

Redundancy pay

Who is responsible for redundancy pay depends on when redundancies are made.

Before a TUPE transfer

The old employer can make redundancies before a TUPE transfer if they're not related to the transfer.

In this situation, the old employer is responsible for redundancy pay.

After a TUPE transfer

If the new employer makes redundancies after a TUPE transfer, they're responsible for redundancy pay.

The new and old employer can agree to include redundancy costs in the sale.

Working out redundancy pay

An employee's length of service is protected in a TUPE transfer. This means their redundancy pay is based on how long they worked for both the old and new employer.

In a TUPE transfer, employees who transfer keep their terms and conditions of employment. This might include enhanced redundancy pay. Enhanced means more than the legal minimum amount.

To find out if employees are entitled to enhanced redundancy pay, the new employer should check:

- employees' contracts
- company policies
- any collective agreements between employees and a trade union

Find out more about:

- [redundancy pay – advice for employees](#)
- [how to work out redundancy pay – advice for employers](#)