

Redundancy and Retirement

The Law and Good Practice

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 - Legal obligations
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What is redundancy?

- The employer has ceased, or intends to cease, carrying on the business, completely or at that location, or
- The requirements of the business for employees to carry out work of a particular kind, or to carry it out in the place in which they are employed, has ceased or diminished

Legal requirements

- Consultation and communication
- Consideration of alternative employment
- Trial periods in alternative employment
- Fair and objective selection
- Time off for job hunting activities
- Statutory Dismissal procedure – non collective redundancy situations
- Redundancy payments

Legal requirements - consultation

- Collective – Consult and communicate with appropriate representatives
 - Between 20 – 99 employees = min 30 days
 - 100+ employees = min 90 days
- Individual – Consult and communicate with individuals – no fixed time periods, but should be reasonable

Legal requirements - selection

- Voluntary – seek volunteers
- Compulsory selection by employer using criteria which are objective, precisely defined and capable of being applied in an impartial way
- Examples:
 - Attendance records
 - Experience records
 - Capability records
 - Skills and qualifications
 - Disciplinary records

Voluntary assistance

- Three main areas:
 - Career guidance
 - Financial support
 - Emotional support

Assistance – career guidance

- Use of company resources for preparation of CV's/completion of application forms
- Assistance with the completion of above
- Guidance on attending interviews
- Make contact with relevant government agencies for assistance, e.g. DEL
- Engage outplacement consultants – if funding available.

Assistance – Financial Support

- Enhanced redundancy payments – subject to funding availability
- Make contact with local benefits office to get general information on unemployment benefits for employees
- Provide access to financial advisors

Assistance – emotional support

- Engage in open and honest communication with employees
- Provide representatives (if present) with additional time off to meet with employees affected
- Provide access to counselling service (if available)

Information and Guidance

- Advisory Guide – Handling Redundancy
- Agency Website – www.lra.org.uk
- Agency Helpline – 028 9032 1442
- Redundancy Payments Service – DEL – 028 9025 7777
- Employment Rights Booklets – www.delni.gov.uk/erbooklets

Retirement

- Retirement is the termination of employment of an employee who has reached the employer's normal retirement age or the default retirement age
- Default retirement age = 65

Legal Requirements

- Adherence to default retirement age
- Adherence to statutory scheme for retirement dismissals
 - Step 1 – written notification
 - Step 2 – meeting
 - Step 3 – appeal
- Provide appropriate information on occupational pension rights
- Provide for employee's right to be accompanied at meetings

Voluntary Assistance

- Access to financial advice/guidance
- Time off for pre-retirement seminars
- Flexible working

Flexible working

- Could include a reduction/variation in hours etc.
 - Some examples:
 - Part-time working
 - Flexi-time
 - Staggered hours
 - Compressed working hours
 - Job sharing
 - Shift working
 - Working from home
 - Term time working

Information and Guidance

- Agency Helpline – 028 9032 1442
- Employment Rights Booklets – www.delni.gov.uk/erbooklets (e.g. Flexible working)
- Age Discrimination in Northern Ireland – A Guide for Employers – www.equalityni.org