

REDUNDANCY PROCESS

Guidance Note

REDUNDANCY PROCESS

1-19 Redundancies (Pooling Required)

There will be a potential redundancy situation where: there is a closure of the business; there is a closure of a particular workplace; there is no longer a need for employees to carry out work of a particular kind, or the need has diminished; or there is no longer a need for employees to carry out work of a particular kind at a particular workplace, or the need has diminished.

Redundancy is a potentially fair reason for dismissal. However, for a redundancy dismissal to be fair, there must be a genuine redundancy situation and the employer must follow a fair procedure in carrying out the dismissal.

The following steps outline the general process, however, it would be recommended that the organisation always seeks advice on their individual circumstances before taking action.

STEP ONE

*Identify that a redundancy situation has arisen. A redundancy dismissal must be **genuine** to be considered fair so it is important to consider the alternatives to redundancy.*

STEP TWO

Prepare an appropriate business case to outline the situation and what has been proposed to remedy it. This should clearly identify which employees are affected by the proposed changes and why this is the best route forward for the organisation. Supporting facts/figures should be included.

STEP THREE

Announce the redundancy situation to staff.

STEP FOUR

Is it appropriate to invite volunteers for redundancy?

- a. If yes, invite applications for voluntary redundancies and select employees for voluntary redundancy, informing unsuccessful employees of the outcome of their application.*
- b. Invite successful applicants for voluntary redundancy to an individual meeting.*
- c. Hold individual meetings with successful applicants for voluntary redundancy.*
- d. Confirm the voluntary redundancies in writing.*
- e. Consider whether compulsory redundancies are still required?*
- f. If not, then confirm with workforce that the process has come to an end.*
- g. If compulsory redundancies are still required, continue as below.*

STEP FIVE

Are selection criteria applicable? These would be required if there are more employees affected than the number of positions that will be made redundant.

- a. If yes, consider what the selection criteria will be and apply as necessary at this stage.*

STEP SIX

Invite the provisionally redundant employees to individual consultation meetings. You may do so by letter, however this is not legally obligated.

GET IN TOUCH

If you have any questions, or would like further support, please get in touch with Georgia Wilson by calling 0141 221 2984 or by email at georgia.wilson@aab.uk.

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STEP SEVEN

Hold individual consultation meetings. Discuss the business case with employees and propose selection criteria if required. Outline any alternatives and give the employee the opportunity to raise any concerns.

STEP EIGHT

Issue formal "at risk of redundancy" and invite the provisionally redundant employees to further individual consultation meetings. This meeting will be to discuss alternative considerations in more detail.

STEP NINE

Give careful consideration to any representations made by the employees.

STEP TEN

Hold further consultation meetings as required to ensure that all matters are addressed. Once all matters have been resolved, in the final meeting the employee can be verbally informed of the decision to dismiss due to reason of redundancy.

STEP ELEVEN

Calculate redundancy payments. The employee will be entitled to their contractual notice period and if they have over 2 years' of service a statutory redundancy payment will be due.

STEP TWELVE

Confirm redundancies in writing, alongside a clear financial statement and offering the right to appeal.

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