7663 or visit our website at: www.sasdaniels.co.uk.

[EmployeeTitle] [EmployeeForename] [EmployeeSurname]
[EmployeeAddress1]
[EmployeeAddress2]
[EmployeeAddress3]
[EmployeeTown]
[EmployeePostCode]
[Date]
Dear [EmployeeTitle] [EmployeeSurname],
NOTICE OF RISK OF REDUNDANCY
Thank you for attending the meeting with ……..at……on……. I now write to confirm the points discussed.
As explained – REASON FOR AT RISK OF REDUNDANCY.
The purpose of the meeting was to inform you that because of the above your role as……..is at risk of redundancy.
As discussed, at this stage I would still welcome from you any constructive comments, which are commercially and structurally viable, that you may have to avoid the redundancy situation. However I will also seek alternative posts for you within the organisation.
This letter should not be considered as notice of termination of your contract but as a notification that the risk of redundancy does exist.

We agreed that we would hold a meeting to discuss this further. This will be held on……at……with……You are entitled, if you so wish to have a representative with you. This may be of one of our employees or a trade union representative. Please note that should either you or I be unsuccessful in identifying an alternative to redundancy, at this meeting, formal notice of redundancy may be given. Should this be the case, please be assured that we will continue to seek alternative positions for you during your notice period.

In the meantime, if there is anything you do not understand in this letter or that was discussed at the meeting, or have any suggestions, which you would like to discuss with me then please do not hesitate to do so.

Please can you confirm that you are able to attend the next meeting.

Yours sincerely

[Users Name]

[Job Title]

[EmployeeTitle] [EmployeeForename] [EmployeeSurname]
[EmployeeAddress1]
[EmployeeAddress2]
[EmployeeAddress3]
[EmployeeTown]
[EmployeePostCode]

[Date]

Dear [EmployeeTitle] [EmployeeSurname],

NOTICE OF REDUNDANCY

I am writing to confirm the formal notice given to you on [enter date] that your position as [Job title] is redundant.

This means your employment will terminate on that date unless we can agree a suitable alternative position. If another post can be found before your employment terminates, you will transfer to the new job and your employment will be continuous.

If, however, your employment is terminated, you are entitled to the following :-

1. You will be paid normally up to the date your employment is terminated

2. Your terms and conditions entitle you to [insert notice period] which ends on [enter date]. This was given to you at our meeting on [insert notice period] and confirmed on receipt of this letter. If you have not worked your notice by the time you leave, you will receive the balance of payment in lieu. If you choose to leave before the end of your notice period, you will not receive this payment.

3. You are entitled to redundancy pay calculated by a formula using your age and length of service. In your case this is equivalent to [insert redundancy calculation].

4. From our records we understand that you do not have any outstanding holidays that you have accrued and not yet taken.

5. You will be allowed reasonable time off to attend interviews. This must be agreed in advance with your manager and proof of attendance will be required.

If there is anything you do not understand in the above letter, please do not hesitate to contact me.

I would like to remind you of your right to appeal against this decision, and should you wish to do so then please respond in writing within 7 days of receipt of this letter to [GrievanceContactStage2].

In the meantime, I would like to thank you for all your hard work to date.

Yours sincerely

[Users Name]
[job title]