

REDUNDANCY PROCESS EXAMPLE – SELECTION FROM GROUP

PLEASE NOTE: This example is to be read alongside our factsheet [Redundancy Overview and Process \[2.1 RED FS\]](#). This is only an outline and example. It should not be used as a form. A separate minute of the hearing must be taken.

*This process should only be used in a **selection from group redundancy exercise**, by which we mean where it is necessary to identify a pool (**group**) for selection and apply objective **selection** criteria to determine those to be made redundant. If you anticipate making 20 or more redundancies within a 90 day period it is not appropriate - see the [Collective Redundancy](#) section instead and speak to your advisers.*

NB: Any employees that have over 2 years' service will be able to bring an unfair dismissal claim if they feel they have not been properly consulted with, treated fairly or offered suitable available alternative employment even if this only becomes available during their notice period. [Please speak to your adviser if this process is being undertaken outside Great Britain.](#)

[You will need to speak to your advisers between each meeting to ensure nothing has been raised that will affect the redundancy process.](#)

References to Company or Group in this document also include Organisation/Council/School/Trust, depending on what type of organisation you are.

In a redundancy situation, your obligations are:

1. Consider the pool of people to be consulted, as below.
2. To give adequate advance warning;
3. To consult with the staff to attempt to resolve the situation and avoid the need for redundancies (usually 10-14 days would be considered a reasonable time to complete a fair process but will depend on circumstances);
4. To be fair and reasonable, follow a proper process and use proper selection process not designed to pick on people;
5. To give the right to be accompanied at all formal meetings;
6. To consider, discuss and offer suitable alternative employment if available; and
7. To make an appropriate redundancy payment subject to the statutory requirements if no alternative/higher contractual arrangement exists.

Ensure that absent employees are included in the process, for example those on long-term sick or on maternity, adoption or shared parental leave. This may be done by inviting them to attend the face-to-face group/individual meetings, they attend remotely by video conference/telephone and sending them a full written account, depending on the individual circumstances.

The first thing you need to consider is the pool of people to be consulted. In this case, you are reducing the size of one or more separate teams from one number down to a smaller number, e.g. 10 telesales staff down to 6. All staff who are doing the same work or similar 'work of a particular kind' or whose

roles ‘interchange’ will be part of the same pool. In this example your pool will be ‘all telesales staff’. You may have more than one pool e.g. all administrators, all painters, all surveyors. See [Redundancy Selection Pooling \[7.1 RED FS\]](#) for guidance. [Your advisers can advise you on the pool.](#)

Also, if you have another site then these staff could argue the staff from BOTH sites should be pooled. If you do have another site at which staff do the same or similar work of the staff at risk, then you should [speak to your advisers](#) as to the need to pool both sites.

If you are closing a department/site, but it is not closing ‘in one go’, it could be that you need to reduce the work on a phased closure basis and therefore a selection matrix may be required to determine the order in which staff leave.

If your need to reduce staff has arisen because you have sold or outsourced part of your business or have lost a contract to provide services to someone, then you should [speak to your advisers](#) as to whether the Transfer of Undertakings (Protection of Employment) Regulations (TUPE) apply to this situation.

The next thing you need to do is devise for each pool selection criteria, often in the form of a matrix using measures which are objective, measurable and justifiable e.g. performance management/annual appraisal measures (if you have them and if they are reliable), attendance records, disciplinary records, records of complaints or good service. In addition, you will need to list the key skills required for the work in each pool in order to retain the best staff at those skills in the reduced size team moving forwards. These objective criteria and key skills marks will be used to determine which staff remain and which staff are made redundant. See [Redundancy Selection Criteria \[7.2 RED FS\]](#) and [Redundancy Scoring Criteria Example \[7.3 RED EX\]](#) for guidance and an example. The draft proposed selection and scoring criteria should be ready to issue at the first group meeting. [Your advisers can help you prepare appropriate selection criteria.](#)

ADVANCE WARNING – ANNOUNCEMENT MEETING AND WRITTEN CONFIRMATION

GROUP ANNOUNCEMENT MEETING (MEETING 1): Hold a meeting with the affected staff. No notice is required but if a number of staff are involved some planning might be necessary. Inform the employees of the reason for the potential redundancies in as much detail as possible, including setting out the background to the current position, which could include the business case for the proposals (including handing out the business case), what options have been explored so far in order to try and avoid the potential redundancy situation (see [Considering Alternatives to Redundancy \[2.2 RED FS\]](#)) and what your broad proposals are at this stage.

As part of this, the employees should be informed of the proposed pool for selection and given details on why the employer has identified that particular pool.

You should also at this stage present the draft blank proposed Selection Matrix and Scoring Criteria and ask the staff to consider and come back in the next consultation meeting if they have any issues or queries with the content. Explain that if there are no comments, or once you have taken the comments on board and made any appropriate amendments, you will be carrying out the scoring exercise.

Explain that therefore unfortunately their positions are ‘at risk’ of redundancy. Explain that you will hold further consultation meetings to discuss in more detail over the next few weeks.

If voluntary redundancy is an option, explain what this means and how employees can apply for voluntary redundancy.

Have someone take minutes and make a note of everything that is said so it can be addressed in consultation.

Follow up from Meeting 1:

1. [Contact your advisers to discuss how the meeting went and if you are a Full-Service* client, also email the notes;](#)
2. Write to the affected staff confirming the reasons for the potential redundancy (an 'at risk'/warning letter) and formally inviting them to the next consultation meeting giving at least 24 hours' notice and the right to be accompanied by a co-worker or an accredited trade union representative. [Your advisers will be able to provide an appropriate template letter \(Redundancy warning and invite to consultation – Selection from Group \[7.6 RED LTR\]\)](#) or, if you are a Full-Service client, can assist you in the preparation of the announcement and letter. It should include the Business Case (see factsheet [Redundancy Business Case \[2.3 RED FS\]](#) and [Redundancy Business Case Example \[2.4 RED EX\]](#)). It should also include a copy of the proposed draft blank proposed Selection Matrix and Scoring Criteria.
3. If voluntary redundancy is an option, write to the affected staff requesting applications for voluntary redundancy. [Your advisers will be able to provide an appropriate template letter \(Applications for Voluntary Redundancy \[4 RED LTR\]\)](#) or, if you are a Full-Service client, can assist you draft such a letter. If staff want to apply, then they sign the slip at the bottom of the letter and return it to you.
4. Prepare list of current vacancies anywhere in the Group/Trust to be issued to the affected staff either with above letter or in the next meeting (keeping it updated).

1st FORMAL CONSULTATION MEETING – GROUP MEETING (MEETING 2)

Go through minutes of previous meeting. Ask the employees if they have any questions that they had not raised at the last meeting. Discuss fully any questions, comments, proposals or suggestions that they have regarding:

- Ways to avoid the potential redundancy situation;
- The selection pool that the employer has identified;
- The proposed selection criteria to be used (explain that if there are no comments, or once you have taken the comments on board and made any appropriate amendments, you will be carrying out the scoring exercise).

The aim of the consultation is to avoid the redundancies if at all possible. If you cannot answer any questions or valid issues requiring further investigation are raised, explain that you will investigate that point further and report back either before or at the next consultation meeting. If necessary, explain why the TUPE Regulations do not apply.

Inform the staff that you will be considering any vacancies throughout the rest of the Company and Group. Provide the employees with up-to-date full details of any alternative vacancies that you have identified and explain what they need to do if they want to be considered for any of the roles.

Ask if there are any further questions.

Have someone take minutes and make a note of everything that is said so it can be addressed in consultation.

Initial individual consultation meetings may then be held with each employee to discuss any particular concerns or questions they might have at that point. The personnel information that you have, and upon which you intend to select for redundancy if this becomes necessary, should be checked with the employees to ensure it is accurate.

Follow up from Meeting 2:

1. [Contact your advisers to discuss how the meeting went and if you are a Full-Service client, also email the notes;](#)
2. Investigate any suggestions they have raised;
3. If there are comments or objections to the proposed selection matrix and scoring exercise you [must speak to your advisers about this](#) as a further meeting may be required. Any suggestions that the employer agrees with should be included in the selection criteria. If any suggestions are not taken on board this should be notified to the employees and an explanation given. A confirmation letter of the criteria used should be provided to each employee where changes to the proposed one are made or to confirm the final one used. [Your advisers will be able to provide an appropriate template letter to employees confirming the criteria \(Confirmation of Redundancy Selection Criteria \[7.7 RED LTR\]\) or, if you are a Full-Service client, can assist you draft such a letter.](#)
4. If there are no comments or objections, carry out the scoring fairly. If the scoring produces a 'concerning result' which may give rise to a discrimination claim e.g. all the lowest scoring are your older staff; all the lower scoring are your female staff; or all the lower scoring are your Muslim staff, you should [contact your advisers](#) for assistance.
5. Work out who is still at risk in the process and issue formal invitation to next meeting, which will be an individual meeting with each member of staff (or at least the lowest scoring group of staff). [Your advisers will be able to provide an appropriate template letter \(Invitation to Individual Consultation Meeting – Provisional Selection \[7.8 RED LTR\]\) or, if you are a Full-Service client, can assist you draft such a letter.](#) The letter should include the employees' scores against the selection criteria.
6. Prepare updated list of current vacancies anywhere within the Company/Group and issue to the staff still at risk with the above letter.

Please Note: Depending on what suggestions or alternatives are raised by the group, you may need to hold a further group meeting before you proceed to individual meetings.

2ND FORMAL CONSULTATION MEETING – INDIVIDUAL 1-2-1 MEETINGS (MEETING 3)

Meet with each employee individually. They are entitled to be accompanied by a colleague or union representative. You should have a note taker. Go through the minutes of all previous meetings and sum up the process so far.

Go through the individual's scores in as much detail as possible explaining why you have given them the scores them what you have and explaining why you have not scored them the higher mark, giving

them examples as far as you can. In the case of a phased closure scoring exercise, also explain whether they will be in the first, second, third etc. tranche of staff to potentially leave. You can show the staff the master score sheet (with the names blanked out) explaining where they fall on the list. Give them 24/48 hours to consider their scores and raise any objections.

Advise them that if the situation does not change when all employees' objections have been taken into account then it is likely that they will be made redundant, subject to discussions of any other vacancies within the Company/Group.

Follow up from Meeting 3:

1. Contact your advisers to discuss how the meeting went and if you are a Full-Service client, also email the notes;
2. Investigate any suggestions they have raised;
3. After 24/48 hours, finalise your scoring and placement of employees. A scoring challenge could result in a re-scoring exercise it may be necessary to re-score all the employees within the pool and re-select those at risk of redundancy. Assuming the challenges do not result in a need to re-score you will need to explain the reasons for this and then proceed to the next stage.
4. Issue formal invitation to final meeting to the lowest scoring. Your advisers will be able to provide an appropriate template letter (Invitation to Final Consultation Meeting – Selection from Group [7.9 RED LTR]) or, if you are a Full-Service client, can assist you draft such a letter.
5. Prepare updated list of current vacancies anywhere in the Company and Group and enclose it with above invite letters.
6. Prepare a draft Financial Statement, see Financial Statement Example [2.8 RED EX], for each employee who is still at risk. Your advisers can advise you on this and if you are a Full-Service client can assist you draft them.

FINAL FORMAL CONSULTATION MEETING – INDIVIDUAL 1-2-1 MEETINGS (MEETING 4)

This will be with the lowest scorers only who are still 'at risk' or with all those affected in a phased closure situation. They are entitled to be accompanied by a colleague or union representative. You should have a note taker. Go through the minutes of all previous meetings and sum up the process so far e.g. *"at meeting on [date] we discussed [what], you asked [what], and we looked into this further; then on [date] we met again.....and we discussed your scores; you did/did not raise any objection to those scores and unfortunately this meant that you were in the bottom group and still at risk of redundancy."*

Make sure every query they have raised and every suggestion they have made has been fully considered.

Go through the list of available vacancies including at any other sites/group business to see if any are suitable to this employee or if they want to apply for any vacancy. If there are **no suitable alternatives**, explain this.

Go through the draft financial statement with the employee to discuss their entitlements and confirm your figures are correct with regard to notice and redundancy payments etc. Ask whether the employee has any further questions, deal with these and then proceed to 'Termination' below.

If there **are suitable alternatives**, discuss these and whether the employee wishes to move into one of these positions to avoid compulsory redundancy. In relation to suitable alternatives:

- a. If the terms of the alternative role are different to their current role, the employee is entitled to a 4 week trial period in the new role in which both parties can decide whether the alternative role is suitable for them (this 4 weeks can only be extended in specific circumstances and only for training purposes);
- b. If the employee refuses any offered alternative, you need to establish whether the refusal is a reasonable one. If the refusal is unreasonable, the employee potentially loses the right to a redundancy payment. In this case, please [contact your advisers](#).

See factsheet [Alternative Employment \[9 RED FS\]](#) for detailed information.

Termination: If there are no suitable alternatives or if the employee has refused an alternative then you can inform the employee that unfortunately their position is redundant and they are being given notice of termination of employment.

Notice: Depending on the terms of their contract of employment, you may decide to terminate the employment immediately and make a payment in lieu of notice or you may require them to work some or all of the notice period and/or remain at home for some or all of the notice period (“garden leave”).

If suitable alternative positions become available during the employee’s notice period, you are obliged to offer it to the employee.

Follow up from Final Meeting/Meeting 4:

1. [Contact your advisers to discuss how the meeting went and if you are a Full-Service client, also email the notes;](#)
2. Issue dismissal letter with right of appeal. [Your advisers will be able to provide an appropriate template letter \(Dismissal Letter – Selection from Group \[7.10 RED LTR\]\)](#) or, if you are a Full-Service client, can assist you draft such a letter.

**Full-Service means clients who have a contract with WorkNest covering the full service to include reviewing minutes of meetings, correspondence from employees, detailed documentation and drafting letters on a bespoke basis. If you are unsure about what level of legal service your contract with WorkNest covers, please contact your advisers or the CX team on 01244 687 603.*

This document was prepared by the Employment Law team of WorkNest. It is intended only as a general document and as a guide in relation to its subject matter and has not been bespoke drafted for you or the specific circumstances in which you are looking to use it. It is not to be regarded as a substitute for consultation with one of your advisers, since every case will ultimately turn on its own particular facts and circumstances. We will always ask you what you want to achieve and can advise on best practice or more commercial options. If you do not consult with us, do not follow our advice, or decide to take a commercial option, there is a risk that your insurance position will be affected (if cover has been taken) and we will not be liable in any way. If in any doubt as to how to use this document or for legal advice please contact your advisers on their usual number.