

Managing staff redundancies

1. Step 1: Check redundancy is needed

Redundancy is usually a type of dismissal when a role is no longer needed. You should only consider making redundancies if part or all of the organisation is:

- · closing, or has already closed
- changing the types or number of roles needed to do certain work
- · changing location

If you have concerns about an employee's conduct or performance, you need to follow either a:

- · disciplinary procedure
- capability procedure

When considering making redundancies, your first step should be to check:

- · why you think redundancies are necessary
- · what issues you're trying to solve
- · other options that might be available

Look at other options

Before starting a redundancy process, you should consider all options to reduce or even avoid redundancies.

For example, you could see if you can:

- · offer voluntary redundancy
- · change working hours
- · move employees into other roles
- let go of temporary or contract workers
- · limit or stop overtime
- · not hire any new employees

Offer voluntary redundancy

You can give employees the option to put themselves forward for voluntary redundancy.

It's your decision whether or not to accept the volunteers, taking into account the wider needs of the organisation. For example, if an employee is highly skilled in their role, you might need to keep them on.

It's a good idea to make this clear to employees early on.

Avoid discrimination

If you do give the option of voluntary redundancy, you:

- should offer it as widely as possible, not necessarily just to those at risk of redundancy
- · should not pressure or single anyone out
- · must select employees in a fair way

This can avoid the risk of indirect discrimination. For example, it could be age discrimination if you only select older employees.

Find out more about discrimination

Change working hours

There could be ways for you to save costs by having staff work more flexibly.

You should always talk with employees and try to reach agreement first.

For example, you could offer employees:

- homeworking
- · job shares
- · to work fewer hours

If it's written in their employment contracts, you can tell employees that they need to:

- stop working for a while (known as a 'temporary lay-off')
- work fewer hours (known as 'short-time' working)

Lay-offs and short-time working are temporary solutions and must not be a permanent change to agreed working hours.

Find out more about lay-offs and short-time working

If you're changing what's written in employment contracts

You usually need to agree changes to employment contracts with employees.

You can talk with them to try to agree. They do not have to accept.

There are additional considerations when changing an employment contract after a TUPE transfer.

Find out more about making changes to employment contracts

Move employees into other parts of the organisation

You should see if you can move employees into different areas of your organisation ('redeploy') to avoid redundancies. For example, by looking at:

- · what transferable skills staff have
- if there other vacant or new roles in the organisation that require those skills

2. Step 2: Follow the right process

If you do decide redundancies are necessary, you should check if you have:

- · a redundancy policy you must follow
- · a collective agreement with a trade union with details of what you must do

You must follow a fair redundancy process. This should include consulting staff.

You must collectively consult staff if you are proposing to make 20 or more redundancies within 90 days.

You might not always be able to avoid redundancies. But by working with employees you could find ways to save jobs and better understand how to plan for the future.

Make a redundancy plan

You should make a redundancy plan that you'll share with all staff and put into action. It can help you follow a fair process and avoid the risk of legal claims.

It's a good idea to work with any trade union or employee representatives when making a plan.

The redundancy plan should include:

- all the options you've considered before deciding on redundancies
- the number of redundancies you're considering
- · keeping staff informed and supported throughout the process
- consulting all employees affected, including those off work, for example on maternity or sick leave
- timeframes, for example to leave enough time for consultation
- · agreeing on fair selection criteria
- · whether redundancy pay and notice periods are statutory or contractual
- an appeals process for if an employee thinks the redundancy process or their selection was unfair

Support and train managers

An organisation with managers will need them to help handle the redundancy situation and keep staff informed.

You should make sure your managers:

- · know why redundancies are being made
- understand in detail the redundancy plan
- are comfortable and confident to talk and work together with staff about the redundancy process
- know how to raise issues or ideas with those leading the redundancy process
- have training to be confident in carrying out any duties
- · know where to go for further support

By involving managers from the start and keeping them informed and updated throughout, they'll be able to:

- come up with ideas that help ensure a smooth process and reduce or avoid redundancies
- · effectively talk with staff about the redundancy process and plans
- make redundancy dismissals and give notice of when staff selected for redundancy will leave

· help restructure in the best possible way

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3. Step 3: Tell employees

As soon as possible, you should tell ('inform') your employees that you're considering making redundancies.

You should hold a meeting with all employees affected, not just those at risk of redundancy, where you explain:

- the risk of redundancy and the reason why it may be necessary
- · how many redundancies you're considering
- what happens next, including how everyone will be consulted

You should encourage employees to ask questions. The meeting can be held online if people are working remotely.

For employees who are at risk of redundancy, you should also confirm in writing:

- · that they're at risk of redundancy
- whether they have other options, such as voluntary redundancy or redeployment
- the outline of your consultation plans

You should continue to keep employees informed throughout the redundancy process.

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4. Step 4: Hold consultations

You should consult with your employees before finalising any redundancies.

If you do not hold genuine and meaningful consultation before making redundancies, employees could claim to an employment tribunal for unfair dismissal.

Consultation is when you talk and listen to affected employees. In 'collective consultation' you also consult with their representatives.

You should use consultation to try and agree actions wherever possible, for example the selection criteria.

During consultation, you should discuss:

- the changes that are needed, what you propose to do, and why
- · ways to avoid or make fewer redundancies
- the skills and experience needed for the future
- · the criteria for selecting employees for redundancy
- · any concerns employees may have
- · how you can support and arrange time off for affected employees, for example to update their CVs and get training

Employees will often have good ideas that may help to avoid redundancies. You do not have to agree to their suggestions, but it's important to seriously consider any ideas that could reduce redundancies, otherwise employees could claim the redundancy process has been unfair.

If you have any questions about holding redundancy consultations you can contact the Acas helpline.

Check if you need to hold collective consultation

If you're proposing to make 20 or more redundancies, you must hold 'collective consultation'.

You might have a workplace policy or agreement that says you must collectively consult a trade union or employee representatives, no matter how many redundancies you're proposing.

It can still be good practice to collectively consult even if you do not have to. It can help:

- you to fully be involved with employees about ways to achieve the change that's needed
- · reduce negative effects on employees
- the process be fairer and quicker
- employees feel that any decisions are fair, and so reduce risks of legal claims
- you minimise risk where the number of proposed redundancies is close to, or might reach 20

Employees could make a claim to an employment tribunal for a protective award if you fail to collectively consult.

Check if you need to hold collective consultation

If employee representatives are needed

There may be employee representatives already in place, for example as part of an information and consultation agreement.

If there are no employee representatives in place, you must arrange to elect them. Employees affected by redundancy have the right to vote for employee representatives or stand for election.

Find out more about electing employee representatives

How to hold individual consultation meetings

Some parts of consultation could be in small groups or team meetings.

You should meet each affected employee in private, at least once.

Meetings can be on the phone if you both agree to it and there is a clear need, for example if someone works remotely.

You should consider allowing employees to be accompanied at any one-to-one meeting. A companion can be helpful as they can:

- · give the employee support
- be a neutral person to observe
- · speak for the employee if needed

You should make sure any managers who lead consultation meetings:

- · have had training in managing the meeting appropriately
- are fully informed about the redundancy proposals and process
- can present the plan for the redundancy process clearly
- · can provide everyone with a questions and answers document

Use our template letter inviting an employee to a consultation meeting

How long consultation lasts

There are no rules for how long individual consultation should last. But you should check if you have a policy or agreement in place that does have rules.

You do not need to reach an agreement for consultation to end. Consultation must be meaningful and you should be able to show you have genuinely considered any suggestions or points made by each employee, even if you do not accept them.

If there has been a TUPE transfer

If there are redundancies after a TUPE transfer, consultation can start before the transfer and continue after. But you should not select employees for redundancy before the transfer takes place.

Find out more about TUPE

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5. Step 5: Select employees

You need to select employees for redundancy in a fair way.

If you're making a whole team or specific group of staff redundant, you'll have already identified clear selection criteria and a list of roles you need to make redundant.

For example, if a farm shop closes its bakery, it will need to make its bakers redundant.

But if you need to reduce the number of employees in the organisation or team, you'll need:

- · set up selection criteria
- make a list of roles to be considered for redundancy (a 'selection pool')

Selection pools

Selection pools help make sure employees are selected for redundancy in a fair way.

Where a number of different roles are at risk of redundancy, you may need to have more than one selection pool.

You should include in each pool all roles that are the same or similar.

You should also consider including roles that have similar skills. For example, all marketing roles are in a selection pool. You could also include roles from the press and communications team if the skills are similar to those needed for marketing.

When setting up a selection pool, you should check and follow any:

- · agreements you may have with a recognised trade union
- existing redundancy policy

If there is no existing policy or agreement, you should consider consulting any recognised trade union on how the pool should be set up.

Using selection criteria

You should have included selection criteria in your consultation.

Criteria should be as objective and measurable as possible. This means they should be fair, be based on facts that can be measured and not be affected by personal opinions.

You must use the same way of scoring criteria for all employees in the pool.

Agreed selection criteria scoring is useful as:

- it can be applied to everyone (although you might need to use different scoring for different groups of employees for example, the engineering team might have a different scoring from the sales team)
- it can be easily explained to everyone
- · employees feel they're being treated fairly
- it gives a clear, structured and consistent system for managing selection issues
- it can be used at employment tribunals to defend an employer's decision

Examples of selection criteria could include:

- standard of work or performance
- · skills, qualifications or experience
- attendance record, which must be accurate and not include absences relating to disability, pregnancy or maternity
- · disciplinary record

How to score employees

You can have different levels of points according to the importance of each criteria ('weighting') for your organisation's needs.

For example, if it's agreed that attendance record is less important than performance, you can allow fewer points for this. So you could score attendance out of 5 points and performance out of 15.

You should have written evidence against each of the criteria.

Example scoring criteria and points

Work performance:

- · outstanding consistently exceeds company standard 15
- exceeds objectives of the role 12
- · meets all objectives of the role 9
- meets some objectives of the role 6
- fails to meet objectives of the role 3

Skills and competence:

- fully competent, multi-skilled, supports others on regular basis 15
- fully competent in current role 12
- · competent in most aspects of current role, requires some supervision 9
- some competence in role, requires regular supervision and guidance 6
- · cannot function without close support or supervision 3

Disciplinary record:

no record of disciplinary action 5

- · record of informal disciplinary action 4
- verbal warning current 3
- written warning current 2
- final written warning current 1

Attendance record:

- no recorded absence 5
- some absence but below average for selection pool (or workplace) 4
- attendance in line with workplace (or selection pool) average 3
- absence level above average for selection pool (or workplace) 2
- · high and unacceptable level of absence 1

Following the law

It's against discrimination law to select employees based on:

- age
- disability
- · gender reassignment
- · marriage and civil partnership
- · pregnancy and maternity
- race
- · religion or belief
- sex
- sexual orientation

It's also against other areas of employment law to select anyone because of:

- maternity leave, paternity leave, adoption leave, ordinary parental leave, shared parental leave, parental bereavement leave,
 time off for dependants and carer's leave
- their role as an employee representative or trade union representative
- membership of a trade union
- working part time or on a fixed-term contract
- · working time regulations for example if they've raised concerns about holiday entitlement or rest breaks
- concerns they've raised about not being paid the National Minimum Wage
- · concerns they've raised about whistleblowing

For example, you want staff to be more flexible around the hours they work. If you only have selection criteria based on how willing employees are to work different shift patterns or change their working arrangements, it could be sex discrimination. This is because women are more likely to have caring responsibilities that make it hard to change their working hours.

6. Step 6: Work out redundancy pay

You must pay at least the legal minimum ('statutory') amount of redundancy pay to employees who have continuously worked for you for 2 years or more.

You should check employment contracts as they might say you need to pay more than the statutory amount. This can be called 'enhanced' or 'contractual' redundancy pay.

You can choose to pay higher amounts if you want to encourage voluntary redundancies.

Use the redundancy pay calculator on GOV.UK

Those in the following types of work do not qualify for statutory redundancy pay:

- · armed forces
- crown servants
- domestic service, where they're a member of the employer's immediate family
- police

Statutory pay

The maximum statutory pay for a week is £700. The rate can change each year.

The maximum total statutory redundancy pay is £21,000.

Calculating how many weeks of redundancy pay is due

How many weeks' statutory redundancy pay someone is entitled to depends on both of the following:

- · the employee's age
- · how long they've worked for you

Statutory redundancy pay is capped at the last 20 years that the employee has worked for you.

For example, Toni has worked at your company for 27 years. You only have to calculate their redundancy pay based on the last 20 years.

The 'relevant date' is usually the day the employee's notice period ends. Working backwards from the relevant date, you must add all of the following that apply:

- 1 and a half week's pay for each full year they were aged 41 years or older
- 1 week's pay for each full year they were aged 22 or older, but aged under 41
- half a week's pay for each full year they were aged under 22

Redundancy pay if you have given payment in lieu of notice

'Payment in lieu of notice' (PILON) is when an employee stops work straight away but you still pay them for the notice period.

If you have given the employee PILON, the relevant date is the date their employment would have ended if they had worked all of the statutory notice period.

You'll need to add on the statutory notice period when calculating how many years' work the employee will get redundancy pay for.

This might mean an employee has another year's work to base redundancy pay calculations on.

Example of calculating redundancy pay when you have paid in lieu of notice

If you have an employee who has worked for you for 8 years and 11 months, they would be entitled to 8 weeks' statutory notice. If you make them redundant and pay them in lieu of notice you need to add 8 weeks to how long they have worked for you when calculating their redundancy pay. This means they would have worked for you for 9 years and 1 month. They must then get redundancy pay for 9

years of work, not 8 years.

If you have given contractual notice

If someone has contractual notice (longer than statutory notice) and they're taking PILON, the relevant date is worked out differently.

A contractual notice period is longer than the legal minimum notice period (statutory notice period).

To work out the relevant date for someone with a contractual notice period:

- 1. work out how many weeks the statutory notice would have been
- 2. add those weeks to the employee's actual leaving date

This will give you the relevant date to work out how many years' service the person has and how many weeks' redundancy pay they're entitled to.

Example of calculating redundancy pay when you have given contractual notice

Bo's leaving date is 1 August 2022 and they've accepted pay in lieu of 6 months' contractual notice.

Bo will have 3 years' service up to 1 August 2022, but would have had 4 years' service by 8 August. So they want to know whether they're entitled to 3 or 4 years' redundancy pay.

To find this out, you need to work out the relevant date. Because Bo has 3 years' service, the statutory notice period would be 3 weeks.

Add these 3 weeks to Bo's leaving date of 1 August. This would make the relevant date 22 August 2022.

Because 22 August 2022 is after the date Bo would have 4 years' service, they would get 4 years' redundancy pay.

If the employee has regular working hours and pay

You base their redundancy pay on their normal weekly pay before tax (gross weekly pay).

Example of calculating redundancy pay for regular working hours and pay

A 45-year-old employee is being made redundant after working for their employer for 22 years.

Their average weekly pay is £300 before tax.

They're entitled to:

- 1 and a half week's pay x 4 = £1,800 (for the 4 full years they were aged 41 or over) plus
- 1 week's pay x 16 = £4,800 (for 16 of the 18 full years they were aged 22 to 41)

They do not get anything for 2 of the years they worked, because the maximum statutory redundancy pay is capped at the last 20 years.

In total, they're entitled to £6,600 statutory redundancy pay.

If the employee's pay changes from week to week

Work out their weekly pay by getting an average figure for a 12-week period. Use the 12 weeks up to the day they got their redundancy notice.

If they did not work for a whole week during that time - for example they were on holiday or off sick - replace it with an earlier week.

You must share in writing with employees how you've calculated redundancy payments.

Overtime, bonuses and commission

Your employee's weekly pay should also include:

- 'guaranteed overtime' agreed in their contract this is overtime you must offer and the employee must work
- · any bonuses or commission

Find out how to work out average pay for bonuses and commission on GOV.UK

When you must make the payment

You should pay redundancy no later than an employee's final pay day. You can pay later than this if you both agree another date in writing.

You should tell employees when and how you'll make the payment. For example, if it'll be included in their monthly pay or as a separate payment.

If you do not pay an employee on time, they might be able to make a claim to an employment tribunal.

If you cannot afford redundancy pay

If making redundancy payments puts your organisation at risk, you can ask the Redundancy Payments Service (RPS) for financial help.

If you're insolvent you can get RPS to make your redundancy payments and recover the debt from your assets.

Find out how to get financial help from the Redundancy Payments Service

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/discrimination-and-the-law

7. Step 7: Give notice

You can only give an employee notice of redundancy once you've finished consulting everyone and gone through the selection process.

You should meet with each employee who's been at risk of redundancy. It's best to do this face to face, but if this is not possible, you should talk with them on a call.

You should allow them to be accompanied at the meeting.

For those selected for redundancy, you should also put the details of their redundancy in writing. This can be by letter or email.

You should include:

- · how they scored in the selection criteria and why they received that score
- their notice period and leaving date
- · how much redundancy pay they'll get and how you calculated it
- any other pay due to them, for example holiday pay
- when and how you'll pay them
- how they can appeal the redundancy decision

Employees may want to know how others have been scored. You should not share other employees' scores. You could show how everyone scored overall, as long as you can keep it anonymous.

Use our redundancy letter templates

How much notice you should give

By law (Employment Rights Act 1996), there are 'statutory notice periods'. These are the minimum amounts of notice you must give.

If an employee has worked for you for:

- 1 month to 2 years statutory notice is 1 week
- 2 to 12 years statutory notice is 1 week for each full year they have worked
- 12 years or more statutory notice is 12 weeks

Some contracts might have longer notice periods, but you cannot give less than the legal minimum.

Find out more about notice periods

If you want to withdraw notice

Once you've given your employee notice of redundancy, including the date their employment will end, you cannot withdraw it unless the employee agrees.

If the employee agrees

If your employee agrees, they will continue working. They will not get redundancy pay, but they will keep their continuity of employment.

If the employee does not agree

If your employee does not agree and they leave at the end of their notice period, it could affect their entitlement to redundancy pay.

They might not be entitled to redundancy pay if you're offering for them to stay in the same job on the same terms and conditions.

This could be because:

- there is no longer a redundancy situation
- · the employee is unreasonably refusing suitable employment

If you offer them a different job, whether they're entitled to redundancy pay will depend on whether the job is <u>suitable alternative</u> <u>employment</u>.

If your employee wants to leave early

If you've given an employee notice of redundancy, including their dismissal date, they might want to leave early. For example, if they've already found another job.

To leave early and protect their right to redundancy pay, an employee needs to give you 'counter-notice' during the 'obligatory period'.

'Counter-notice' means the employee is giving their own notice to end employment, which is different from the notice you have given them. They must give you notice in writing, for example in a letter or email. They should give you as much notice as possible.

The 'obligatory period' is the period equal to their normal notice period, counting back from their dismissal date.

Example of giving counter-notice

An employer is making some employees redundant. They give everyone 12 weeks' notice in writing, stating their date of dismissal.

Sam is entitled to 12 weeks' notice because they've worked for the employer for over 12 years. Their obligatory period is the whole of their notice period. They can give counter-notice at any time in the 12 week period.

Pat is entitled to 3 weeks' notice because they've worked for the employer for 3 and a half years. Their obligatory period is the last 3 weeks before their dismissal date. They must give counter-notice in those 3 weeks to protect their right to redundancy pay.

Jo has only worked for the employer for 2 years, but their contract says they're entitled to 1 month's notice. Their obligatory period is the last month before their dismissal date. They must give counter-notice in that month to protect their right to redundancy pay.

If you do not want your employee to leave early

You can give further notice to your employee in writing that states:

- · you require them to withdraw their counter-notice
- you will not give them redundancy pay if they leave early

If they still decide to leave early, you might consider that they have resigned and decide not to give them redundancy pay.

If this happens, the employee can make a claim to an employment tribunal. The tribunal judge would decide whether you should pay all, part or none of the redundancy pay.

You should be open to discussion about leaving early. You should balance your need for employees to stay against their need to find new work.

8. Step 8: Offer alternative employment

You must try and move employees selected for redundancy into other jobs within your organisation instead. This is called offering 'suitable alternative employment'.

You must identify any available jobs in your organisation and talk to the affected employees to see if they agree they're suitable.

If a role is suitable, you should offer it instead of redundancy. If you do not, the employee could make a claim to an employment tribunal for unfair dismissal.

They should not have to apply for the role. If more than one employee is interested in the same role, you must:

- offer the role to any employees on maternity leave, shared parental leave or adoption leave first
- follow a fair process for all other employees, for example holding interviews for the role

When you offer an employee another role, it must be:

- · put in writing
- · offered before their current contract ends
- a different role to the one they're currently doing you'll need to explain how it's different
- start within 4 weeks of their current role ending

There is extra <u>redundancy protection for pregnant employees and new parents</u>. You must offer them any suitable alternative vacancies as a priority over other employees.

Trial periods

Employees have the right to a 4-week trial period if they accept a new role. If they need more time to train for the role, you can agree to a longer trial period. It must be agreed in writing and have a clear end date.

The trial period should start after they've worked their notice period and their previous contract has ended.

This avoids any confusion or disputes over dates if the trial does not work out. It's a good idea to set out the dates for the trial in writing.

If the employee is in the new role beyond the 4-week trial they will lose the right to redundancy. This is unless you have agreed a longer trial period with them.

If the new role is unsuitable, the employee can leave at any time in the 4-week trial period without having to give additional notice.

If you offer more than one job, the employee can try each one for 4 weeks.

If an employee turns down an alternative role

If an employee refuses your offer for a suitable alternative role, or turns it down after the trial period, they need to have a valid reason why it's not suitable.

Examples of reasons could include:

- · the job is on lower pay
- health issues stop them from doing the job
- they have difficulty getting there, for example because of a longer journey, higher cost or lack of public transport
- it would cause disruption to their family life

If the employee has a valid reason to turn down the job, they'll be entitled to redundancy pay.

But if the employee does not have a valid reason for turning down the job, you could refuse to pay their redundancy pay.

For example, the employee's contract could say they have to work anywhere you ask them to. This is called a 'mobility clause'. This might mean that turning down a job because of its location could risk their right to redundancy pay.

You'll need to be able to prove the employee's decision was unreasonable if they make a claim to an employment tribunal.

9. Step 9: Offer an appeals process

It's good practice to offer employees the chance to appeal if they feel they were selected unfairly for redundancy.

This should be set out in your redundancy plan. It might also be written in contracts or your redundancy policy.

An appeals process can help to:

- give you early warning the redundancy selection process might have been unfair and the chance to correct it
- · deal with and resolve an employee's complaint, avoiding an employment tribunal claim
- show a tribunal that you have followed a fair process

If an employee is successful in an appeal, it's likely to mean another employee will have to be made redundant in their place. This could be a very difficult situation, especially if the employee was previously told they were safe from redundancy. You should:

- prepare for how to handle the situation sensitively with the employees affected
- · keep communication clear and open
- · offer support

How an employee can appeal

If an employee thinks they've been unfairly selected or there was a problem in the redundancy process, you should give them the chance to appeal within a reasonable timescale of receiving their redundancy notice. For example, 5 days could be reasonable.

The employee should tell you in writing the reasons for their appeal.

The appeal meeting

When you receive an appeal, you should send a meeting invitation to the employee as soon as possible.

It's a good idea to allow them to be accompanied at the meeting by a work colleague or union representative.

Where possible, arrange for a senior staff member who has not been involved in the redundancy decision-making to lead the appeal meeting. In organisations where this is not possible, the person leading the appeal meeting should be as impartial as possible.

You could also consider using an independent consultant to help when making a decision.

Making an appeal decision

You should consider the appeal without unreasonable delay and make a decision to either refuse or agree to ('uphold') the appeal. You should put your decision in writing to the employee.

If you uphold the appeal

If it's clear the employee was selected unfairly, but you still need to make a role redundant, you will need to handle the situation very carefully. It could mean the end of employment for another employee who had been told their job is safe.

It's important to:

- · communicate clearly and openly with your staff
- · correct any issues with the process
- make sure you carry out a fair selection process

If you have found there were serious issues, you may need to go through the whole redundancy process again.

If you uphold an appeal and the employee has not yet ended their redundancy notice period, the employment contract should continue as though the employee had not been selected for redundancy in the first place.

If you uphold an appeal and the employee has already ended their redundancy notice period, you should put them back in a role ('reinstate' them). Their length of service ('period of continuous employment') will apply from when you first employed them. You must pay any arrears of wages between the end of the notice period and the time you reinstate them.

If you have made a redundancy payment to your employee and you later uphold an appeal, you should make it clear that upholding the appeal means they'll need to return the payment.

If you refuse the appeal

If you decide to refuse the appeal, the employee's redundancy dismissal, pay and notice continues as before.

Related content

Redundancy appeal letter template

10. Step 10: Support your staff

Redundancy can create difficult situations and conversations in your organisation.

You should think about how to support:

- · employees at risk of redundancy
- managers who are breaking the news
- · the people leading the consultation
- employee representatives
- · those staying on

You can support staff by providing:

- counselling
- · additional face-to-face meetings
- · help getting financial advice
- · clear plans for the future
- time off for those selected for redundancy to look for new jobs or get training

Employees who are staying might experience stress from seeing colleagues and friends being made redundant. They'll also be part of a changing workplace and might feel uncertain about what the work and their roles will look like in future.

Help staff find another job or training

You must allow employees you've made redundant a reasonable amount of time off during their notice period to look for another job or to do training.

This applies if the employee has worked for you continuously for 2 years or more, including the notice period.

Paid time off for training or to look for another job

You do not have to pay more than 40% of a week's pay for time off to look for work or training during the notice period. This applies even if an employee takes more than 40% of a week off.

An employee's contract might say that you pay more than this. If it's not in the contract, you can choose to pay more. Either way, you should treat everyone the same.

Example of paid time off

Robyn has been selected for redundancy. Their normal pay is £500 for a 5-day working week.

They take 5 days off to apply for new jobs during their notice period.

Robyn is paid £200 for this time off. This is 40% of their weekly pay.

Organisations that can help

You can support employees with finding another job or training by signposting them to the following organisations.

England

The Jobcentre Plus Rapid Response Service can:

- help people get back into work and with writing or updating CVs
- give you useful information about finding work to pass on to your staff

Find out more about the Rapid Response Service on GOV.UK

Scotland

Partnership Action for Continuing Employment (PACE) is a Scottish government service that supports those dealing with redundancy. Employers and employees can get free, confidential advice.

Find out more on the PACE website

Wales

ReAct+ is a Welsh Government programme that provides tailored support to get people back into employment.

Find out more about ReAct+ from the Welsh Government

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