

What happens if you do not follow the right redundancy procedure?

It is important that you deal with the procedural aspect of the redundancy properly.

If you do not, you will be at risk of the ex-employee bringing an unfair dismissal claim and, in consequence, of incurring the legal costs of engaging solicitors to deal with the matter and, possibly more significantly, that of compensating the ex-employee concerned in respect of any losses suffered as a result of his or her dismissal.

The most immediate and direct consequence of the downturn has been the need to either lay personnel off or make them redundant. We have dealt with an avalanche of issues arising from Clients mis-handling redundancies. Adam Quirke looks at the redundancy procedure.

It is necessary for certain procedural steps to be taken before a redundancy-related dismissal can be lawfully implemented. These will include:

- Undertaking a meaningful consultation process to identify the person or persons deemed to be at risk of being made redundant. This will involve setting out the business case for reducing the workforce and the basis upon which you are proposing to select those who will be at risk.
- You need to ensure that appropriate selection criteria are being used (the more objective the better).
- Once the people at risk of redundancy have been identified, you need to consider whether they can be re-deployed into alternative roles within the business.

If re-deployment is not achievable, you can (subject to any provisions which you may have in place setting out an equivalent internal procedure) then embark upon the following 3-step dismissal procedure:

- 1 Send a letter to the individual notifying him or her that dismissal by reason of redundancy is being considered and that he or she is invited to attend a hearing at which the matter will be decided.
- 2 Convene a hearing for the purpose of deciding whether redundancy should occur. If appropriate, specify their right to appeal.
- 3 Convene an appeal hearing (if appropriate).

You should always take advice from an employment lawyer before embarking on any redundancy procedure. Getting it wrong can be an expensive mistake.



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