



Employers should carefully plan any redundancy exercise in advance.”

Individual Redundancy Checklist^o



How to deal with individual redundancies

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Redundancy can be one of the most difficult issues for employers to deal with.

To ensure that any redundancy exercise is as risk-free as possible and to support potentially redundant employees effectively, employers should carefully plan any redundancy exercise in advance. Below is a checklist identifying the key areas for employers to consider when dealing with individual redundancies.

Checklist

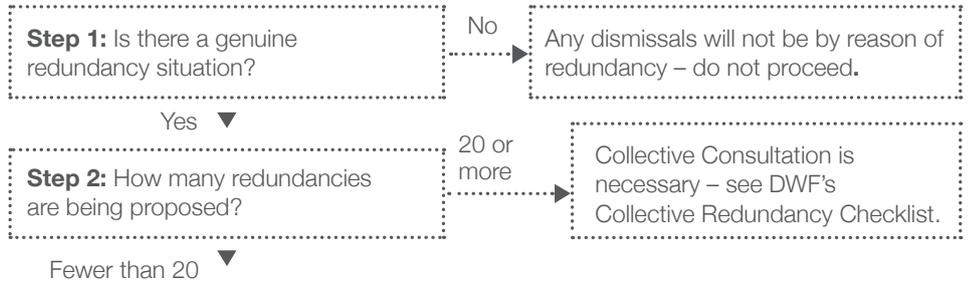
- Establish that there is a genuine redundancy situation i.e. closure of a business, or workplace or a decrease in the need for employees.
- Consider alternatives to redundancy. This may include natural wastage, a ban on overtime, short-time working, re-training or re-deployment and early retirement.
- Inform the workforce about the proposed redundancies at the earliest opportunity: (a) explain the reasons for the potential redundancies; (b) explain how many jobs are at risk; (c) explain that ways of avoiding the redundancies are being explored; (d) ask the employees for suggestions of ways to avoid redundancies; (e) explain the pools and proposed selection criteria; (f) explain the right to take time off to seek alternative employment; and (g) take a note of the meeting.
- Ask for volunteers to avoid compulsory redundancies. Consider whether you are prepared to offer an enhanced redundancy package to volunteers.
- Where you are proposing to dismiss more than 20 employees, you will need to consider collective consultation obligations. Employers are obliged to collectively consult where they “propose to dismiss as redundant 20 or more employees at one establishment within a period of 90 days or less”. Consultation must be meaningful and must include ways of avoiding the dismissals, reducing the number of employees to be dismissed and mitigating the consequences of the dismissals (see Collective Redundancy Checklist).
- Where you are proposing to dismiss fewer than 20 employees you must still ensure that you follow any agreed or customary procedure.
- Consider training managers in relation to counselling and consultation skills.
- Identify the pool for selection. Consider which particular kind of work is disappearing and which employees do that kind of work. Consider whether there are employees doing similar jobs. Are the jobs interchangeable?



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- When selecting employees for redundancy use objective selection criteria. Common criteria used are attendance record, disciplinary record, skills and qualifications, and performance record. Avoid subjective or discriminatory criteria such as 'attitude'.
- Ensure the selection criteria are applied fairly and at least two managers score each of the potentially redundant employees using the selection criteria.
- Make sure you consult with your employees about their proposed redundancy, the basis upon which they have been selected, and give them an opportunity to suggest ideas to avoid their redundancy. Ensure employees have sufficient time to consider any proposals.
- Make sure employees off sick or on maternity leave are included in the redundancy process. Keep them informed of the situation and make sure they receive the same information as other employees.
- Ensure employees have an opportunity to bring a work colleague or trade union representative to any consultation meetings.
- Put together a list of alternative vacancies and investigate all possible alternatives to avoid redundancy. Do not presume an employee will not be interested in a role which is more junior or pays less money.
- Advise employees who are made redundant of the opportunity to appeal.
- Employees who have two years' service are entitled to a reasonable amount of time off with pay to seek alternative work.
- Where an enhanced redundancy payment is being made consider asking employees to enter into a compromise agreement so that no further claims can be made.

Individual Redundancy – Procedural Flowchart



A fair procedure must be followed in relation to each employee at risk of redundancy.

