

TUPE managing redundancies

When redundancy can happen

Your employees have their usual rights to a fair redundancy process throughout a TUPE transfer.

TUPE regulations protect employees' rights when they transfer to a new employer. TUPE stands for Transfer of Undertakings (Protection of Employment).

Before starting a redundancy process, you should consider all the options to reduce or even avoid redundancies. <u>Find out more about avoiding redundancies</u>.

If you're starting a redundancy process and have any questions you can contact the Acas helpline.

Before a TUPE transfer

The employer taking on the transfer (the new employer) and the employer making the transfer (the old employer) cannot make any redundancies before a TUPE transfer if the reasons relate to the transfer.

For example, the old employer cannot reduce the workforce to make the organisation or service cheaper to run, to try to find a buyer. And the new employer cannot ask the old employer to make redundancies before the transfer. This would be considered an <u>unfair</u> dismissal.

If the new employer is planning to make 20 or more redundancies at the same establishment within the same 90 day period after the transfer, they might be able to start a <u>collective consultation</u> with the affected staff before they transfer, if the old employer agrees. It must start at least 30 days before anyone is made redundant.

You can make staff redundant before a TUPE transfer if the redundancies are unrelated to the transfer, following the usual <u>redundancy</u> process.

After the transfer

Once staff have transferred, both employers can only make redundancies related to the transfer if there is both:

- an 'economic, technical or organisational' (ETO) reason involving a change in the workforce
- a genuine redundancy situation

A genuine redundancy situation could be where 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

A change in the workforce could mean:

- redundancies
- · a significant restructure
- a change in location of the workplace

ETO reasons include:

- essential cost-saving requirements (economic reasons)
- using new processes or equipment (technical reasons)
- making changes to the structure of an organisation (organisational reasons)

If you need to make redundancies in particular roles or teams, you must:

- treat transferred staff in the same way as staff who've worked there longer
- 'select staff in a fair way and do not disadvantage the staff who've transferred
- consult fully with employees or their representatives about the proposed selection methods and criteria

Making redundancies unrelated to the transfer

If the reason for redundancies is not related to the transfer, you could make redundancies following the usual redundancy process. You do not need an ETO reason involving a change in the workforce.

Find out more about managing staff redundancies