

Redundancy Checklist



This handy checklist is for businesses to use during a redundancy situation.

If your existing HR team needs support managing a redundancy process or if you have any questions, please contact Nockolds HR and we would be delighted to assist you.

This checklist does not include legal advice, please contact Nockolds HR to discuss further.

CONSIDER ALTERNATIVE OPTIONS TO REDUNDANCY

- Recruitment freeze
- Reducing overtime
- Reducing temporary workers
- Redeployment of existing resources e.g. employees, temporary workers
- Temporary lay offs
- Offer voluntary redundancy

PLANNING THE REDUNDANCY PROCESS

- Establish a genuine reason for redundancy
- Identify the employees in the selection pool
- Determine how many employees are affected (* 20+ employees)
- Identify the selection criteria to assess the employees in the selection pool on
- Decide timeframes of the redundancy process in accordance with minimum consultation periods
- Prepare the letters to affected employee(s)
- Prepare redundancy costs
- If there is a company redundancy policy, ensure the process is followed

**If more than 20 redundancies are proposed, then there is a duty to carry out a collective consultation, with additional steps, and to notify the government's Redundancy Payments Service (RPS). For more information on collective consultation contact Nockolds HR, for further advice.*

CONSULTATION

- Notify employee(s) of potential redundancy situation
- Invite the affected employee(s) to the first meeting
- Plan the first meeting agenda
- Ensure there are meeting notes taken to record the content of the meeting
- Follow up after the meeting on any questions raised and update the employee(s)
- Send a letter to the employee confirming the meeting content
- Invite the employee(s) to the second/third (where appropriate) meeting
- Plan the second/third (where appropriate) meeting agenda including selection criteria scores, alternatives to redundancy, options and costs
- Ensure there are meeting notes taken to record the content of the meeting
- Follow up on any questions raised before the final decision is made

CLOSING THE CONSULTATION AND OUTPLACEMENT

- Give the employee(s) time off to seek alternative employment where appropriate
- Close the consultation
- Confirm outcome and offer appeal (where relevant)
- Ensure there are meeting notes taken to record the content of the meeting
- Provide outplacement support

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TABLE 1. REDUNDANCY TERMS

AT RISK/POTENTIAL REDUNDANCY: The initial discussions with employees are to notify of a potential redundancy situation, a decision has not yet been made

SELECTION POOL: The employees identified at risk of redundancy. Each employee will then be assessed based on the selection criteria matrix.

SELECTION CRITERIA: A matrix used to set out the criteria applied to select the employees under redundancy, including:

- Skills and knowledge
- Performance levels
- Attendance records
- Disciplinary records

** When setting the criteria be cautious not to use data that could be classed as discriminatory e.g. absence levels where an employee has a medical condition classed as a disability, or attendance where an employee has been on maternity / adoption / parental leave.*

BUMPING: Where the employer opts to retain a certain service within the business, it will identify another employee out of their job to give to the employee who would have been in the selection pool.

REASONABLE TIME OFF: During the consultation period it is best practice to provide reasonable time off work to enable the employee to review their CV and look for alternative employment.

ALTERNATIVE ROLES: As part of the consultation process, the employees selected for potential redundancy are given the opportunity to apply for alternative positions available, this can include the open vacancies. Where the employee accepts an alternative role, the redundancy is avoided. A new employment contract is provided, and the employee continues employment under a new position. This may include a trial period to assess suitability in the role.