Managing Redundancy: A Practical Guide for Employers

Redundancy is a change to the employer's requirement for work, not a shortcut for dealing with an individual performance issue. Employers should plan carefully, consult genuinely and keep a clear record of how proposals and decisions evolved.

1. Establish the genuine business reason

Identify what work, site, function or role is reducing or disappearing. Consider alternatives such as redeployment, reduced overtime, recruitment pauses or voluntary measures. Where employees hold the legal status of employee, a fair redundancy process is required.

2. Consult before the final decision

Consult affected employees individually, including those absent from the workplace. If an employer proposes 20 or more redundancies within 90 days at one establishment, collective consultation duties can apply. The exact obligations and timescales depend on the proposal and should be checked early.

Stage	Evidence to retain
Business proposal	Reasons for change, affected roles and alternatives examined.
Consultation	Invitations, information shared, suggestions, responses and decisions.
Selection	Pool, objective criteria, scores, moderation and adjustments.
Outcome	Alternative vacancies considered, notice, payments and appeal correspondence.

3. Select fairly and consider alternatives

Use clearly defined selection pools and objective criteria, applied consistently. Be careful with attendance criteria: pregnancy-related and disability-related absence may require different treatment. Consider suitable alternative employment and enhanced statutory protection for eligible pregnant employees and new parents.

Example A | Reducing a team from six posts to four

An employer needs four roles with similar duties rather than six. It consults on alternative staffing arrangements and explains an objective selection matrix.

Employer response: Keep the proposed pool, scoring evidence, issues raised in consultation and reasons for decisions. Review suitable vacancies before final notices are issued.

4. Complete the process correctly

Following consultation and selection, explain the reasons and outcome, applicable notice, redundancy pay, outstanding holiday pay and appeal route. For applicable collective consultation failures, protective awards can be significant: the maximum increased to 180 days' pay from April 2026.

How Assyst helps employers maintain redundancy records

Assyst holds employee contracts, effective working arrangements, holiday balances, time and attendance information, and HR correspondence. These records can support accurate checks of dates and entitlements, consistent employee communication and retention of the evidence needed to explain redundancy decisions.

Discuss your workforce requirements with Assyst

Assyst Workforce Management is a workforce management platform for multi-site employers, bringing together HR and paperless onboarding, time and attendance, workforce scheduling, payroll calculations, task management and a mobile staff app. To find out more or discuss how Assyst could support your business, visit www.assyst.uk and contact us through the website.

Useful official sources

Acas — Managing a redundancy process
https://www.acas.org.uk/manage-staff-redundancies

Acas — Redundancy consultation
https://www.acas.org.uk/manage-staff-redundancies/redundancy-consultations

Acas — Selecting employees for redundancy
https://www.acas.org.uk/manage-staff-redundancies/select-employees-for-redundancy

GOV.UK — Redundancy pay
https://www.gov.uk/redundancy-your-rights/redundancy-pay

General guidance for employers in Great Britain, reviewed November 2026. Contract terms and individual circumstances may require professional advice.