

Step 2 Follow the right process

Redundancy only applies to those with the [legal status of employee](#).

Someone is not likely to be an employee if they're:

- an agency worker
- a casual worker
- on a zero-hours contract

If you do decide redundancies might be necessary, you should check if you have:

- a redundancy policy you must follow
- a collective agreement with a trade union with details of what you must do

You must follow a fair redundancy process. This should include consulting employees.

You must collectively consult employees if you are proposing to make 20 or more redundancies within a 90 day period.

You might not always be able to avoid redundancies. But by working with employees you could find ways to save jobs and better understand how to plan for the future.

Make a redundancy plan

You should make a redundancy plan that you'll share with all employees and put into action. It can help you follow a fair process and avoid the risk of legal claims.

It's a good idea to work with any trade union or employee representatives when making a plan.

The redundancy plan should include:

- all the options you've considered before deciding redundancies might still be needed
- the number of redundancies you're considering
- keeping employees informed and supported throughout the process
- consulting all employees affected, including those off work, for example on maternity or sick leave
- timeframes, for example to leave enough time for consultation
- agreeing on fair selection criteria
- how much notice and redundancy pay the employer would have to give if redundancies go ahead
- an appeals process for employees who think the redundancy process or their selection has been unfair

Support and train managers

An organisation with managers will need them to help handle the redundancy situation and keep employees informed.

You should make sure your managers:

- know why redundancies are being considered
- understand in detail the redundancy plan
- are comfortable and confident to talk and work together with employees about the redundancy process
- know how to raise issues or ideas with those leading the redundancy process
- have training to be confident in carrying out any duties
- know where to go for further support

By involving managers from the start and keeping them informed and updated throughout, they'll be able to:

- come up with ideas that help ensure a smooth process and reduce or avoid redundancies
- effectively talk with employees about the redundancy process and plans
- communicate with employees selected for redundancy about decisions and notice arrangements
- help restructure in the best possible way

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