



The Redundancy Process

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FACTSHEET REDUNDANCY

Making your staff redundant can be one of the most difficult decisions and emotionally overwhelming.

Communicating at the first opportunity and providing accurate and timely information will keep you and your business safe. This includes working within current legislation and following the right policy and procedures in a professional manner, ensuring that staff understand that this is the only option for the business. Using a third party who understands the legislation and is experienced in Redundancy can make the process less torturous for both you and your staff. **We can help!**

There are various steps to ensure the process is fair and transparent We have summarised these for you:

Make a Redundancy plan. – This will help you manage each stage of the redundancy process. It allows you to work with staff representatives (Trade Union, Professional bodies). This plan allows you to easily share information with your staff and is particularly useful when you are at Consultation phase.

Make a Business plan. - This allows you to explain the reasons for the redundancy. All employers are required, by law, to follow a strict set of guidelines when making redundancies.

Consultation Process. - You must communicate with ALL your staff and their representatives throughout the process and you should not finalise your plan until you have met with each employee.

There are rules around when to begin consultation before giving redundancy notices and failure to follow this makes any dismissal under redundancy unfair. This could lead to an Employment Tribunal complaint.

Prepare for the consultation – All information to be shared with staff should be prepared in advance. To ensure this is fair the messages should be consistent and delivered to all staff around the same time. This includes staff on Mat Leave and Long-Term sickness. You must communicate your reasons for considering redundancies to your staff and their representatives.



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When to begin your consultation – You must provide enough time to consult staff and include any of their suggestions, you agree to. You can only provide notice of redundancy once you have consulted everyone and a minimum period, dependent on the number of staff being made redundant, has passed.

Notify the Redundancy Payment Service (RPS) – For collective redundancies you must let the RPS know your plan prior to any consultation. You can be fined if you do not notify the RPS.

How long should the consultation last? - There are no rules for how long the consultation should last. It is dependent on the number of staff and the complexity of the redundancy situation. You need to show that the consultation was genuine and that you aimed to reach agreement with staff. You must also be able to show that you listened to your employees and responded to questions and suggestions.

What to discuss during the consultation? – Consultations allow you to explain to staff why you are planning redundancies. You must consider and respond to any suggestions made by staff. It is important to document all discussions and the reasons for your decisions.

Information that should be shared – Communication should be honest and transparent with staff, unions, and employee representatives. Not providing enough information often leads to frustration and mistrust and can sometimes result in the consultation being invalid. You should aim to provide the right level of detail for staff to understand your proposals.

Consult employees individually - You would normally consult your staff after you've completed consultation with employee representatives. You can choose to overlap with individual consultations if needed.

Create a Selection Pool to choose who will be made redundant. - If there is more than one employee involved, you need to follow a process to ensure that your decisions are fair. Looking at selection pools ensures this fair process and lessens the chances of a discrimination claim.



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Giving notice of redundancy - You can only give an employee notice of redundancy once you have completed consultation. It is best to tell an employee face to face that you are making them redundant and follow up in writing.

Redundancy Pay - The employee is entitled to redundancy pay if they have been with your company for two years or more. For specific information about details of redundancy pay calculations contact us on **enquiries@lbjconsultants.co.uk**

Supporting Employees During Redundancy - Redundancy can create difficult situations and conversations in your organisation.

It can also be difficult for those remaining in the business, stress from seeing colleagues and friends being made redundant and being part of a changing organisation may feel uncertain.

You must allow staff, being made redundant, a reasonable amount of paid time off to look for another job or to do training.

Redundant staff will of course be entitled to state benefits during any period of unemployment, you can help by providing details for Jobseeker's Allowance or Income Support. Or suggest they visit their local Jobcentre.

With fully qualified Consultants and many years' experience in this area **LBJ Consultants** can deliver your Redundancy plan professionally and support you and your staff in the process.

We will be happy to answer any questions that you may have and you can call us on 07375 097443 or e-mail: **enquiries@lbjconsultants.co.uk**