

### REDUNDANCY PROCEDURE

#### What is redundancy?

A redundancy situation arises in the following circumstances:

- the employer has ceased, or intends to cease, to carry on the business for the purposes of which the employee was so employed; or
- the employer has ceased, or intends to cease, to carry on the business in the place where the employee was so employed; or
- the requirements of the business for employees to carry out work of a particular kind has ceased or diminished or are expected to cease or diminish; or
- the requirements of the business for the employees to carry out work of a particular kind, in the place where they were so employed, has ceased or diminished or are expected to cease or diminish.

As soon as you become aware of a possible redundancy situation, consideration should be given to the likely number of affected employees, the impact on the business going forward and possible ways of avoiding the redundancies, including short-time working and temporary working (see section 23). If there is a trade union or other employee representative group, they should be consulted about this.

Following the right procedure when making employees redundant is critical as an employee with at least one year's continuous employment has the right not to be unfairly dismissed. Although redundancy is a potentially fair reason for dismissal, dismissals for this reason can still be unfair, either on the basis of the selection of employees to be made redundant, on account of the procedure by which the dismissals are carried out, or failure to consult affected employees. The entire process should be planned and communicated carefully and comprehensive records maintained at each stage. A tick list of required actions can help.

Redundancy can be a distressing experience for employees and it is advisable that employers develop strategies for managing staff in order to minimise disruption to company performance, the impact on employee morale and to ease the process of change.

It is important to remember that it is the job that is redundant, **not a particular individual**. If an individual is not performing in the role and the company wishes to dismiss that person to replace them with a more effective performer, the reason for dismissal is not redundancy and the procedure for managing poor performance should be followed (see section 14).

If several employees are doing a similar role and it has been decided to reduce the number of people carrying out that role without eliminating it altogether, the implementation of a redundancy exercise should start with proper consideration of how employees will be selected for redundancy. In other cases, a decision will be taken to remove an entire function and in this case selection may not be an issue.

#### Individual consultation

**If the employee is not being consulted under a collective procedure, the statutory dismissal procedure must be carried out. This includes writing to the employee to invite him/her to a meeting, stating the purpose of the meeting in the letter, holding a meeting and allowing an appeal.**

Failure to do this will lead to a finding of automatic unfair dismissal and an increase in compensation awarded of between 10% and 50%.

Case law suggests that, even if collective consultation has taken place, individuals should be fully consulted.

The purpose of consultation is to:

- Inform the employee about the **possibility** of redundancy;
- Verify the basis for selection;
- Allow the employee to comment on his/her selection for redundancy;
- Discuss ways of avoiding the redundancy and mitigating the consequences of the redundancy, including any suitable alternative employment within the company.

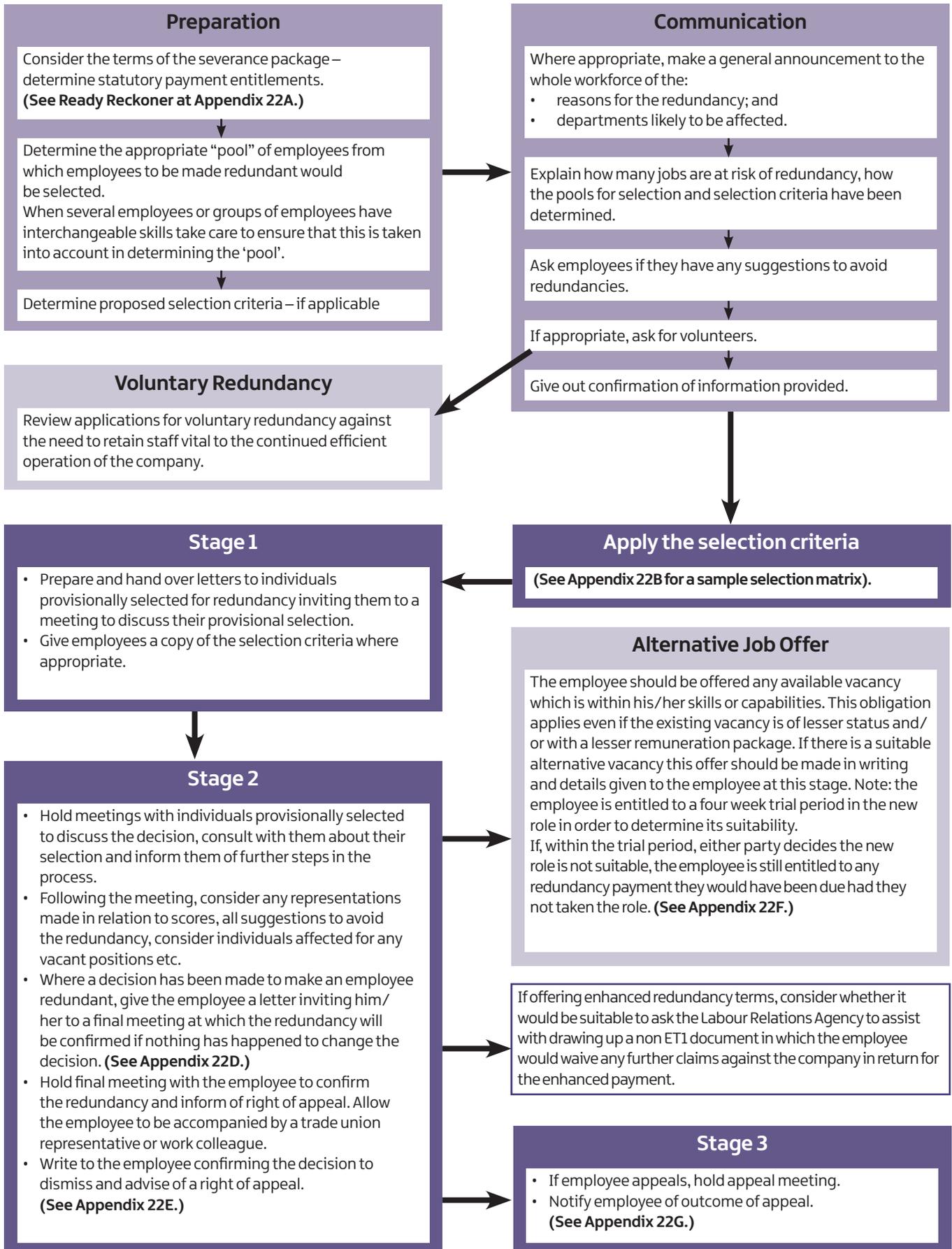
The redundancy process **when less than 20 employees are being made redundant is summarised overleaf.**

Further details on each of the stages are provided on the following pages.

In a **collective redundancy** situation where **20 or more are being made redundant** separate provisions apply. See the information on collective redundancy at the end of this section.

## SECTION 22

### REDUNDANCY FLOWCHART (20 or less employees being made redundant)



### Detail of process

#### Preparation

1. Consider the terms of the severance package which will be offered to those employees made redundant. Will enhanced redundancy payments be made? Will outplacement services be made available? If so, what are these? If the employee has more than two years' service, s/he will be entitled to a statutory redundancy payment. The amount of redundancy pay is calculated as follows:

- 0.5 week's pay for each full year of service where age during the year is less than 22;
- 1 week's pay for each full year of service where age during the year is 22 or above but less than 41; and
- 1.5 weeks' pay for each full year of service where age during the year is 41+.

There is a statutory limit on a week's pay which is updated in line with economic conditions. The maximum number of years which can be counted for statutory redundancy payments' purposes is 20. Length of service is counted back from the date on which the notice ends.

Details of statutory redundancy payment entitlements are available in Appendix 22A with further information on the NI Business Info website.

Bear in mind when calculating costs of redundancy that employees with over two years' service will also be entitled to a week's notice for every year of service up to a maximum of 12 weeks. Depending on the contract, they may be entitled to more notice.

2. If it is decided that redundancies are inevitable, the manager will need to **identify the jobs/ functions which have to be made redundant.**

There may be some cases where only one individual is carrying out a particular function and it has been decided that this role is not required. In other circumstances, all employees carrying out a particular function may be made redundant. In both these situations there may be no requirement for selection.

In a case where not all employees of a particular kind are to be made redundant the manager should identify the names of the individuals in the **"pool" of employees** who are carrying out those jobs/ functions. This may be by reference to department, job category or job content.

Note that not all those in the "pool" will necessarily be made redundant. However, the manager must identify the pool of employees affected in order to then "select" the employees for redundancy according to the selection criteria and procedure mentioned below.

For example there may be a "pool" of 5 employees doing the same job function but only 2 are surplus to requirements. All of the 5 employees will come within the redundancy pool and will need to be considered in the selection process although only 2 will then be provisionally selected for redundancy.

It is important to ensure that employees are placed in the correct pool. For example, it may be appropriate to have shop floor employees in one pool, managers in another and administrative staff in another. **If contracts of employment are flexible and job skills are inter-changeable then all employees in interchangeable roles should be included in the pool.** The pool should also include all employees who are on secondment, sick leave, maternity leave or any other absence. The fact that employees are based at different sites does not prevent them from being placed in one pool.

3. Determine the **selection criteria.** Selection criteria should take into account the future needs of the business and should also comply with the following standards:
  - they must be as objective as possible; and
  - they must be fair and reasonable.

Make sure your selection criteria are capable of being objectively justified. Reasons such as being a "good team player" and "popular with clients" are too subjective to stand up in a tribunal as they are often based simply on the personal views of line managers.

Selection decisions should be based on legitimate factors and not on prohibited discrimination grounds, like sex, religion, race, sexual orientation or disability (See section 1) Particular care should be taken with length of service as a selection criterion. Criteria such as Last In First Out ("LIFO") or those based on length of service are likely to be age discriminatory and may also amount to discrimination on the grounds of gender. It will be up to employers to establish a defence of justification in such case.

## SECTION 22

Common redundancy criteria are as follows:

- those persons who have the skills and experience necessary to carry out the remaining jobs after the redundancy exercise has been completed – ensure that any assessment of skills can be objectively justified;
- attendance record – ensuring that records are accurate and not discriminatory e.g. be sure to ignore any sickness absences for pregnant women that occurred during the 'protected period' i.e. from the time they conceive to the end of statutory maternity leave. Also under the reasonable adjustment duty it may be necessary to ignore a disabled employee's disability-related absences. You should seek further advice.
- work performance – using objective evidence to support this e.g. performance review forms. Take care to ensure that there are no conflicts between ratings given during appraisals and those given for the purposes of redundancy selection. Criteria based on subjective opinions such as "attitude" should be avoided;
- disciplinary record i.e. any current warnings; and
- work experience and qualifications.

Employees must not be selected on one of the following grounds which would give rise to a claim of automatically unfair selection for redundancy:

- reason(s) relating to pregnancy or maternity leave;
- membership/non-membership of a trade union, or participation in union activities;
- reason(s) relating to an employee's role as an employee representative, or candidate for such;
- reason(s) relating to accompanying an employee to a disciplinary or grievance hearing, or relating to the exercise of the statutory right to be accompanied to such a hearing; and
- reason(s) relating to the exercise of the statutory right to parental leave, shared parental leave, or time off to deal with domestic incidents.

It is useful to define scores for each of the criteria to ensure clarity and also to weight the criteria if appropriate. See a sample selection matrix at Appendix 22B.

4. Make a **general announcement** of the reasons for redundancy and affected departments. It can be useful to read this announcement from a pre-prepared script to ensure that all information is covered, particularly since making such an announcement is likely to be an emotive experience. It can also be useful to provide a Q&A document for employees to take away since they are unlikely to be able to retain all the detail from a verbal announcement.

5. Consideration should be given to asking for voluntary redundancies but taking care to reserve the right to refuse an application from employees with key skills and experience. Volunteers may be requested from particular "pools" of employees only. Enhanced redundancy payments may be necessary to encourage volunteers. Also, applications from volunteers can be difficult to manage. For example, there may be too many applications or applications may come from the most skilled or experienced employees. Volunteers should be given a fixed period of time to apply, e.g. one week.
6. If applicable, **apply the redundancy selection criteria** fairly and objectively to the appropriate "pool" of employees and decide who should be "provisionally" selected for redundancy. This means that the manager must be able to demonstrate how, by applying the selection criteria fairly and consistently, they have arrived at the redundancy selections they have made.

**Note:** this selection must always be considered as "provisional" until the end of the consultation process when the redundancy is confirmed.

Ensure that the timetable has enough flexibility to allow employees to come back for more meetings where there are issues to discuss, or where extra information is needed. Failure to allow enough time can lead to allegations that the process was a sham, and that decisions had been made in advance.

During this time check contracts for details of bonuses etc which may be due.

### Stage 1

1. Once selection decisions have been made, **prepare letters to the provisionally selected employees** in any affected departments notifying them that they are "at risk", explaining the commercial reasons for the potential redundancy, and invite them to a meeting to discuss the matter (Appendix 22C). The letter should also inform them of their right to be accompanied by a trade union representative (even if the company does not recognise any particular trade union), or a colleague. Any trade union representative should be certified in writing as competent to act as a representative by their union.

These letters should ideally be handed to the relevant employees in person and in private with a brief explanation of their content, i.e. that the letter is an invitation to a meeting to discuss provisional selection for redundancy. Further discussion should be avoided at this stage and care should be taken to handle this stage sensitively.

## SECTION 22

2. **Consider the suitability of the employees for other open positions within the company.** If an employee may be suited to an alternative role with a small amount of training, the employee should be offered that role.

If several employees would be eligible for a particular vacancy it is best to hold interviews to determine who will fill the vacancy.

Employees on maternity leave have priority over other employees for any alternative vacancies.

### Stage 2

1. A few days later, **hold meetings with the affected individual employees** to discuss the potential redundancy and consult with the individuals about their provisional selection.

Meetings in relation to possible redundancy are likely to be stressful for both parties. Managers holding the meetings should prepare carefully in advance, anticipating any likely questions and issues and also anticipating and preparing for any possible emotional reactions.

Careful consideration should be given to sensitive timing of the meeting. Avoid the end of the working day, Fridays, pre-holidays and significant dates such as birthdays or anniversaries.

The meeting should be held away from the individual's working area where privacy can be assured and where there are not likely to be interruptions. Consider having tea, coffee or water available and a box of tissues (out of sight).

It is important to approach the meeting on the basis that you are willing to consider other alternatives not involving redundancy and that no decision has yet been reached concerning the employee's redundancy. At this stage any selection is provisional.

The meeting should cover the following points:

- (i) the reason for redundancy in appropriate detail;
- (ii) the basis of provisional selection, i.e. the selection criteria used;
- (iii) the basis upon which the employee has been provisionally selected should be checked with the employee and his/her comments sought. Individual scores from any selection process should be provided. This gives the individual an opportunity to challenge any data upon which the manager is relying;

- (iv) the employee should be asked if he/she has any suggestions to avoid redundancy;
- (v) the employee should be given details of the severance terms (i.e. how their payment would be calculated) in the event the redundancy is confirmed. If outplacement services are to be made available this should also be confirmed;
- (vi) the employee should be offered any available vacancy which is within his/her skills or capabilities. This obligation applies even if the existing vacancy is of lesser status and/or with a lesser remuneration package. If there is a suitable vacancy this offer should be made in writing and details given to the employee at this stage.  
**Note:** the employee is entitled to a four week trial period in the new role in order to determine its suitability. If, at the end of the trial period, either party decides the new role is not suitable, the employee is still entitled to any redundancy payment they would have been due had they not taken the role (see Appendix 22F);
- (vii) the employee should be informed that this meeting represents the beginning of a consultation period which will last for a fixed period;
- (viii) if so decided, the employee should be told he/she can remain at home or that it would be better if they remain at home with full pay for the consultation period. The employee may prefer to remain at work and should have that choice;
- (ix) the employee has the right to appeal the decision, they should be informed of how long they have to lodge an appeal and who to lodge it with. The appeal should be in writing.

The employee has the right to be accompanied at this meeting. The person accompanying them may advise them during the meeting.

During the meeting:

- Display empathy and show you care;
- Be firm and honest but allow the employee to have their say;
- Do not engage in small talk, blame others or talk about your own feelings or problems;
- Take the time to answer any questions that arise but avoid lengthy justification of the decision unless the employee is requesting it. The meeting should ideally last between 10 and 15 minutes. A longer meeting is generally one that makes matters worse, not better.

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Notes should be kept during the meeting. A list of issues to cover with space for notes can be useful. All relevant comments should be recorded along with details of any other issues raised. All those attending the meeting should sign the form as a true record of the meeting.

2. Following the meeting, **time should be allowed for the employee to absorb the information given and to make any suggestions for avoiding the redundancy.** Take whatever time is necessary to consider any suggestions or check other issues which arise during the meeting and to decide if the employee is suitable for any alternative roles. Notes and records should be kept to show why the company has not accepted any suggestions.

The employee is entitled to time off to look for new work or for re-training during this period. If they take the time off the employee is only legally entitled to be paid two fifths of a week's pay, no matter how much time off they take.

If the employer is proposing to offer an enhanced redundancy package in addition to any statutory entitlement, it is sensible to make such payments conditional upon entering into a binding agreement which would preclude any further claims against the company. This can either be done through a compromise agreement which would require the redundant employees to obtain legal advice or through a non ET1 agreement with the assistance of the Labour Relations Agency.

3. After a few days, if nothing has emerged to change the decision to make the employee redundant, prepare a letter inviting the employee to a second meeting (see Appendix 22D). The employee has the right to be accompanied to this meeting.

Calculate and check the details of redundancy and notice payments if applicable. Up to £30,000 of redundancy pay is tax free. Any non-cash benefits that form part of the redundancy package, such as a company car or computer, will be given a cash value and added to the redundancy pay for tax purposes. This may then take it over the £30,000 limit.

Once consultation is complete, consider making an announcement to other departments to allay their fears.

4. Following this **second meeting give the employee a letter confirming the redundancy and the severance terms and the date employment will end.** This must take into account any relevant notice period. If the contract allows for payment in lieu of notice, employment can end immediately provided payment is made for the notice period. The letter should also inform the employee of the right of appeal. See Appendix 22E.

### Stage 3

1. If the employee wishes to appeal **hold an appeal meeting** at which the employee has the right to be accompanied and inform the employee of the final decision after this meeting. See appendix 22G.

Notes should be kept of all meetings, emails and telephone conversations throughout the process and copies of all correspondence should be retained.

**Note: Failure to follow the statutory dismissal procedure (writing to the employee to set out the issue and invite him/her to a meeting, holding a meeting at which the employee can be accompanied, informing the employee of the right of appeal and holding an appeal hearing if requested) could lead to a claim for unfair dismissal.**

Following any redundancy exercise it is natural for remaining staff to feel anxious, possibly shocked or angry and as a result, productivity may suffer. It is worthwhile to arrange meetings with all employees to explain the plans for the future and to help the company to move forward. It is particularly important at such times that leaders are visible and available to employees to answer their queries and to address their concerns.

## SECTION 22

### COLLECTIVE REDUNDANCY PROCEDURE

**Applicable when proposing to make 20 or more employees redundant at one establishment within a period of 90 days or less.**

In these circumstances, employers have a duty to consult with appropriate representatives prior to making selection for redundancy. Representatives can be either trade union representatives or employee representatives who have been specially elected for the purposes of a redundancy consultation. The election of employee representatives must satisfy specific obligations on the employer, for instance to ensure that the election is fair and that no affected employee should be unreasonably excluded from standing in the election.

To ensure a fair procedure, it is advisable to consult with any recognised union as to the selection criteria and their application. Compliance with this duty is a further factor to be taken into account when assessing the reasonableness of any dismissal. Compliance with collective consultation obligations does not make individual consultation unnecessary and the collective consultation obligation is independent of, and in addition to, the individual consultation obligation.

The duty to consult is triggered when an employer proposes to dismiss. Employee representatives should therefore be given the opportunity to understand the proposals, and employers should give proper consideration to any counter-proposals before reaching a final decision on the redundancies, although the employer will not be in breach of its duty if agreement is not actually reached.

If between 20 and 99 employees are likely to be affected, consultation should start at least 30 days before the first dismissal takes place. If more than 100 employees are likely to be affected consultation should start at least 90 days before the first dismissal takes place. The total number of redundancies proposed by an employer may be unimportant, as the obligation to consult depends on the number of redundancies at one establishment. There is no statutory definition of establishment and so tribunals have taken a practical approach when deciding whether to add together the number of employees to be made redundant in a business which has several sites. There are a number of factors that will influence a tribunal's view on this question and it is advisable that employers take legal advice as appropriate.

During the collective consultation process the employer must provide information to the representatives on the following:

- The reason for the proposals;
- The numbers and descriptions of employees proposed to be made redundant;
- The proposed method of selecting employees to be made redundant;
- The proposed method of carrying out the redundancies, including the timing;
- The proposed method of calculating any redundancy payments – beyond the statutory minimum payments required.

An employer who proposes to dismiss 20 or more employees as redundant at one establishment within a period of 90 days or less has a statutory duty to notify the relevant government department before any of the redundancies are made. This is so that government departments and agencies and the Jobs and Benefits offices can be alerted and prepared to take any appropriate measures to assist or retrain the employees in question.

A notification must be made a specified minimum time before the first dismissal takes effect.

The minimum times are:

- if between 20 and 99 employees may be dismissed as redundant at one establishment within a period of 90 days or less - at least 30 days and in any event, before giving notice to terminate an employee's contract; or
- if 100 or more employees may be dismissed as redundant at one establishment within a period of 90 days or less - at least 90 days and in any event, before giving notice to terminate an employee's contract.

See the relevant Advance Notification Form HR1 form for this notification at Appendix 22H. Search [www.economy-ni.gov.uk](http://www.economy-ni.gov.uk) for further advice on completing the form.

# APPENDIX 22A

## READY RECKONER TABLE

Service (Years)	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	
Age (Years)																				
18*[1]	1	1½																		
19	1	1½	2																	
20	1	1½	2	2½																
21	1	1½	2	2½	3															
22	1	1½	2	2½	3	3½														
23	1½	2	2½	3	3½	4	4½													
24	2	2½	3	3½	4	4½	5	5½												
25	2	3	3½	4	4½	5	5½	6	6½											
26	2	3	4	4½	5	5½	6	6½	7	7½										
27	2	3	4	5	5½	6	6½	7	7½	8	8½									
28	2	3	4	5	6	6½	7	7½	8	8½	9	9½								
29	2	3	4	5	6	7	7½	8	8½	9	9½	10	10½							
30	2	3	4	5	6	7	8	8½	9	9½	10	10½	11	11½						
31	2	3	4	5	6	7	8	9	9½	10	10½	11	11½	12	12½					
32	2	3	4	5	6	7	8	9	10	10½	11	11½	12	12½	13	13½				
33	2	3	4	5	6	7	8	9	10	11	11½	12	12½	13	13½	14	14½			
34	2	3	4	5	6	7	8	9	10	11	12	12½	13	13½	14	14½	15	15½		
35	2	3	4	5	6	7	8	9	10	11	12	13	13½	14	14½	15	15½	16	16½	17
36	2	3	4	5	6	7	8	9	10	11	12	13	14	14½	15	15½	16	16½	17	
37	2	3	4	5	6	7	8	9	10	11	12	13	14	15	15½	16	16½	17	17½	18
38	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	16½	17	17½	18	
39	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	17½	18	18½	
40	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	18½	19	
41	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	19½	
42	2½	3½	4½	5½	6½	7½	8½	9½	10½	11½	12½	13½	14½	15½	16½	17½	18½	19½	20½	
43	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	
44	3	4½	5½	6½	7½	8½	9½	10½	11½	12½	13½	14½	15½	16½	17½	18½	19½	20½	21½	
45	3	4½	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	
46	3	4½	6	7½	8½	9½	10½	11½	12½	13½	14½	15½	16½	17½	18½	19½	20½	21½	22½	
47	3	4½	6	7½	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	
48	3	4½	6	7½	9	10½	11½	12½	13½	14½	15½	16½	17½	18½	19½	20½	21½	22½	23½	
49	3	4½	6	7½	9	10½	12	13	14	15	16	17	18	19	20	21	22	23	24	
50	3	4½	6	7½	9	10½	12	13½	14½	15½	16½	17½	18½	19½	20½	21½	22½	23½	24½	
51	3	4½	6	7½	9	10½	12	13½	15	16	17	18	19	20	21	22	23	24	25	
52	3	4½	6	7½	9	10½	12	13½	15	16½	17½	18½	19½	20½	21½	22½	23½	24½	25½	
53	3	4½	6	7½	9	10½	12	13½	15	16½	18	19	20	21	22	23	24	25	26	
54	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	20½	21½	22½	23½	24½	25½	26½	
55	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22	23	24	25	26	27	
56	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	23½	24½	25½	26½	27½	
57	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	24	25	26	27	28	
58	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	24	25½	26½	27½	28½	
59	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	24	25½	27	28	29	
60	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	24	25½	27	28½	29½	
61*[2]	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	24	25½	27	28½	30	

18\*[1] - It is possible that an individual could start to build up continuous service before age 16, but this is likely to be rare, and therefore we have started the table at age 18.

61\*[2] - The same figures should be used when calculating the redundancy payment for a person aged 61 and above.

**SAMPLE REDUNDANCY SELECTION MATRIX**

See over for scoring definitions

Note - this sample is intended as a guide only and should be adapted to your company's circumstances

	Attendance Record	weighting	Timekeeping Record	weighting	Disciplinary Record	weighting	Performance in present job	weighting	Flexibility/ Adaptability	weighting	Skills/ Competencies	weighting	Total
Employee name 1													
Employee name 2													
Employee name 3													
Employee name 4													
Employee name 5													
Employee name 6													
Employee name 7													
Employee name 8													

## APPENDIX 22B continued

<b>Attendance</b>	0	very high number of days absence
	1	high number of absences/unexplained absence/regular short periods of absence
	2	some absence
	3	very few absences - with substantiated reasons
	4	minimal absence - substantiated reason always provided
<b>Timekeeping</b>	0	very poor timekeeping
	1	frequent lateness
	2	some examples of lateness
	3	few examples of lateness and reasonable explanation provided
	4	excellent timekeeping
<b>Disciplinary</b>	0	final written warning
	1	first written warning
	2	verbal warning
	3	informal disciplinary discussion
	4	no disciplinary record
<b>Performance</b>	0	unsatisfactory
	1	performance fails to meet objectives
	2	performance meets most of the objectives
	3	performance meets all of the objectives of the role
	4	performance consistently exceeds the required standard
<b>Flexibility/ Adaptability</b>	0	no competence beyond immediate role
	1	limited competence beyond immediate role
	2	able to provide some assistance in other areas
	3	multi-skilled and able to provide regular support beyond own role
	4	fully competent, multi-skilled and able to take on a range of different roles
<b>Skills/ Competencies</b>	0	poor skills in current role - unable to perform effectively and close supervision required
	1	limited skills in current role and unable to operate without close supervision
	2	competent in most aspects of current role but requires some supervision
	3	fully skilled in current role and able to operate without supervision
	4	fully skilled in current role, role model and source of advice for others

# APPENDIX 22C

## LETTER – PROVISIONAL SELECTION FOR REDUNDANCY

Date \_\_\_\_\_

### STRICTLY PRIVATE & CONFIDENTIAL

Dear \_\_\_\_\_

Insert background and reasons for provisional selection for redundancy.

Unfortunately, this has resulted in your provisional selection for redundancy.

The Company will now enter a period of consultation with you to ensure that we have fairly applied the selection for redundancy process, and to look at any alternatives to making you redundant.

In the meantime, I am sure that you will want to take time to consider your options. *The following to be used only if applicable:*  
We will give you the time and opportunity to consider any suitable alternative opportunities both within the Company and externally, and to enable you to consider any points you wish to raise with the Company concerning your provisional redundancy. You will, of course, continue to receive your full pay and contractual benefits during this period.

I also attach a sheet setting out your entitlements on termination of your employment, in the event that your provisional redundancy is confirmed, and you are not offered, or you do not take up, an alternative position within the Company.

I propose to meet with you at \_\_\_\_\_ on \_\_\_\_\_ when we can discuss further your views and comments in relation to the contents of this letter and, in particular, whether we can take the issue of looking for alternative employment for you in the Company any further. You have the right to be accompanied at this meeting by a colleague or a trade union representative.

Please do not hesitate to call me if you have any further questions about the contents of this letter.

Yours sincerely

### We confirm that your final payments would be as follows: *Optional*

Calculation of Severance Payments	£
*Redundancy payment – inclusive of any statutory redundancy entitlement	_____
_____ weeks pay in lieu of notice	_____
Payment for pension during notice period	_____
Payment for car allowance during notice period	_____

\*This payment assumes that the last day of service would be \_\_\_\_\_

In addition to the payments above you would also be entitled to payment for any holidays accrued but not taken.

The Compensation for your notice period will be subject to deductions for tax and national insurance contributions. We believe a redundancy payment of less than £30,000 is not taxable but you are advised to seek further guidance from HMRC for your specific circumstances.

## APPENDIX 22D

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### LETTER – INVITATION TO FINAL CONSULTATION

Date \_\_\_\_\_

Dear \_\_\_\_\_

#### REDUNDANCY CONSULTATION

Further to my letter of \_\_\_\_\_ and our recent meeting/s on \_\_\_\_\_, I can confirm that we have agreed to pay you \_\_\_\_\_ (*e.g. bonus or other benefit payments*).

You have indicated that you have had no additional questions or alternatives to propose, nor have we any alternative role for you at this time. In light of this there are no changes to the proposal to make you redundant, I am therefore inviting you to attend a meeting on dd/mm/yyyy at [insert time] at [insert location] where we will confirm your redundancy in absence of any alternatives arising between now and then.

You have the right to be accompanied at this meeting. You may choose to be accompanied by either a work colleague or a trade union representative.

Please do not hesitate to contact me should you have any questions.

Yours sincerely

\_\_\_\_\_



## APPENDIX 22F

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### LETTER – OFFER OF ALTERNATIVE ROLE

Date \_\_\_\_\_

Dear \_\_\_\_\_

#### OFFER OF ALTERNATIVE POSITION OF EMPLOYMENT

We are pleased to conclude our recent discussions and formally offer you the position of **JOB TITLE** reporting to **MANAGER NAME AND TITLE.**

The offer of this position is subject to a four week trial period on both sides from the date of commencement, which will be upon written acceptance of this offer. Should either party decide at the end of this period that you are not suitable for this position you will be entitled to a full redundancy package as stated in my letter of **DATE.**

As we discussed, this role is within the \_\_\_\_\_ and as such you are eligible for the \_\_\_\_\_ bonus plan, plan terms are attached. In addition there may be a requirement to carry out some on-call duties, an outline of responsibilities is attached.

All other terms and conditions remain as set out in your contract of employment.

I hope very much that you will accept this offer. To accept this position, please sign and date one copy of this letter and return to me, retaining the other for your records.

In the meantime should you have any questions regarding this offer please contact me or **MANAGER NAME.**

Yours sincerely

\_\_\_\_\_

**I accept the transfer and terms stated in this letter:**

Signed: \_\_\_\_\_

Date: \_\_\_\_\_

## APPENDIX 22G

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### LETTER - RESULT OF APPEAL

Date \_\_\_\_\_

Dear \_\_\_\_\_

I refer to our meeting on (date) which was held under appeal stage of the Company's Redundancy Procedure. You were accompanied at the meeting by (name), your union representative/work colleague\*.

You appealed against the decision to terminate your employment by reason of redundancy.

I am now writing to inform you of the decision taken by \_\_\_\_\_ [Insert the name of the person] who conducted the appeal meeting, namely that the decision to terminate your employment

\*still applies.

\*will be revoked.

Delete as appropriate.

You have now exercised your right of appeal under the Company's Redundancy Procedure and this decision is final.

Yours sincerely

\_\_\_\_\_

# APPENDIX 22H

## EMPLOYMENT RIGHTS (NORTHERN IRELAND) ORDER 1996 (AMENDED 8 OCTOBER 2006)

### Advance notification of redundancies

#### What you are required to do

As an employer, you are required by law from 8th October 2006 to notify of a proposal to make **20 or more** employees redundant

- a) before giving notice to terminate an employee's contract of employment in respect of any of these dismissals and
- b) within a 90 day period as follows:

- If 20 to 99 redundancies may occur at one establishment, you must notify us at least 30 days before the first dismissal.
- If 100 or more redundancies may occur at one establishment, you must notify us at least 90 days before the first dismissal.
- We will treat the date on which we receive your completed form as the date of notification.

#### How to complete this form

- Please type or write your answers in CAPITAL letters and tick boxes where appropriate.
- If there is not enough space for your answers, please use a separate sheet of paper and attach it to this form.
- You must send a copy of this notification to the representatives of the employees being consulted.
- If the circumstances outlined in this form change, please notify us immediately.

#### 1. Employer's details

Name ..... Tel no .....

Address ..... Fax no.....

..... Postcode .....

Total Workforce of the organisation in Northern Ireland.

#### 2. Employer's contact

Name ..... Tel no (if different from that given at 1).....

Address (if different from that given at 1) .....

.....

Postcode..... Email.....

Address.....

#### 3. Site(s) Where Redundancies Proposed

Section 3(A)				*Delete as appropriate
Postal Address of Site(s)	Postcode	Current Workforce	Proposed Redundancies	Closure of Site
1.				Yes/No*
2.				Yes/No*
3.				Yes/No*
4.				Yes/No*
Totals				

**4. Reasons for redundancies**

Reduced demand for products or services	<input type="checkbox"/>	Changes in work methods or organisation	<input type="checkbox"/>
Transfer of work to another establishment	<input type="checkbox"/>	New plant, equipment or new technology	<input type="checkbox"/>

• If other reason(s) please give details...  
.....  
.....

**5. Timing of redundancies**

Date of first proposed redundancy       Date of last proposed redundancy

**6. Consultation**

Are any of the groups of employees who may be made redundant represented by a recognised trade union?

Yes       No

List trade unions below  
.....  
.....

	Yes	No	Start date
Have you consulted any of the trade unions above?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="text"/> <input type="text"/> <input type="text"/>
Have you consulted elected representatives of the employees?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="text"/> <input type="text"/> <input type="text"/>

**Declaration**

I certify that the information given on this form is, to the best of my knowledge, correct and complete.

Name/Signature..... Date.....

Position .....

Please return completed form to:  
Department for the Economy  
c/o Economic & Labour Market Statistics Branch  
NISRA, (Department of Finance)  
Room 115 Netherleigh  
Massey Avenue  
Belfast BT4 2JP.

Email: redundancies@finance-ni.gov.uk    Tel: 028 9052 9412    Fax: 028 90529658

Website address: [www.economy-ni.gov.uk](http://www.economy-ni.gov.uk)

Acting on behalf of the Department for the Economy for the collection and dissemination of redundancy information.