

Fact Sheet

Redundancy notification and consultation

Employers are required by law to undertake both 'collective' and 'individual' redundancy consultation as soon as they are 'contemplating' making redundancies.

ECIA members should complete an HR1 form (attached below) and send it to the Insolvency Service (part of the Department for Business and Trade which, amongst other things, logs potential redundancies across the UK economy and can, if the employer is insolvent, step in to meet the redundancy pay obligations to employees). The HR1 form requires employers to provide detail about the numbers, the timing and the types of employees involved, as well as the reasons for the need to make redundancies.

A copy of this HR1 form should also be sent the relevant employee representatives. For employees working under NAECI the relevant representatives are the trades unions, Unite and GMB. In addition to the HR1 form employer are required to provide the trades unions with other specific information, namely:

- The reasons for the proposed redundancies
- The numbers and description of employees proposed to be made redundant
- The total number of employees of each description employed by the company at the 'establishment' in question
- The proposed method of selection
- The proposed method of carrying out the dismissals and over what period of time it will happen
- The details of how redundancy payments will be calculated, and
- The number of agency workers working in the company, where and of what description.

UK law is prescriptive about the length of collective consultation employers are required to undertake. It is determined by the number of redundancies that the employer is planning to make. At least 30 days collective consultation is required where the employer is proposing to make 20-99 redundancies whilst at least 45 days is required where 100 or more redundancies are envisaged.



Whilst the legal requirement to undertake collective consultation is only applicable where it is proposed to make 20 or more employees redundant, the NAECI requires that the collective consultation process is followed for all redundancies (including those with less than 20 involved) where the employees are covered by the National Agreement.

Collective consultation should be 'meaningful' and should be undertaken in good time and with a view to reaching agreement about the redundancies. It is vital that ECIA members undertake collective consultation properly. Where an employer fails to follow the requirements to consult a complaint can be made to an Employment Tribunal (ET) for a protective award. These compensatory awards currently stand at up to 90 days' pay. The ET will decide how much to award to the employees concerned depending on what it deems 'just and equitable' and the extent of the employer's failure to consult. Within Engineering Construction, where large numbers of people can be subject to redundancy programmes, members need to be aware that they are vulnerable to significant costs from a protective award should they fail to consult properly.

For further assistance with this and other redundancy related matters, please consult your local ECIA Regional Manager.



Advance notification of redundancies

Trade Union and Labour Relations (Consolidation) Act 1992, Part IV, Chapter II

Note for employer

There is a statutory requirement for the Government to assist employees facing redundancy. In order to do this, advance notification of potential redundancies is required from you. Failure to comply with the statutory notification requirements below without good cause may result in prosecution and a fine, on summary conviction, for the company and/or officer of the company.

The Redundancy Payments Service (RPS), acting on behalf of the Secretary of State for Business, Innovation and Skills, collects the information and distributes it to the appropriate Government Departments and Agencies who offer job brokering services and/or training services so that they can discharge their obligation to your employees. The information about your company is commercially confidential and may be used only for the purpose of assisting those facing redundancy. The other Government Departments and Agencies are bound by the same confidentiality terms as the RPS. You will be contacted directly by your local Jobcentre Plus and other service providers in your local area with offers of assistance during this notification/consultation period.

Details of how The Insolvency Service treats personal information may be found at <http://www.gov.uk/insolvency-service/personal-information-charter>.

How to complete this form	Your legal obligations
<p>1) Use a separate form for each establishment where 20 or more redundancies may occur within a 90-day period.</p> <p>2) Type, or use black ink and write your answers in CAPITALS, as this will make it easier for us to read.</p> <p>3) Where tick boxes appear, please tick those that apply.</p> <p>4) If there is not enough space for your answers, please use a separate sheet of paper and attach it to this form.</p> <p>5) If the circumstances outlined in this form change, please notify us immediately.</p> <p>6) Please return the completed form, by post to: The Insolvency Service, Redundancy Payments Service, PO Box 16683, BIRMINGHAM, B2 2EE or by email to HR1@insolvency.gov.uk</p> <p>If you email the form to us there is no need for you to send the original form by post.</p> <p>Tel: 0121 380 3415 for assistance on completing the form. Please be aware sections marked with an asterisk must be completed, if the information for these sections is missing the form will not be accepted.</p>	<p>1) You are required by law to notify the RPS of a proposal to dismiss 20 or more employees as redundant at one establishment within a period of 90 days or less.</p> <p>2) If you operate from more than one site, each one is treated separately for notification and consultation purposes. An establishment is the site where an employee is assigned to work. You must complete a form for each site where 20 or more redundancies are proposed.</p> <p>3) Your Minimum period for notification and consultation for:</p> <ul style="list-style-type: none"> between 20 to 99 redundancies at one of your establishments, is at least 30 days before the first dismissal. 100 or more redundancies at one of your establishments, is at least 45 days before the first dismissal. <p>4) You must notify us at least 30/45 days before the first dismissal and before you issue any individual notices of dismissal.</p> <p>5) You must send a copy of this notification to the representatives of the employees being consulted.</p> <p>6) If you have already notified us about one group of redundancies and you need to make further redundancies you should treat them as separate events. You do not need to add the numbers in the two groups together to calculate the minimum period for either group.</p> <p>7) The notification date is the date on which we receive your completed form.</p> <p>8) If it is not reasonably practicable for you to comply with the minimum notification periods you must make every effort do so as far as you are able. You must give reasons why you could not provide the information on time.</p>
Further Information on assistance for employers	
<p>For more copies of the form you can download one from our website on; http://www.bis.gov.uk/assets/insolvency/docs/forms/redundancy-payments/hr1pdf</p> <p>Guidance on redundancy handling and assistance for employers can be found on the following websites:</p> <ul style="list-style-type: none"> GOV.UK - https://www.gov.uk Insolvency Service - http://www.bis.gov.uk/insolvency Wales - http://wales.gov.uk/topics/businessandeconomy/?lang=en Scotland - http://www.scottish-enterprise.com/grow-your-business 	

1. Employer's details *			7. Nature of main business (SIC code)		
Name: Address: Postcode: Company or Charity Registration Number (if applicable): Telephone: Email:					
2. Employer's contact details *			8. Closure of the business		
Name Address (if different to 1) Postcode: Tel: Email:			Do you propose to close this establishment? Yes / No		
3. Establishment where redundancies are proposed *			9. Reasons for redundancies *		
Address at box 1 Yes / No Address at box 2 Yes / No Other Address (please write address below) Postcode: Tel: Email:			Please tick one or more boxes to show the main reason(s) for the proposed redundancies		
			A	Lower demand for products or services	
			B	Completion of all or part of contract	
			C	Transfer of work to another site or employer	
			D	Introduction of new technology/plant/machinery	
			E	Changes in work methods or organisation	
			F	Other (please give brief details below)	
			G	Insolvency	
			Details:		
4. Timing of redundancies *			10. Consultation		
a) Date of first proposed dismissal			a) Please provide the name(s) of		
b) Date of last proposed dismissal					
c) If you have given less than the required 30 / 45 day notification period please give reason for late notification					
5. Method of selection for redundancy					
6. Staff numbers/redundancies at this establishment *					
Occupational group	Total number of employees	Number of possible redundancies			
Manual					
Clerical					
Professional					
Managerial					
Technical					
Apprentices/trainees					
Under 18					
Other					
Totals					
			b) If you do not recognise trade unions for any groups of employees please give the name(s) of their elected representatives below:		
			Name of elected representative		Description of employee they represent
			c) Have you given a copy of this form to all the appropriate representatives? Yes / No		
			d) Have you started the consultation process with the appropriate representative? Yes / No		
			e) If yes, please give the date consultation started:		
			f) Have you given individual notices of dismissal to the employees? Yes / No		
			11. Declaration*		
			I certify that the information given on this form is, so far as I know, correct and complete.		
			Signature:		
			Position:		
			Date:		