



## **Employment Q & A for England (April 2013)**

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### **Q1: Am I allowed to end the contract at any time?**

An employer can terminate the employment contract by giving appropriate contractual or statutory notice of termination. The reason for the dismissal must be one of the potentially 5 fair reasons: Redundancy, Conduct, Performance/Capability, Statutory Restriction or Some Other Substantial Reason (which is not as easy to rely on as it sounds).

If the reason for the dismissal does not fall into one of the potentially 5 fair reasons outlined above an employee can claim compensation for unfair dismissal. An employee must have minimum 2 years' service to bring a claim for unfair dismissal. Employees with less than 2 years' service may try to bring claims for breach of contract and on grounds of discrimination.

### **Q2: Is anyone to be informed before firing an employee?**

In principle no one needs to be informed. However, there are some exceptions – for instance an employer who is proposing to dismiss 20 or more employees by way of redundancy must notify the Department for Business, Innovation and Skills in advance.

### **Q3: Is there a prescribed form for the termination of an employment contract?**

Employers must follow a prescribed form when terminating the contract. The prescribed procedure will depend on which of the potentially 5 fair reasons the employer is relying on for justifying the dismissal.

Failure to follow the prescribed procedure will not render the dismissal void but the employee may be able to bring a claim for unfair dismissal. Although an employee needs a minimum of 2 complete years employment to have the right to claim unfair dismissal, employers are advised to follow a proper dismissal procedure as there is no minimum length of service requirements for breach of contract or discrimination claims.

### **Q4: Are redundancy payments mandatory?**

Yes, an employee who has 2 complete years of service or more is entitled to a redundancy payment calculated with reference to a formula that takes into account the employee's age, length of service and weekly pay (the weekly pay is capped by statute and is currently capped at £450. This sum is reviewed every year in February).

### **Q5: How can an employee fight the decision of dismissal?**

In the first instance the employee may appeal the dismissal to the employer. The employee may also bring a claim for unfair dismissal in the Employment Tribunals. The Employee is



able to claim re-instatement (his old job back), re-engagement (a job with his old employer) or compensation. Re-instatement and re-engagement are only rarely awarded, but employees may claim either for tactical reasons - for instance if he needs a certain length of service to qualify for the annual bonus payment or share options.

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