Can enhanced redundancy packages be implied into a contract of employment by custom and practice?

In Park Cakes Ltd v Shumba, four employees worked for a company within the Northern Foods Group until they TUPE transferred to the Vision Group. They were later made redundant and brought a claim for enhanced redundancy payments (equal to double the statutory package plus a lump sum payment of £600). They argued this on the basis that:

Woolworths decision to be appealed

As reported in our last bulletin, the Employment Appeal Tribunal found that where an employer proposes 20 or more redundancies across its organisation within a 90 day period, it will have collective consultation obligations even if the number of employees proposed for redundancy at each of its sites is fewer than 20. This decision has been appealed by the Government and will likely go to the Court of Appeal.

Woolworths spurs landmark decision

Under UK law, a duty to inform and consult employees as a group is triggered when an employer is proposing to make 20 or more redundancies at ‘one establishment’ in a 90 day period. If the duty is breached, a ‘protective award’ can be claimed of up to 90 days’ gross pay per employee. This appears to be at odds with the European Directive (on which the UK legislation was based) which does not refer to the need for employees being at “one establishment” in order for the consultation obligations to apply.

More good news for Employers about redundancy…

In Malekout v Ahmed and others (t/a The Medical Centre) the Tribunal was satisfied with an employer’s decision to dismiss an employee for redundancy despite the fact the employer had recruited his replacement months before the dismissal.

Redundancy trumps poor performance

In Fish v Glen Golf Club, Mr Fish was the secretary of a golf club. In 2008, he was made redundant as part of an attempt to

improve the club’s financial position. He disputed his redundancy arguing that the real reason for his dismissal was because the club was critical of his performance.