**GUIDANCE ON REDUNDANCY PROCEDURE**

Due to the current economic climate, many employers are seeking assistance on the procedure for redundancy. Redundancy can be a difficult and complex matter and as such we would advise that competent advice be sought from an H R & Employment Law Advisor, as redundancy should only be considered when there is a ‘true redundancy’ situation as detailed below: A closure or intended closure of the business; A closure or intended closure of the area of the business where the employee works; A reduction or expected reduction in the need for the kind of work carried out by the employee; A reduction in the number of employees required to carry out the particular kind of work.

Initial Briefing Process: There must be meaningful consultation in the form of initial briefing with all employees affected prior to a decision being made.

A written statement should be prepared and employees issued with this at the end of the initial briefing meeting. It is also useful to put some anticipated questions on the back of the briefing sheet that employees are likely to be concerned about.

Initial Individual Consultation: Having embarked on this you then need to carry out individual consultation with the affected employees and this should last for a period of two weeks minimum.

During the initial individual consultation, it may be necessary to discuss again why the redundancies are necessary, as although the word redundancy is commonplace within the environment, when employees are faced with this, the likelihood of them taking everything in at the initial consultation meetings may be remote, as what employers have to remember is that their first thoughts are likely to be home, family and financial commitments.

Selection Pool: Where possible you should look at a pool for selection and from there identify positions for potential redundancy. You then need to identify the grounds upon which you will select for redundancy. There are occasions when employers use ‘last in first out’ as a method on its own, but many employers are reluctant to go down this route.

Selection Matrix: Employers looking at a selection matrix should do so ensuring that within it, are a number of characteristics – flexibility, length of service, performance, transferable skills, absence, sickness and disciplinary record can all be included within the matrix, as all of these are ‘objective criteria’ which can be measured.

From there you need to determine how points will be scored. For example, an employee with one year’s service could score 1 point, 2 years, 2 points and so on. With sickness absence, you again look at the period of time you wish to measure this and an employee with no absences could score 5 points, 1 – 3 absences 4 points, 4 – 6 absences, 3 points. The more the absence, the fewer the points – someone with something like 12 absences would score no points. The same could apply to the disciplinary record – someone with no disciplinary warnings would score 5 points.

Further Consultation: When the definitive pool for selection has been made and you are aware of who individuals are, the employee should be brought back and informed of his/her redundancy. At this stage they should be shown the selection matrix and given an explanation as to how you arrived at their score.

Appeal: Employees should always be advised they have the Right of Appeal against selection for redundancy, to whom this should be made and within what timescale.

Representation: At every step of the way, employees are entitled to be accompanied by either an elected workplace representative of their own choice, or an accredited trade union representative.