



You are told your employer (or an insolvency administrator) is making you redundant, what should you do?

The First Aid Kit sets out what an employer should do, plus the paperwork & forms you need to ensure that you receive during the redundancy process & from any consultation meetings. It also lists what it is sensible to ask for before you are actually made redundant to use in new job applications & claims.

Use the checklists below & [Redundancyaid.co.uk](https://www.redundancyaid.co.uk) to ensure that you are prepared & get what you're entitled to: -

### Selecting colleagues for group redundancies

Is the redundancy reason & selection process fair, use the check boxes & information below to assess it & decide:-

Was there a legitimate reason for redundancy?

These could be:-

- ✓ Automation has made your role unnecessary
- ✓ The job you do no longer exists within the company
- ✓ The company needs to reduce staff to save costs
- ✓ The business has changed hands or is merging with another company
- ✓ The business is closing or insolvent

Was the selection process fair? A fair selection process would be:-

- ✓ Length of service (last in first out)
- ✓ Qualifications and experience for the role
- ✓ Disciplinary records or staff appraisals / evaluations
- ✓ A voluntary scheme (allowing colleagues to nominate themselves, although employers don't have to accept)

### Consultation - Election of representatives (reps)

All employers should consult with staff in a redundancy situation; if there are more than 20 people being made redundant there are official guidelines that your employer must follow, the first is ensuring proper reps are in place:-

Is there an elected trade union rep for colleagues?

Was there an open election to choose reps?

If so, did all affected colleagues get to participate in the election?

### Consultation - Meetings

The consultation should always consist of a series of meetings. Check that the conditions apply to ensure these meetings are meaningful:-

The agreed reps attend the meetings

The consultation sets out full redundancy reasons

The meetings should explain: -

The processes in place for redundancy selection

Ways to keep the number to the absolute minimum

Ways to minimise and avoid redundancies

Ways of limiting the impact of redundancies

Raise the points above in the meetings if they're not covered fully, take detailed notes on the questions & answers

If more than 20 people are being made redundant then the timelines below must be followed: -

If there are between 20 and 99 redundancies, the process must start at least 30 days before the first dismissals

If there are 100 or more redundancies planned, then consultation must start at least 45 days before dismissals

## Redundancy pay calculation

Most companies only pay statutory redundancy pay now. This is paid in weekly increments, calculated based on your age and length of service up to the maximum amount paid by the government, which is currently £489 per week.

- Check your redundancy pay in your employment contract, the statutory details are shown below:-
  - ✓ Up to and including age 21 you are entitled to half a week's pay for every year worked (max £244.50)
  - ✓ From 22 to 40 you are entitled to one week's pay per years' service (max £489)
  - ✓ If you are 41 or older you are entitled to one and a half weeks pay for each year (max £696)
- Calculate your redundancy pay, this is cumulative & only full years count, so work backwards from your age now for every full year; e.g. if you have been employed for 25 full years and are aged 44 at the time of redundancy this would break down as follows: -
  - ✓ 3 years at 1.5 weeks (aged 41-44, max £2,200)
  - ✓ 19 years at 1 week (aged 22-40, max £9,291)
  - ✓ 3 years at 0.5 week (aged 19-21, max £733)

## Notice / PILON pay calculations

Again, many companies now only pay statutory notice pay / PILON, although some pay notice at full weekly pay: -

- Check your notice pay in your employment contract
- Calculate your notice pay based on your contract of employment, the statutory details are shown below:-
  - ✓ A minimum of 1 week's notice if you have been employed between 1 month and 2 years
  - ✓ 1 weeks' notice for every year employed between 2 and 12 years
  - ✓ 12 weeks' notice if your employment is over 12 years or more

## Register as a creditor – Proof of debt

If you're owed any back pay, holiday or sick pay, plus if your full contractual redundancy / notice pay isn't paid (you receive statutory only), then complete this form, as you may receive some money at the end of the liquidation: -

- Calculate any money you're owed from the employment (missing wages, holiday pay or bonuses)
- Calculate any money you're owed for the redundancy process & notice period by subtracting statutory money received from your contractual terms
- Complete a Proof of debt form with the above details on

## Make sure you get these before, or when you leave

Towards the end of your employment, or on your last day, you should ensure you have copies of these documents from your company to help with future claims, employment & any future financial credit checks: -

- |   |   |
|---|---|
| <input type="checkbox"/> Latest Payslips (at least 3 months in case you need them for credit/mortgage applications) | <input type="checkbox"/> An employer reference if possible  |
| <input type="checkbox"/> P45 (you will need this for other jobs)  | <input type="checkbox"/> An RP1 form to complete with redundancy claim details (this can be downloaded) |
| <input type="checkbox"/> Previous years P60 (for tax purposes)  | <input type="checkbox"/> A "no claims" letter if you have a company car                                 |

## Failure to consult - Protective awards

If the consultation wasn't meaningful then you may be entitled to a protective award, this is often dealt with post redundancy, ensure you keep any emails, forms or letters you receive during the consultation & redundancy process.

Read about each section in more detail, or request further group help at [Redundancyaid.co.uk](http://Redundancyaid.co.uk)