Your rights during redundancy

Redundancy is usually a type of dismissal when a role is no longer needed. Your employer should only consider making redundancies if part or all of the organisation is:

- closing, or has already closed
- changing the types or number of roles needed to do certain work
- changing location

If you’re dismissed for another reason, for example because of your performance or conduct, it’s not redundancy. In this case, your employer must have followed a disciplinary or capability procedure before dismissing you.

Your employer might try and look at other options before deciding on redundancies, for example changing working hours, offering voluntary redundancy or moving employees into different roles.

Before your employer selects anyone for redundancy, by law they must follow a consultation and selection process.

1. Your redundancy rights in a TUPE transfer

You have your usual employee rights to a fair redundancy process in a TUPE transfer when you transfer from your current employer to a new employer. TUPE means Transfer of Undertakings (Protection of Employment).

Find out more about your redundancy rights under TUPE

When your employer is planning to make redundancies, you can choose to put yourself forward for redundancy before being selected ('voluntary redundancy').

This can be done by either:

- your employer asking for volunteers
- you offering ('volunteering') to be made redundant

To volunteer for redundancy, you can ask your employer. It’s a good idea to put it in writing. You should follow your employer’s policy or procedure for voluntary redundancy, if they have one.

Your employer does not have to agree to make you redundant as they will be considering the needs of the business as a whole. For example, if you’re highly skilled and experienced in your role, they may need to keep you on.

Your employer does not have to offer voluntary redundancy to everyone. But if you feel they stopped you volunteering because of your sex, age, disability or another ‘protected characteristic’, it could be discrimination.

Find out more about protected characteristics, discrimination and the law.

If you’re an employee affected by redundancies, by law your employer must consult you. This is even if you’re not at risk of redundancy yourself.
Your manager or the person leading the redundancy changes should arrange a private meeting with you. The meeting can take place on a phone or video call if you both agree to it and there’s a clear need, for example when working remotely during the coronavirus (COVID-19) pandemic.

By law they must meet with you at least once. They might need to talk to you more than once to make sure they can respond to your suggestions or requests.

If you have any questions about redundancy consultations you can contact the Acas helpline.

2. What to discuss at the consultation

The consultation is a chance for your employer to talk about the changes they’re planning and why you’re at risk of redundancy.

You can ask them questions and make suggestions on how redundancies could be reduced or avoided altogether.

You could discuss:

- ways to avoid or reduce redundancies
- how people will be selected for redundancy
- any issues you have with the process
- time off to look for a new job or training
- how the organisation can restructure or plan for the future

What your employer must do

Your employer must hold a genuine and meaningful consultation with you. This means they must:

- listen to your ideas
- try to come to an agreement with you

They do not have to agree to any ideas you suggest, but they should seriously consider them.

If there are more than 20 redundancies

If your employer is planning more than 20 redundancies at the same establishment within 90 days, by law they might need to hold collective consultation.

In collective consultation, as well as talking to you individually, your employer must also consult:

- recognised trade union representatives
- employee representatives, if there’s no recognised trade union

If employee representatives are needed

There may be employee representatives already in place as part of an information and consultation agreement, for example.

If there are no employee representatives in place, your employer must arrange to elect them. If you’re affected by the redundancy, you have the right to vote for employee representatives or stand for election yourself.
What happens in collective consultation

In a collective consultation, your employer must tell you in writing:

- why they need to make redundancies
- which jobs are at risk
- the number of roles affected
- how they plan to select employees for redundancy
- how they plan to carry out redundancies
- how they’ll calculate redundancy pay
- details of any agency workers they’re using

What trade union or employee representatives can do

Trade union or employee representatives represent you in the collective consultation with your employer.

They do this by:

- telling you about the redundancy proposals and sharing information
- asking you for your views, suggestions and any questions you may have
- talking to other representatives and working out a collective staff response
- meeting with your employer to discuss the staff response
- engaging in open discussions to solve problems and reach agreements
- telling you the outcome of the consultation

Find out more about collective consultation

Related content

Podcast – redundancy and your rights

Your employer may group together similar roles in a 'selection pool' to make sure you’re selected in a fair way.

Your employer may use agreed criteria to choose who to make redundant from the selection pool.

It’s against discrimination law to select anyone because of:

- age
- disability
- gender reassignment
- marriage or civil partnership status
- pregnancy or maternity leave – see the Acas guide to redundancy for employees who are pregnant or on maternity leave
- race
- religion or belief
- sex
- sexual orientation
- family related leave – for example parental, paternity or adoption leave
- role as an employee or trade union representative
- membership of a trade union
- a part-time or fixed-term contract
- working time regulations – for example if you've raised concerns about holiday entitlement or rest breaks
• concerns you’ve raised about not being paid the National Minimum Wage
• concerns you’ve raised about whistleblowing

Your employer must also not use criteria that indirectly discriminates against you. For example, if they use flexible working as a criteria, they could be discriminating against women. They would need to show that flexible working is no longer possible after the organisation has changed.

Related content
/discrimination-and-the-law/direct-and-indirect-discrimination
/if-youre-treated-unfairly-at-work/being-discriminated-against

If you’re being made redundant, your employer must:

• tell you how long your notice period is – whether it’s statutory or contractual
• keep paying you until the end of your notice period

You’ll usually carry on working until the end of your notice period. How much notice you get depends on how long you’ve worked for the employer.

It’s a good idea to talk with your employer if there’s any part of your redundancy notice you’re not sure about. For example, you could ask them to put in writing:

• the length of your notice period
• the date your notice period starts
• if you can leave before the end of your notice period
• if you need to take any unused holiday before you leave
• if you’ll still get contractual benefits, for example a fuel card or mobile phone, during your notice period

Find out more about:

• notice periods
• final pay when someone leaves a job

Related content
Podcast – redundancy and your rights

You have the right to redundancy pay if you’re an employee and have worked for your employer for more than 2 years.

If you’re not sure if you’re classed as an employee, it’s a good idea to talk to your employer and check your employment status.

3. Working out redundancy pay

How much redundancy pay you get depends on:

• your age
• how long you’ve worked for your employer

You might get more than the minimum amount the law says you should get (‘statutory’), if it's in your contract.

Up to £30,000 of redundancy pay is tax free.

You may not be eligible for statutory redundancy pay if your employer offers you a suitable alternative job and you turn it down.
Redundancy pay is based on:

- your weekly pay before tax (gross pay)
- the years you've worked for your employer ('continuous employment')
- your age

Weekly pay should also include:

- regular overtime provided in your contract – this is overtime your employer must offer and you must work
- any bonuses or commission

Find out how to work out average pay for bonuses and commission on GOV.UK

If you're aged 17 to 21

Your employer must give you half a week's pay for each full year you've worked.

If you're aged 22 to 40

Your employer must give you:

- 1 week's pay for each full year you worked from age 22
- half a week's pay for each full year you worked before that

If you're aged 41 or over

Your employer must give you:

- 1.5 weeks' pay for each full year you worked from age 41
- 1 week's pay for each full year you worked when you were between 22 and 40
- half a week's pay for each year you worked when you were between 17 and 21

Your employer must tell you in writing how your redundancy pay has been worked out.

Use the redundancy pay calculator on GOV.UK. You'll need to know your weekly pay (before tax and other deductions) to use the calculator.

If you have questions about your redundancy pay, you can contact the Acas helpline.

Limits on redundancy pay

There are limits to how much redundancy pay you can get. You can only get it for up to 20 years of work.

This means, for example, that if you've worked for your employer for 22 years you'll only get redundancy pay for 20 of those years.

The maximum weekly amount used to calculate redundancy pay is £571 – even if your wage is more per week.

The maximum statutory redundancy pay you can get in total is £17,130.
When you'll get paid

Your employer should tell you when you'll get your redundancy pay – this should be on or before your final pay date.

You and your employer can agree to a different date, which should be put in writing.

They should also tell you how you'll get paid, for example in your monthly pay or in separate payments.

If your employer does not pay you

If you do not get your redundancy pay you should:

1. Write to your employer as soon as you can. The date you should get your redundancy pay should be no later than your final pay date, unless you and your employer agree another date in writing.

2. Tell them what you’re entitled to and include any evidence to back it up. For example, you could include a letter that states your first day at work or an email confirming a recent pay increase.

You have to claim for any unpaid redundancy within 6 months of your job ending.

If your employer is insolvent

If your employer is insolvent, you can apply for redundancy pay from the government's Redundancy Payments Service (RPS).

Find out about your rights if your employer is insolvent on GOV.UK

Related content
/your-rights-during-redundancy/furlough-and-redundancy-pay

Redundancy pay after a TUPE transfer

If you’ve been on ‘furlough’ during the coronavirus (COVID-19) pandemic, you must use your full normal pay when working out redundancy pay.

For example, if your weekly pay is usually £300 but you received 80% pay while on furlough, your redundancy pay must be your full normal pay of £300 a week.

If your pay is different each week, your weekly pay must be worked out by using the 12 weeks leading up to the day you got your redundancy notice. Your pay must be topped up to 100% for any hours you were on furlough. Add up the total amount of pay during the 12 weeks and divide it by 12 to get your weekly pay.

4. Example 1 – someone who has returned to work after being on furlough

An employee who is 35 has worked for their employer for 6 years and is being made redundant.
The employer had already worked out the employee’s average hours and full normal pay when they claimed from HMRC’s Coronavirus Job Retention Scheme. The employee normally works 30 hours a week on £10 an hour, receiving £300 a week.

They spent 6 weeks on furlough earning 80% pay. When they returned to work, they worked 40 hours a week for 6 weeks, receiving £400 a week.

To work out their weekly pay, the employer adds up the 6 weeks of pay during furlough, at their full normal pay of £300 a week. Then they add up the 6 weeks the employee worked at £400 a week.

The employer adds up these figures and divides by 12 to work out their average weekly pay of £350 a week. This means the employer must pay the employee £350 redundancy pay a week.

**Example 2 – someone who has returned to work after being on flexible furlough**

An employee who is 35 has worked for their employer for 6 years and is being made redundant.

They normally work 30 hours a week and have agreed to be on furlough for half this time.

They now work for 15 hours a week on full pay, receiving £10 an hour. They’re put on flexible furlough on 80% pay for the remaining 15 hours, receiving £8 an hour.

When calculating redundancy pay, their wage on flexible furlough must be topped up to 100%. This means they must receive £300 a week redundancy pay.

**Example 3 – someone who has been on furlough for the last 12 weeks**

An employee who is 35 has worked for their employer for 6 years and their hours vary each month. They normally get paid £10 an hour. They are being made redundant.

They’ve been on furlough for the last 12 weeks and received 80% of their pay (£8 an hour).

The employer already worked out the employee works an average of 30 hours a week when they claimed from HMRC’s Coronavirus Job Retention Scheme.

The employee must receive £300 a week redundancy pay as their wages must be topped up to 100%.

You might be able to take another role with your employer (‘suitable alternative employment’) if you’re legally classed as an employee.

If a suitable alternative role comes up in your organisation, your employer must offer it to you rather than make you redundant. If more than 1 person is suitable for the same role, your employer may need to hold interviews for it.

Your employer should offer the alternative role before your current role ends.

You do not have to take the job if you do not think it’s suitable. Whether a job is suitable usually depends on:

- how much you’ll be paid and what benefits you’ll get, for example pension
- where the job is – it may be further for you to travel
- how similar the role is to your current job
• what terms you’re being offered
• your skills and abilities in relation to the role

5. When the alternative role starts

The alternative role should start within 4 weeks of your current role ending. If not, you’ll still qualify as redundant and should get redundancy pay.

Trial period

You have the right to a 4-week trial period in an alternative role. This should start after you’ve worked your notice period and your existing contract has ended. This avoids any confusion or disputes if the trial does not work out.

It’s a good idea to get the dates for the trial period in writing. If you need longer to train for a job, get your employer’s agreement in writing with a clear end date.

If your employer offers you more than one job, you can try each for 4 weeks.

Turning down the job

If you think the job is not suitable, you need to tell your employer in writing. If you do not, you could lose your right to redundancy pay.

You need to have a good reason why it’s not suitable, for example:

• the job is on lower pay
• health issues stop you from doing the job
• you have difficulty getting there, for example because of a longer journey, higher cost or lack of public transport
• it would cause disruption to your family life

Your contract could say you have to work anywhere your employer asks you to (a ‘mobility clause’). This might mean that turning down a job because of its location could risk your right to redundancy pay.

If your employer does not agree

If your employer does not accept your reasons for turning down the job, they could refuse to pay your redundancy pay.

You should try and reach agreement by talking with them informally first.

Related content
Podcast – redundancy and your rights

If you think you were selected unfairly or there was a problem in the redundancy process, your employer should offer you the chance to appeal.

6. How to appeal

You should talk to your employer first and check if they have an appeals process you can follow.
Even if there's no appeals process, you can still write to your employer with the reasons you think the redundancy is unfair. You can also raise a formal grievance.

You should appeal in writing to your employer within a reasonable timescale of being told you'll be made redundant. For example, 5 days could be reasonable.

Download our redundancy appeal letter template.

It's a good idea to get help from employee representatives, such as a trade union, who may be able to accompany you to any meetings with your employer.

You can ask your employer if a senior member of staff who was not involved in the redundancy selection process can handle the appeal.

**At the appeal meeting**

Your employer should arrange a meeting to discuss your appeal.

You should ask if you can have someone you work with or a trade union representative to accompany you at the meeting. It can help to have a neutral person to offer you support and take notes.

At the meeting, explain your reasons for thinking the redundancy process or how you were selected for redundancy was unfair.

**What happens next**

Your employer will consider your appeal and will tell you if they accept or reject it. They should put this in writing.

**If they accept your appeal**

If you're still on your notice period they can offer you your job back. This means your employment contract will be the same as before you were selected for redundancy.

If you've finished your notice period they can put you back on your previous employment contract. They should treat you as having worked continuously from the date they originally hired you. You must be paid for the time you were not at work.

You'll need to pay back any redundancy pay.

**If they reject your appeal**

If you're due redundancy notice and pay these will continue as planned.

**Making a claim to an employment tribunal**

If you feel your employer did not hold genuine and meaningful consultation before making redundancies, you could make a claim to an employment tribunal for unfair dismissal.

Related content
/redundancy-appeal-letter-template
/how-to-raise-a-problem-at-work
There are government organisations that can help you find work or gain new skills to get a new job after redundancy.

7. In England

The Jobcentre Plus Rapid Response Service can help you:

- find work
- write or update your CV
- get training or new skills

Find out more about the Rapid Response Service on GOV.UK.

In Scotland

The Partnership Action for Continuing Employment (PACE) is a Scottish government service that supports those dealing with redundancy.

You can get free, confidential advice from career experts.

Find out more on the PACE website.

In Wales

The Welsh Government runs a programme called ReAct that provides guidance to help you gain new skills and find employment after redundancy.

See ReAct on the Welsh Government website.