

6. Redundancy

The definition of redundancy is outlined in the **Employment Rights Act 1996**, section 139 (1).

UK Gov: Employment Rights Act 1996

Where there are 20 or more redundancies due to take place in one establishment within 90 days an employer must adhere to the requirements set out in Part IV Chapter 2 of the **Trade Union and Labour Relations Consolidation Act 1992 (TULCRA)** and the government must help these employees.

UK Gov: Trade Union and Labour Relations Consolidation Act 1992

Employers are obliged to complete a HR1 form to notify the government.

UK Gov: Redundancy payments: Form HR1

It is likely that there will be further and imminent legislative changes around collective consultation introduced via **The Employment Rights Bill**.

UK Gov: Factsheet: Employment Rights Bill overview

Anyone facing redundancy has the right to be consulted about this. Redundancy consultations must include those at risk of redundancy and ways of avoiding dismissals and mitigating them wherever possible.

Employers should also meet individually with those affected at least once before any decisions are made about who will be made redundant.

UK Gov: Making staff redundant

Redundancy is a type of dismissal which has resulted from:

- Business or workplace closure or relocation
- A reduction or decrease in the need for employees and/or for a particular role.

ACAS: Redundancy

Employees must be selected in a fair way.

ACAS: Select employees for redundancy

Employees must not be unfairly selected because they have asked for one of their statutory rights at work. Employees must not be selected due to a protected characteristic under **Equality Act 2010**. Protected characteristics are noted in the following link:

UK Gov: Equality Act 2010

The Protection from Redundancy (Pregnancy and Family Leave) Act 2023 Additional redundancy protection for pregnancy, those who suffer a miscarriage and those on maternity leave, adoption leave or shared parental leave (for a defined period) came into force on 6 April 2024.

UK Gov: Protection from Redundancy Act 2023



Statutory Redundancy Pay

If your employee has worked for you for more than 2 years, they have the right to redundancy pay. You must inform them in writing how any redundancy pay has been calculated.

Age	Detail
17 -21 yrs	Half a week's pay for each full year you have worked.
22 – 40 yrs	1 week's pay for each full year worked from the age of 22, + half a week's pay for each year you worked prior to 22 years of age (only if this is the same employer).
41+	1.5 week's pay for each full year worked from the age of 41. 1 week's pay for each full year worked from the age of 22, + half a week's pay for each year you worked prior to 22 years of age (only if this is the same employer).

The government has an online redundancy calculator:

UK Gov: Calculate your statutory redundancy pay



Trade Unions can assist their members through the redundancy process. If a union is recognised where you work, they may have been able to negotiate redundancy rights and pay that exceed the statutory minimum.

Other employment rights during redundancy include:

- A notice period
- Reasonable paid time off to look for new work
- The option to move to suitable alternative employment

For those faced with redundancy, it can be a stressful time, Partnership Action for Continuing Employment (PACE) can provide practical advice and support to those affected locally and nationally and in most cases employers and employees are glad to receive this support.

TUC: Redundancy



Skills Development Scotland: Redundancy support



Skills Development Scotland: PACE Toolkit



If you need more help with employment rights, contact your nearest **Citizens Advice Bureau**.

When a business becomes insolvent, the company status will appear on the Companies House Register as being either: in administration, in liquidation, in receivership or company voluntary arrangement.

Where an employer is a sole trader or partnership the Register of Insolvencies on the Accountant in Bankruptcy website should be checked (Scotland only).

Citizens Advice inform those affected under those circumstances to contact the Redundancy Payment Service (RPS) to check if they can claim some or all of the money they are owed.

It can also be possible for a Limited Company to end without becoming insolvent via a 'proposal to strike the company off the register'

Where an employer remains being solvent but have not paid redundancy payments, employees/workers can raise claims at an Employment Tribunal demonstrating that they have taken all reasonable steps to obtain payment.

Citizens Advice provides further information on this which is aimed at employees which is also useful for employers to view.

UK Gov: Get information about a company

Register of Insolvencies: A publicly accessible register

UK Gov: Claim redundancy

UK Gov: Make a claim to an employment tribunal

Other useful links:

ACAS: Your rights during redundancy

UK Gov: Claim redundancy

Citizens Advice: Check your rights if you're made redundant

Citizens Advice Scot: if your employer goes out of business



If you need more help with employment rights, contact your nearest **Citizens Advice Bureau**.

Citizens Advice Service Bureaux

CENTRAL BORDERS CAB

111 High Street
Galashiels
TD1 1RZ
01896 753 889

PEEBLES AND DISTRICT CAB

Chambers Institution
High Street
Peebles
EH45 8AG
01721 721722

ROXBURGH & BERWICKSHIRE CAB

1 Towerdykeside
Hawick
TD9 9EA
01450 374 266

SCOTTISH BORDERS COMMUNITY LIBRARY

Contact Centre, Bowmont Street
Kelso
TD5 7JH
01573 233 516

EYEMOUTH COMMUNITY CENTRE

Albert Road
Eyemouth
TD14 5DE
01890 750 500

SOUTHFIELD COMMUNITY CENTRE

Station Road
Duns
TD1 3EL
01361 883 340

DUMFRIES AND GALLOWAY CITIZENS ADVICE SERVICE

Dumfries Bureau
81 -85 Irish Street
Dumfries
DG1 2PQ
0300 303 4321

ANNAN BUREAU

19a Bank Street
Annan
DG12 6AA
0300 303 4321

STRANRAER BUREAU

32 Harbour Street
Stranraer
DG9 7RD
0300 303 4321

Links to other local help in Dumfries and Galloway and Scottish Borders

NATIONAL

Business Gateway (National Unit)
Verity House
19 Haymarket Yards
Edinburgh
EH12 5BH
0300 0113 4753
hello@bgateway.com

BORDERS

Business Gateway (Borders)
Ettrick Riverside
Dunsdale Road
Selkirk TD7 5EB
01750 535856
bgateway@sose.scot

Business Gateway (National)

Business Gateway (Borders)



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Links to other local help in Dumfries and Galloway and Scottish Borders

SOUTH of SCOTLAND

South of Scotland Enterprise
Ettrick Riverside
Dunsdale Road
Selkirk TD7 5EB
0300 304 8888

South of Scotland Enterprise

DUMFRIES & GALLOWAY

Business Gateway (Dumgal)
Kirkbank House
109 -115 English Street
Dumfries
DG1 2HS
01387 265355

Business Gateway (Dumgal)

SKILLS DEVELOPMENT SCOTLAND

JCP Galashiels
New Reiver House
High Street
Galashiels
TD1 1TD
01896 754884

JCP Galashiels

SKILLS DEVELOPMENT SCOTLAND

Dumfries & Galloway College
Dumfries Campus
Bankend Road
Dumfries
DG1 4 FD
01387 272500

Dumfries & Galloway College

EMPLOYABILITY SERVICE

Scottish Borders Council
Employment Support Service Team
01835 824000

Employability Service

EMPLOYABILITY AND SKILLS SERVICE

DUMFRIES
Kirkbank House
English Street
Dumfries
DG1 2HS
01387 260026

Employability & Skills Service

South of Scotland Employment Rights Advice Service

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