

Redundancy

FOR EMPLOYERS

Advising your management team

Before Making Redundancies

SGH will swiftly assess your reasons for making redundancies to ensure that your reasons fall within the statutory requirements.

If your reasons do not fall within the statutory requirements, SGH will advise you as to alternative means of meeting your business objectives e.g. by way of business restructure, outsourcing, performance management or business sale/transfer in whole or in part.

Sometimes managers defer performance management issues and procedures for so long that redundancy seems the quickest and cheapest way of managing underperforming employees who are undermining profitability/competitiveness – we will advise you as to whether redundancy is the best vehicle to resolve this problem and devise a means of structuring and managing your employees to optimise profitability.

Redundancy Procedures

The only way successfully to implement a redundancy programme and minimise the risk of unfair dismissal claims is to comply with the statutory procedures and observe the strict **consultation** and **selection** requirements.

SGH will not only advise you as to the procedure but will enable you to select the appropriate measures for your business.

If you are proposing making fewer than 20 redundancies in any 90 day period it would not normally make business sense to follow the collective redundancy procedure which requires a more onerous process than you need for making up to 19 redundancies in this period; and requires you to notify the Secretary of State for Trade and Industry of your plans by using the **HR1** form.

SGH will advise you how to determine whether proposed dismissals fall into the category of “redundancy” or not and how to determine whether or not to use the collective redundancy procedure.

If you do not require the collective redundancy procedure, we can produce for you a redundancy programme including all the documentation you will require so that you can make redundancies within 2 weeks of starting the redundancy process.

If you are obliged to use the collective procedure, we can:-

- produce a redundancy programme including collective and individual consultation procedures and documentation;
- attend your site(s) and facilitate the process itself;
- advise you as to how to minimise adverse impact on morale of your workforce during and in the aftermath of the redundancy process.

Acting for your Workforce

If you have already started your redundancy programme and you have made the decision to use compromise agreements (***What is a compromise agreement?***) to conclude the redundancy process, you may be looking for legal representatives to advise your employees entering into compromise agreements.

We can arrange facilities at our offices or yours to meet individually with your employees and to advise them as to the meaning and content of the compromise agreement and to provide the advisor certification required under the terms of the agreement. We are experienced in advising employees on an emergency basis in all redundancy situations including in large scale redundancy situations.

FOR EMPLOYEES

If you are facing the prospect of redundancy, we can provide you with assistance on the following issues:-

- Are you redundant so far as the law is concerned?
- Have you been unfairly dismissed?
- Is it fair that you are being asked to apply for your own job?
- Is your employer following the correct procedure?
- Are you entitled to a higher redundancy payment?
- Are you entitled to retain or cash in your share options?
- Are you entitled to your bonus payment?
- What is a ***compromise agreement*** and should you enter into one?
- Should you bring an employment tribunal claim?

SGH will provide you with clear and sympathetic advice and assist you in emerging from the process with the best possible outcome and confidence to pursue your new career or goals.