



UK Government

Make Work Pay:

Threshold for triggering collective redundancy obligations

Launch date: 26 February 2026

Closing Date: 21 May 2026

Foreword

The government is dedicated to building a pro-worker and pro-business economy. This means fostering the best possible environment for private enterprise, while strengthening job security.

That's why we introduced the Employments Rights Bill within our first 100 days in office. Together with the government's Plan to Make Work Pay, this will bring our employment rights legislation into the 21st century, extending the employment protections already given by the best British companies to millions more workers across the country. This matters because emerging technologies are reshaping how, where, and when we work. At the same time, the global economy is still reeling from the effects of COVID-19 and the on-going war in Ukraine.

We know redundancy decisions are never easily taken, and most employers will look to avoid having to take them wherever possible. Across the country, good employers engage and consult with employees in redundancy scenarios, even where there is no legal obligation to do so. These consultations support fairness and transparency between employers and their employees, and benefit both groups by preventing, reducing or mitigating redundancies where possible.

However, some employers have been able to make vast numbers of redundancies without being required to undertake collective redundancy consultation. Currently, employers are required to consult appropriate representatives of the affected employees when they make 20 or more employees redundant at a single work establishment. This has led to situations where large numbers of employees at an organisation are not being consulted as the redundancies are spread across multiple sites below the current threshold. This is in contrast to the practice of good employers who go above and beyond their legal obligations, working in partnership with employee representatives and trade unions and importantly to do the right thing by their employees.

That is why the Employment Rights Act sets a new, additional trigger for collective redundancy obligations. This change will ensure that employers who make large numbers of redundancies across their organisation are required to undertake collective consultation with employee representatives or trade unions and notify those redundancies to the government.

We're seeking your views on two proposals for the organisation-wide threshold. We want to gather views on the right method to use to set the threshold. We also want views on the right level to set the threshold at that will balance the needs of businesses while still enhancing protections for employees.

In helping us shape these reforms, you will be ensuring that more employees impacted by redundancies are able to receive proper support and clarification from consultations about those redundancies. You will also be helping us build an economy which levels the playing field for employers who do the right thing and treat their employees with respect. So, thank

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you for your participation in this consultation. And we look forward to reading your responses.



The Rt Hon Peter Kyle MP

Secretary of State for Business and Trade and President of the Board of Trade

A handwritten signature in blue ink that reads "Peter Kyle".



Kate Dearden MP

Minister for Employment Rights and Consumer Protection

A handwritten signature in blue ink that reads "Kate Dearden".

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Introduction

The Plan to Make Work Pay

1. The government has set the country on the path of national renewal, building a Britain for all on the firm foundations of security, respect and opportunity.
2. The UK's employment laws have not kept up with how people experience working lives today. That has allowed some employers to use loopholes to gain advantages over businesses who do the right thing by their employees.
3. That is why the government's Plan to Make Work Pay will work in partnership with businesses to bring employment rights legislation into the 21st century, extending the protections many British companies already offer their employees.
4. We are building an economy based on fair competition between businesses, greater productivity in the workplace, job security for workers, and fair reward for hard work.
5. The government has committed to delivering this change in partnership with businesses, trade unions, public sector employers and civil society. This consultation on the new organisation-wide threshold for collective redundancy obligations forms part of that engagement process.
6. By delivering this change together, we'll back businesses who do the right thing and give hardworking people the job security and opportunities they deserve.

Collective Redundancy

7. The government is committed to updating Britain's employment protections to ensure that they are fit for our modern economy. This is set out in the plan to Make Work Pay, which includes commitments to strengthen redundancy rights and protections.
8. Collective redundancy consultations support fairness and transparency between employers and employees, with benefits to both parties. These consultations ensure that affected employees can input into the redundancy process with a view to reaching agreement on ways of preventing, reducing or mitigating redundancies where possible. They also help employers to retain employees where possible, thereby maintaining resources, skills and expertise. Finally, employers who follow their collective redundancy obligations reduce the risk of legal challenges or industrial relations disputes, and demonstrate that employees' views have been considered before redundancy decisions are taken.
9. Collective redundancy notification requirements serve to inform the government of significant job losses. It allows the government to prepare to offer support and resources to affected employees, and serves as a deterrent for employers who

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break their collective redundancy obligations as failure to inform the Secretary of State is a criminal offence.

10. Under the current law, employers already have to collectively consult with representatives of the affected employees when proposing to make 20 or more redundancies at any one establishment within a 90-day period, and must notify the Secretary of State of the proposed redundancies. This means that employers are not required to collectively consult, or notify the Secretary of State, when they propose fewer than 20 redundancies at one establishment, even where a substantial number of redundancies are being proposed across an employer's entire organisation.
11. This means an employer can make large numbers of employees redundant without being required to undertake any collective consultation where redundancies are dispersed across an organisation. In the worst cases this has led to thousands of employees not being able to benefit from collective consultation. This can also lead to unfairness among employees, as it means that whether an employee will be entitled to collective consultation (or a protective award for non-compliance), will depend on how redundancies are distributed across establishments.
12. Through the Employment Rights Act 2025, once commenced, the collective redundancy framework will be amended so that employers will also be required to undertake collective redundancy consultation and notify the Secretary of State whenever a threshold number of employees or more are proposed to be made redundant across an entire organisation (referred to in this consultation document as the "organisation-wide threshold"). This change will ensure that more employees, many in vulnerable positions, will benefit from collective consultation, regardless of how they might be dispersed across an employer's business. These provisions of the Employment Rights Act 2025 are expected to be brought into force in 2027.
13. This change is an essential component of building a pro-business and pro-worker economy that works for everyone. It will ensure that employers do the right thing and engage their staff in situations where they propose redundancies, whilst enhancing protections for employees to make them feel safer.
14. The government intends to make regulations under powers in section 195A of the Trade Union and Labour Relations (Consolidation) Act 1992, to be inserted by section 29 of the Employment Rights Act 2025, in relation to the collective redundancy threshold.
15. This consultation seeks views on the levels at, and methods with which, the organisation-wide threshold should be set.
16. The consultation is split into three sections:

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- Section 1: seeking views on the methods to set the threshold;
- Section 2: seeking views on the levels to set the threshold;
- Section 3: seeking views on the government's proposals.

17. Any regulations proposed to be made following this consultation must be approved by both houses of Parliament before they are made by the government.

Consultation details

Issued: 26 February 2026

Respond by: 23:59 21 May 2026

Enquiries and Responses to: collectiveredundancy@businessandtrade.gov.uk

Consultation reference:

Make Work Pay: Threshold for triggering collective redundancy obligations

Audiences:

- businesses
- employers
- employees
- trade unions
- business groups or representatives
- non-governmental organisations concerned with employment rights
- all other interested parties

Territorial Extent

These proposals will extend to and apply in England and Wales, and Scotland. They will not extend to or apply in Northern Ireland, where employment law is devolved.

How to respond

Respond online: https://ditresearch.eu.qualtrics.com/jfe/form/SV_ewANW5KnV36QZXE

or

E-mail to: collectiveredundancy@businessandtrade.gov.uk

or

Write to:

Collective redundancy, Employment Rights Directorate
Department for Business and Trade
Old Admiralty Building
Admiralty Place
London
SW1A 2DY

Confidentiality and data protection

Information you provide in response to this consultation, including personal information, may be disclosed in accordance with UK legislation (the Freedom of Information Act 2000, the Data Protection Act 2018 and the Environmental Information Regulations 2004).

If you want the information that you provide to be treated as confidential, please tell us, but be aware that we cannot guarantee confidentiality in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not be regarded by us as a confidentiality request.

We are trialling Artificial Intelligence (AI) solutions to support the delivery of our functions. Unless made expressly clear to you, we will not solely use AI to either make or inform decisions about you. We will apply effective data minimisation techniques to all such uses of your data.

Your responses, including any personal data, may be shared with a third-party provider, or other government department or organisation acting on behalf of the Department for Business and Trade under contract or an equivalent agreement, for the purpose of analysis and summarising responses for us and they may use technology, such as artificial intelligence. Further detail on how AI is used, including its scope and safeguards and third-party sharing is available in our Privacy Notice.

An anonymised version of responses in a list or summary of responses received, and in any subsequent review reports may be published. We may also share your personal data where required to by law. You can leave out personal information from your response entirely if you would prefer to do so.

Wherever possible avoid including any additional personal data in free-text responses beyond that which has been requested or which you consider it necessary for DBT to be aware of.

We will process your personal data in accordance with all applicable data protection laws. See our [privacy policy](#).

We will publish a government response on GOV.UK.

Quality assurance

This consultation has been carried out in accordance with the governments [consultation principles](#). If you have any complaints about the way this consultation has been conducted, please email: enquiries@businessandtrade.gov.uk

About you

Please provide the following information to help us understand the context of your response:

Question 1: Please indicate whether you are responding as:

- An individual or employee
- An academic, or on behalf of an academic or research organisation
- An employer
- A legal representative
- A business representative organisation
- A trade union or staff association
- A voluntary sector organisation
- Other – please specify

Question 2: If responding as an employer, business, business owner or business representative, approximately what is the size of your business? If responding as an individual or employee, what is the size of the workplace you are employed in?

- Micro or small (1 to 50 employees)
- Medium (51 to 250 employees)
- Large (250+ employees)
- Don't know
- Not Applicable

Question 3: If responding as a large employer, business, business owner or business representative (as answered above), approximately what is the size of your business? If responding as an individual or worker of a large employer, what size workplace are you employed in?

- 250 to 499 employees
- 500 to 999 employees
- 1,000 to 2,499 employees
- 2,500 to 9,999 employees
- 10,000+ employees
- Don't know

Question 4: Which region are you located in?

- North-East
- North-West
- Yorkshire and The Humber
- East Midlands
- West Midlands
- East of England
- London
- South-East
- South-West
- Wales
- Scotland
- Northern Ireland

Question 5: What sector are you based in?

- Accommodation & food service activities
- Activities of households as employers; undifferentiated goods and services-producing activities of households for own use
- Administrative & support service activities
- Arts, entertainment and recreation
- Agriculture, forestry and fishing
- Construction
- Education
- Electricity, gas, steam and air conditioning supply
- Financial & insurance activities
- Human Health and social work activities
- Information & communication
- Manufacturing
- Mining and quarrying
- Production

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- Professional, scientific and technical activities
- Public administration & defence; compulsory social security
- Real estate activities
- Services Sector
- Transportation & storage
- Water supply; sewerage, waste management and remediation activities
- Wholesale and retail trade; repair of motor vehicles and motorcycles
- Other service activities

[FREE TEXT BOX] Please explain your answer below

- Don't Know
- Prefer not to say

Outcomes and benefits of the collective redundancy consultation process

These questions have been included to help the government improve its understanding of your views and experiences of collective redundancy obligations and of employer monitoring of headcount and redundancies. They aim to provide perspectives on how things work in practice.

Question 6: What is your assessment of the benefits of a collective redundancy consultation?

[FREE TEXT BOX] Please explain your answer below

Question 7: In your experience, how effective are collective redundancy consultations at preventing or reducing redundancies? Please provide any additional evidence which helps to support your point.

- Very Effective
- Moderately Effective

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Not Effective

Don't know

Other

[FREE TEXT BOX] Please explain your answer below.

Question 8: What is your assessment of how effective collective redundancy consultations are at increasing redundancy pay? Please provide any additional evidence which helps to support your point.

Very Effective

Moderately Effective

Not Effective

Don't know

Other

[FREE TEXT BOX] Please explain your answer below.

Question 9: What is your assessment of the extent to which running collective redundancy consultations is burdensome for employers? Please provide any additional evidence which helps to support your point.

Very burdensome

Moderately burdensome

Slightly burdensome

Don't know

Other

[FREE TEXT BOX] Please explain your answer below

Question 10: Does your organisation voluntarily offer collective consultations, which are beyond legal requirements, during redundancy programmes?

Yes

No

Don't know

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Other

Question 11: If responded yes to question 10, why does your organisation engage in collective redundancy consultations voluntarily?

[FREE TEXT BOX] Please explain your answer below.

Question 12: On average, how many redundancies does your organisation make in a three-month period? Please write in a number below.

[FREE TEXT BOX] Please explain your answer below.

Question 13: Based on your experience, to what extent do employers currently monitor the number of redundancies that happen across their business? Please explain your answer.

Always

Very Often

Sometimes

Rarely

Never

Unsure

Other

[FREE TEXT BOX] Please explain your answer below.

Question 14: Based on your experience, how easy is it for employers to monitor the number of redundancies across their organisation?

Very easy

Easy

Neutral

Difficult

Very difficult

Unsure

Other

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[FREE TEXT BOX] Please explain your answer below.

Question 15: The changes to the Collective Redundancy consultation threshold will generally apply only to employees who are working in Great Britain and not to those working in Northern Ireland (unless their employment has a sufficiently strong connection with Great Britain).

Do you foresee any potential challenges for a business operating across both Great Britain and Northern Ireland when monitoring headcount and redundancies? Please explain your answer.

Yes

No

Don't know

Other

[FREE TEXT BOX] Please explain your answer below.

Consultation

Policy Background

18. Under the current law, collective redundancy obligations apply where an employer is proposing to dismiss as redundant 20 or more employees at one establishment within a 90 day period or less. In these scenarios, employers have a statutory duty to consult the affected employees' representatives about proposed redundancies, and to notify the Secretary of State of the proposed redundancies.
19. Currently, an employer is required to begin consultation before any dismissal takes place. This must be at least 45 days before the first dismissal if proposing 100 or more redundancies at one establishment, or 30 days before the first dismissal if proposing 20-99 redundancies at one establishment.
20. The collective redundancy consultation must be with the affected employees' trade union representatives, or other elected employee representatives where there is not a recognised independent trade union in place. It must be undertaken with a view to reaching agreement with the appropriate representatives and must include consultation about ways of avoiding or reducing the redundancies, and mitigating the consequences of the redundancies.
21. Section 29 of the Employment Rights Act 2025 will, once commenced, amend the collective redundancy framework so that employers must fulfil collective consultation and notification obligations whenever the employer is proposing to dismiss as redundant within a period of 90 days or less:
 - 20 or more employees at one establishment (in line with the current law); or
 - at least a threshold number of employees across an entire organisation (with the threshold number to be determined in regulations).
22. Where either of the above triggers has been met, employers will be required to undertake collective redundancy consultation with the appropriate representatives of the affected employees, and notify the Secretary of State of these redundancies, within the following timeframes:
 - where the employer is proposing to dismiss 100 or more employees, at least 45 days before the first of the dismissals take place;
 - where the employer is proposing to dismiss 20-99 employees, at least 30 days before the first of the dismissals take place;

The employer must also ensure that they have notified the Secretary of State before the employer gives notice to terminate an employee's contract of employment in respect of any of the dismissals. Employers who do not comply with their notification obligations can face criminal prosecution and an unlimited fine as is already the case in existing law.

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23. Where employers do not comply with their collective redundancy consultation obligations, the appropriate employee representatives (or employees, where there is no trade union or other appropriate representatives) may make a claim to the employment tribunal as applicable. If the employment tribunal finds that the collective consultation requirements have been breached, it must make a declaration to that effect, and may make a protective award (which is an order that the employer pay remuneration to affected employees for a “protected period”). The employment tribunal has the discretion, as to the length of this protected period having regard to the seriousness of the employer’s actions, but currently it may not exceed 90 days. An employment tribunal may also adjust this award by up to 25% for any unreasonable failure to comply with a relevant statutory code of practice. The protective award is designed to penalise the employer and to reduce any financial benefit to employers from not following collective consultation requirements. Section 30 of the Employment Rights Act 2025 will, once commenced, double the maximum period of the protective award from 90 to 180 days. The government’s current intention is that this change will come into force in April 2026.
24. The government intends to make regulations under powers in section 195A of the Trade Union and Labour Relations (Consolidation) Act 1992, to be inserted by section 29 of the Employment Rights Act 2025, to set the organisation-wide threshold.
25. This power enables the government to set the organisation-wide threshold as a fixed number, as a percentage of employees, as the highest or lowest of two or more numbers (which may, for example, be fixed numbers or percentages), or determined in some other way. The power does not allow the threshold to be set at a number lower than 20. The power allows the government to set different thresholds for different descriptions of employer, for example, to create tiers for where the threshold is met, based on the size of employer. It also allows the government to set out how an employer must calculate how many employees they have, for the purpose of determining whether the threshold has been met, including through excluding certain categories of employees from being taken into account when making that determination.
26. In preparing the consultation proposals in this document, the government has been led by the following principles:
- The regulations made following this consultation should strengthen redundancy rights and protections by offering protections for employees who currently do not benefit from collective redundancy consultations (i.e. where large numbers of proposed redundancies are dispersed across an organisation).
 - The changes made through the regulations should not lead larger employers to be left in a constant state of consultation.
 - Regulations should provide certainty and clarity to both employees and employers on how the law would work in practice and reduce the scope for disputes or abuse.
27. The consultation is split into three sections:
- Section 1: Threshold methods

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- Section 2: Threshold levels
- Section 3: Proposals

Section One – Threshold method

Background

28. Throughout the policy development process, the government has identified and considered multiple methods which can be used to set the threshold. Part of this process included reviewing how other countries make provision for collective redundancy obligations. The methods outlined below draw from those international precedents, but cannot be directly comparable as no other country maintains both a single establishment and organisation-wide trigger.
29. This consultation seeks views on each of the methods identified below. Specifically, we are seeking views on whether any of these methods will avoid unnecessary burdens for employers, whether they will be effective in protecting employees or whether there are any additional methods which we could use to set the threshold.

Method 1: Fixed Number

30. The simplest way to set the threshold is via a single fixed number.

Example:

The threshold number is X#. This means that collective redundancy obligations must be fulfilled when the employer is proposing to dismiss as redundant within a period of 90 days or less:

- *20 or more employees at one establishment; or*
- *X# or more employees (across the employer's organisation).*

31. This method is likely to be the clearest of all the methods we are considering. It would allow the government to apply one fixed number to all employers, regardless of their size. This would be easy to understand and to follow and would avoid any doubt as to when an employer would be required to undertake collective consultation with their employees and notify the Secretary of State.
32. However, it would also mean that the threshold number would need to be set at a level which takes account of the varying sizes of the employers to which it would apply. There is a tension to setting one single number which applies to employees working in smaller organisations without also leading to a threshold level which puts the largest employers in a constant state of consultation with employees, thereby generating disproportionate costs for employers. This method therefore requires setting a threshold at a suitably high level to avoid the largest employers being left in a constant state of consultation. This may effectively exempt smaller and mid-sized employers from the organisation-wide threshold. We return to this in the section on levels.

Method 2: Variable (Percentage-Based Threshold)

33. Another way to set the threshold is via a single percentage of the employer's total number of employees.

Example:

The threshold number is X%. This means that collective redundancy obligations must be fulfilled when the employer is proposing to dismiss as redundant within a period of 90 days or less:

- *20 or more employees at one establishment; or*
- *X% of the employer's total employees across the organisation.*

34. This method avoids the issues set out by Method 1, by scaling based on size of employer. This means that all employers will have equitable requirements, and that the government could set a percentage which would protect employees working in smaller organisations without automatically leading to a constant state of consultation for larger employers.

35. However, a key issue here is that a simple percentage would enable the largest employers to make substantial redundancies without triggering collective redundancy obligations. In practice, this may exempt larger employers from the organisation-wide threshold in many scenarios. The government does not wish to allow instances where an employer could undertake a large-scale redundancy exercise without triggering collective consultation requirements through either the 'establishment' based threshold or the organisation-wide threshold. This method may leave this possibility open.

36. In addition, there are complexities relating to how an employer should calculate this percentage. An employer will need to calculate their total number of employees in Great Britain accurately and then apply this percentage to that number. This could lead to increased administrative burdens for employers and, potentially, increased risks of inadvertently breaching requirements due to miscalculating the percentage or due to fluctuating headcount. There may also be difficulty for employee representatives and trade unions in understanding when their employer has breached their obligations and may lead to further disputes and disagreements on when an employer should fulfil them. This will need to be addressed when considering using a percentage to set the organisation-wide threshold. We return to the calculation of the percentage or total number of employees later in this section.

Method 3: Fixed, based on number (#) of employees

37. Another method would be to set different fixed thresholds, according to the size of employer.

Example:

- *For employers with 20-X employees: the threshold number is A# or more redundancies.*
- *For employers with X -Y employees: the threshold number is B# or more redundancies.*
- *For employers with over Y employees: the threshold number is C# or more redundancies.*

This would mean that collective redundancy obligations must be fulfilled when the employer is proposing to dismiss as redundant within a period of 90 days or less:

- *20 or more employees at one establishment; or*
- *the threshold number of employees which applies to that employer i.e.,:*
 - *A# or more redundancies, for employers with 0-X employees;*
 - *B# or more redundancies, for employers with X -Y employees;*
 - *C# or more redundancies, for employers with over Y employees;*

38. This method would allow the government to apply different fixed threshold numbers to employers, based on their size. The benefit of this method is that we would be able to set different thresholds for different sizes of employers. This would make the threshold numbers more proportionate to the size of the employer, given the diversity of employer sizes. Additionally, this would be straightforward and provide some certainty as to the circumstances where an employer would be required to undertake collective consultation with affected employee representatives and notify the Secretary of State of the proposed redundancies.

39. However, tiers may lead to cliff edges and a perception of unfairness for employers who sit at the margin of a specific tier (and their employees). For instance, in the example above, an employer with just below Y employees may feel disproportionately targeted in comparison to another employer with just above Y employees (and the employees of a business with just above Y employees may also consider this to be an unfair outcome). How the government sets these tiers will also be fundamental to how the new threshold impacts employers. Similarly, employees working for organisations just above a threshold may feel disadvantaged as they would not be eligible for collective consultation in comparison to employees for marginally smaller employers. Additionally, some of the complexities of the previous method will apply here. Employers will need to calculate how many employees they have in Great Britain for the purposes of identifying which tier they sit in and be clear on how this figure should

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be calculated. Any legislation which adopts this approach would need to avoid any doubt and ensure clarity for those employers.

Method 4: Variable & Fixed, based on # of employees

40. The final method we are considering is to use both fixed numbers and a percentage to tier the threshold.

Example:

Where an employer employs fewer than Y# employees, CR obligations will be triggered whenever A% of employees are proposed redundant across the entire business.

Where an employer employs Y# or more employees, CR obligations will be triggered whenever B# or more redundancies are proposed across the entire organisation.

This would mean that collective redundancy obligations must be fulfilled when the employer is proposing to dismiss as redundant within a period of 90 days or less:

- *20 or more employees at one establishment; or*
- *the threshold number of employees which applies to that employer:*
 - *A% of employees, where an employer employs fewer than Y# employees*
 - *B# or more employees, where an employer employs Y# or more employees*

41. This method allows the government to tier the obligations but retains a 'cap' on where collective redundancy obligations should trigger. Unlike Method 2 (percentage-based threshold), this means the largest employers won't, in practice, be exempt from new requirements in as many scenarios. It also retains some level of proportionality, based on business size, and ensures employees in medium sized employers are better protected.

42. Many other countries use this method to set their thresholds¹, be it at one establishment or across an entire organisation.

43. However, the additional complexities around using a percentage to set the consultation thresholds set out under option 2 remain and would need to be addressed. Namely, that trade unions and employees may find it more difficult to understand when these collective redundancy consultation (and notification) obligations arise. The government believes this could lead to unnecessary disputes and could add additional burdens on

¹ Austria, Belgium, Denmark, Germany, Greece and Spain all use a mix of variable and fixed numbers, based on size of organisation/establishment. This is due to how each EU member implemented EU Directive 98/59/EC on the approximation of the laws of the Member States relating to collective redundancies.

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employers to ensure they understood when to undertake collective redundancy consultation. We cover this in more detail below.

Calculation of the percentage or total number of employees

44. Where a percentage is used in the above methods, or where the obligation is tiered and differs depending on the number of employees the employer has, employers will be required to assess how many employees they have in Great Britain, to determine either where a % figure is triggered, or which tier the employer falls into.
45. In this context, “employee” means a person who has entered into or is working under a contract of employment as defined in employment law², and would not include, for example, genuinely self-employed independent contractors, agency workers supplied by another employer, or those who are not employed under a contract of employment.
46. If one of these methods is used, the government is considering if and how to make provision about the time-period over which an employer’s total number of employees is calculated for the purposes of determining how many employees an employer has in Great Britain.
47. There are several ways which the government could set out how an employer must calculate the number of employees they have:
 - a) Calculate the average number of an employer’s total employees over a period of X months prior to a particular date (e.g., the average over the X months which preceded the date on which the first of the redundancies were proposed), to account for short-term fluctuations in employee numbers. This option allows for employers to take into account fluctuations in their employee numbers, however keeping and monitoring a running average may create additional burdens for employers.
 - b) Calculate the number of an employer’s total employees at the points when redundancies are proposed. This option requires employers to know how many employees they have at the point(s) when redundancies are proposed. However, the time for proposing redundancies may not be a single point in time, as the organisation-wide trigger applies to redundancy proposals made over a 90-day period. Therefore, in practice this would require employers to monitor their employee numbers to check whether the threshold was triggered at any point over this 90-day period, which may be burdensome. It would not take into account recent fluctuations in employee numbers prior to the 90-day period. It may also lead to confusion for employers, employees and trade unions on whether a consultation exercise should have been undertaken or not.
 - c) Calculate the total number of employees the employer has on a regular basis (for instance, monthly, quarterly or annually) and have that number apply to redundancies made in the next month, quarter, or year. For example, employers

² See section 295(1) of the Trade Union and Labour Relations (Consolidation) Act 1992. See also section 230(1) of the Employment Rights Act 1996.

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might be required to calculate this number on January 1st at the start of the calendar year, or April 6th at the start of the financial year, and this number would then apply for the purposes of considering whether redundancies made over the subsequent 12-month period meet the organisation-wide trigger. This option is likely the least burdensome for employers and will allow an employer to make one calculation on a pre-determined basis. This does not account for fluctuations in employee numbers, meaning that the assigned tier could quickly become outdated. Additionally, an employer who is rapidly growing may be left with a threshold number/in a band which no longer accurately reflects their size.

Each of these are likely to have different impacts on employers and how they will manage new requirements.

48. Additionally, the powers introduced in the Employment Rights Act allow the government to make provision for excluding certain kinds of employees from being taken into account for the purposes of determining how many employees an employer has. We are considering whether such carve-outs from the calculations may be useful for employers. For example, some employers may have inflated employee numbers due to reliance on short-term employees at particular times of the year which may alter where their collective redundancy obligations are triggered or which tier they may find themselves in when making the calculation.

Questions:

Question 16: Which of the methods for determining the organisation-wide threshold do you consider the most appropriate? Please explain your answer.

Method 1: Fixed Number

Method 2: Variable (Percentage-Based Threshold)

Method 3: Different fixed numbers applying to different sized businesses (based on number of employees)

Method 4: A percentage-based threshold applying to employers who have fewer than Y number of employees), and a fixed number applying to employers who have number of employees or more)

None of the above

Unsure

Other

[FREE TEXT BOX] Please explain your answer below.

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Question 17: Which of the following methods for setting the organisation-wide threshold do you consider to be the least appropriate? Please explain your answer.

- Method 1: Fixed Number
- Method 2: Variable (Percentage-Based Threshold)
- Method 3: Different fixed numbers applying to different sized businesses (based on number of employees)
- Method 4: A percentage-based threshold applying to employers who have fewer than X number of employees), and a fixed number applying to employers who have X number of employees or more
- None of the above
- Unsure
- Other

[FREE TEXT BOX] Please explain your answer below.

Question 18: To what extent do you agree that a tiered approach to the organisation-wide threshold, which applies a different threshold based on the number of employees an employer has, could create unfair outcomes for employers (and their employees) near the margins of a tier? Please explain your answer.

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Unsure
- Other

[FREE TEXT BOX] Please explain your answer below.

Question 19: Do you foresee any challenges for a business when calculating the number of employees the business employs? Please explain your answer.

- Yes
- No
- Don't know

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Other

[FREE TEXT BOX] Please explain your answer below.

Question 20: In your view, are there any certain types of employees that should be excluded when working out the total employee numbers an employer has?

[FREE TEXT BOX] Please explain your answer below.

Question 21: Should employees outside of England, Scotland and Wales (where these regulations would apply) be excluded when working out the total employee numbers an employer has?

Yes

No

Don't know

Other

[FREE TEXT BOX] Please explain your answer below.

Question 22: Are there any international approaches or best practices we should consider when developing our approach to the organisation-wide threshold?

[FREE TEXT BOX] Please explain your answer below.

Section Two – Threshold levels

49. The collective redundancy regime in Great Britain will retain the single establishment threshold trigger, alongside a new organisation-wide threshold. Introducing this second trigger brings more people into scope of collective redundancy protections and will offer protections for employees where redundancies are dispersed across an organisation as well as where they're targeted at specific establishments.
50. The government intends to set the threshold at a level that balances business needs with adequate protections for employees. We want to ensure that employers have the necessary flexibility to respond to business needs while affording additional protections for employees who currently may receive no consultation even when their employer is undertaking large-scale redundancy exercises across their organisation.
51. Where an employer has made a number of redundancies which triggers both the one establishment and organisation wide thresholds, the employer is not required to consult all of the appropriate representatives of affected employees together and is not required to consult with a view to reaching the same agreement with all of the appropriate representatives. Section 29 of the Employment Rights Act 2025 will (once commenced) make explicit provision for this by inserting new subsection (2A) into section 188 of the Trade Union and Labour Relations (Consolidation) Act 1992. This means employers have flexibility to hold a single consultation exercise with representatives of all affected employees or have separate consultation discussions across different groups.
52. The collective redundancy legislation already provides that, where collective redundancy consultations have already begun in relation to a group of proposed redundancies, those redundancies shall not be counted for the purposes of determining whether the trigger is met in relation to subsequent proposed redundancies. In practice, once the organisation-wide threshold is in place, this means where an employer has already begun a collective consultation exercise in relation to proposed redundancies at one (or more) establishments and then goes on to propose a number of further redundancies across multiple sites, they will only need to undertake collective consultation for that second batch of proposed redundancies where those redundancies separately meet either trigger. This means that employers do not need to 're-start' consultations, which could otherwise prolong uncertainty for the affected employees or undermine progress made through those discussions.

Range of the level

53. We estimate that there are up to 2.1m employees who could be granted entirely new protections as a result of this policy, depending on the threshold(s) set³. These are employees who are not protected under the current collective redundancy framework, because they work at small establishments (with fewer than 20 employees) for

³ DBT (2025) Analysis of Interdepartmental Business Registry (IDBR), 2025 Q1

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employers with multiple establishments, to which a new organisation-wide threshold would apply. In addition, we estimate that there are 16.1m employees whose collective redundancy rights could be strengthened with this policy, depending on the threshold(s) set⁴. These are employees who are protected under the current collective redundancy framework, because they work at establishments with more than 20 employees for employers with multiple establishments, to which a new organisation-wide threshold would apply.

54. Most of these employees work for larger employers. We estimate only 28% of those who could be granted entirely new protections work in organisations with fewer than 250 employees. Meanwhile, 76% of organisations with fewer than 250 employees but more than 20 employees operate out of a single establishment, meaning that they already have to fulfil collective redundancy obligations whenever making 20 or more employees redundant. Employees at these organisations would therefore not benefit from an organisation-wide threshold⁵. **We therefore consider that the lower end of any organisation-wide threshold should be 250 redundancies.** This would also avoid disproportionate regulation on small and medium sized businesses, in line with the government's SME strategy.
55. **At the upper end, we do not think it appropriate to set a threshold higher than 1,000 redundancies.** This would allow scenarios where larger employers are able to make significant numbers of employees redundant across their organisation without having to collectively consult. We estimate 58% of those who could be granted entirely new protections work in organisations with **more** than 1,000 employees⁶. Setting a threshold higher than this level would lead to many employees not receiving the benefit of collective consultation and therefore generate limited benefits for employees.
56. Both ends of this range would cover a strong majority of employees who could be in scope of this policy while exempting a strong majority of employers. At the lower end, 15.9m employees or 88% of those who could be in scope of this policy would be offered new or strengthened collective redundancy protections while only introducing new requirements to the largest 9,000 or 22% of employers who could be in scope of this policy. At the upper end, 13.1m employees or 72% of those who could be in scope of this policy would be offered new or strengthened collective redundancy protections while only introducing new requirements to the largest 3,000 or 7% of employers who could be in scope of this policy⁷.
57. The Options Assessment which accompanies this consultation provides further detail, including analysis of the impact of our proposals. This will be published as soon as the Regulatory Policy Committee has finished its review. This consultation document contains an analytical annex with some explanation of the figures included throughout.

⁴ DBT (2025) Analysis of Interdepartmental Business Registry (IDBR), 2025 Q1

⁵ DBT (2025) Analysis of Interdepartmental Business Registry (IDBR), 2025 Q1

⁶ DBT (2025) Analysis of Interdepartmental Business Registry (IDBR), 2025 Q1

⁷ DBT (2025) Analysis of Interdepartmental Business Registry (IDBR), 2025 Q1

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58. This consultation is therefore seeking views on the appropriate levels that the government could set the thresholds to enhance protections for employees, while not introducing unintended new burdens for employers. We will ask your thoughts on the level to set the threshold(s) in the following section where we discuss our proposals.

Questions:

Question 23: To what extent do you agree that the organisation-wide threshold should not be set at a number which is lower than 250 redundancies? Please explain your answer.

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Unsure
- Other

[FREE TEXT BOX] Please explain your answer below.

Question 24: To what extent do you agree that the organisation-wide threshold should not be set at a number which is higher than 1,000 redundancies? Please explain your answer.

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Unsure
- Other

[FREE TEXT BOX] Please explain your answer below.

Section Three – Proposals

Lead proposal: single fixed number

59. The government is minded to (subject to views from this consultation) use a single fixed number to set the organisation-wide threshold within the range of 250-1,000 proposed redundancies.
60. We believe that using a simple fixed number is the easiest way to ensure that employers understand their obligations and that employees and trade unions can be certain when they should receive collective redundancy consultation. It is therefore the clearest and least likely method to lead to disputes between employers and employees, which in turn mean they can instead focus on holding effective consultations on the proposed redundancies.
61. As set out in paragraphs 54-57, this 250-1,000 range was developed by looking at patterns of redundancy in the UK and business demographics. In particular, this range considered the extent of the protections that will continue to be provided by the 20 or more at one establishment threshold. 76% of organisations with fewer than 250 employees but more than 20 employees operate out of a single establishment, meaning that they already have to fulfil collective redundancy obligations whenever making 20 or more employees redundant. We believe that setting the threshold within this 250-1,000 range would be appropriate, as this range both avoids placing disproportionate regulatory burdens on small and medium businesses (a risk if set lower than 250), whilst ensuring that employees still benefit from collective consultations (a risk if set higher than 1,000). We seek your views on the level at which the threshold should sit within this range.
62. The table below outlines the number and proportion of employees who could be in scope of the policy if the organisation-wide threshold was set at 250/500/750/1,000. The analytical annex contains a more detailed breakdown. The table also includes the estimated number of additional collective consultations per year that we expect at a given organisation-wide threshold. Due to data limitations, these may be over-estimates.

Table 1: Estimates of the number and proportion of employers and employees who could be in scope of the policy at different threshold levels, and the estimated additional collective consultations per year

	Number of employers who could be in scope	As a % of employers who could be in scope	Number of employees who could be in scope	As a % of employees who could be in scope	Estimated additional collective consultations per year
250	9,000	22%	15.9m	88%	97
500	5,000	13%	14.7m	81%	41
750	3,000	9%	13.8m	76%	27
1,000	3,000	7%	13.1m	72%	19

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63. The Options Assessment which accompanies this consultation provides further detail, including analysis of the impact of our proposals. This will be published as soon as the Regulatory Policy Committee has finished its review. Based on the modelling in the Option Assessment, we believe this is a reasonable and proportionate policy to improve collective redundancy protections.

Tiered fixed based on number of employees

64. The government has also considered an option to set the level of the organisation-wide threshold by applying different fixed numbers, according to the size of employer, as follows:

Employers must undertake collective redundancy obligations when proposing redundancies that meet the following thresholds:

- 250 redundancies for organisations with 0-2,499 employees,
- 500 redundancies for those with 2,500-9,999 employees and
- 750 redundancies for those with 10,000 or more employees.

65. These numbers were developed using the same logic as set out above in our preferred option but we have split them into tiers to ensure that the threshold is more proportionate relative to the sizes of employers.

66. This approach would mean that an estimated 15.9 million employees could potentially be in scope of the new threshold because they work for an employer with multiple sites and at least 250 employees. This represents 88% of employees who could be in scope of the policy. Meanwhile, it would potentially extend collective redundancy requirements to 22% of employers who could be in scope⁸. This alternative proposal would cover a higher proportion of employers than any fixed threshold greater than 250. We expect this approach to lead to 38 additional collective consultations annually.

67. However, this proposal permits the largest employers to make many more redundancies without being required to undertake collective redundancy obligations. We expect most policy impacts to be generated by the largest employers therefore this approach would provide less protection in practice than a fixed threshold at the low to medium end of the range proposed. It is the government's view therefore that this option may not provide adequate protections to employees.

68. Furthermore, the introduction of tiers would require employers to calculate their business size in order to know which threshold applies. Depending on the method selected, this may be straightforward for employers who are comfortably within the bounds of a particular tier and have robust systems for monitoring employee numbers, but it may be more difficult for those organisations who sit at the peripheries between tiers and who do not have good systems for monitoring overall employee numbers.

⁸ DBT (2025) Analysis of Interdepartmental Business Registry (IDBR), 2025 Q1

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This creates additional requirements on both employers and employees to understand when the employer's obligations apply.

69. With this in mind, the government proposes that employers should calculate their employee numbers against a snapshot date annually if this approach is pursued. We propose that this number be taken on April 5th, to align with the beginning of the financial year. This is a simpler approach than other methods of calculation discussed at paragraph 48, such as calculating at the point in which redundancies are proposed or keeping a rolling average.
70. The government is not proposing to exclude any employees from the calculations for the purpose of determining which tier employers may fall into. Employers will only be required to calculate numbers of employees located in Great Britain for the purpose of understanding which tier they are in.
71. We acknowledge that this means the snapshot created on April 5 may not accurately capture employee number changes which occur over the subsequent year, and would not take into account business growth and shrinkage in that year, or where employee numbers fluctuate due to seasonal working. However, we consider that an annual snapshot provides a sufficiently recent calculation of employer size while maintaining simplicity and certainty for affected employers and their employees.
72. Finally, we consider that this approach may create disproportionate impacts depending on employer size within each tier. Employees at the fringe above a particular tier will not be eligible for the same organisation-wide threshold as employees at the fringe below a particular tier. This may create a perceived sense of unfairness, though in practice it may only impact a small number of organisations (and their employees) at the fringes of the tiers.
73. We seek your views on this option, including the proposed tiers and the threshold levels at each tier, and the method for employers to calculate which tier applies to them.

Variable and tiered variable methods

74. The government is of the view that the variable (method 2) or tiered variable (method 4) methods detailed above are sub-optimal to our current lead option of a single fixed number. We conclude that, based on our consideration and analysis, requiring collective redundancy obligations to be fulfilled when a percentage of employees are proposed to be made redundant adds significant complexity for employers to understand when they are required to undertake their collective redundancy obligations. It would also prove difficult for employees and trade unions to know when the threshold has been hit, and therefore hard to know when employers are in breach of their collective redundancy obligations.
75. While the tiered fixed based on number of employers method will also require employers calculate their employee numbers, we believe that for most employers it will

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be clear which threshold number applies to them. Using a percentage however will require all employers, regardless of size, to continuously monitor their employee numbers for the purpose of understanding what threshold number applies to them.

76. We do not believe the single fixed percentage method would offer the right levels of protections to those working for the largest employers. With a threshold at 10%, an employer with 50,000 employees would be able to make 4,999 redundancies without triggering collective redundancy obligations. We do not think this would provide adequate protection to employees.
77. To alleviate this, the threshold would need to be suitably low which may in turn have an impact on smaller employers, where that lower percentage will require them to consult more frequently than the government intends. This would be overly burdensome. Because of this tension, it would prove difficult to set the percentage at a level that offers equitable protections for employees.
78. Additionally, as described above, we do not wish to see scenarios where employers and employees or trade unions disagree on whether this threshold is met, thereby creating unnecessary disputes on the organisation-wide triggering number, in place of genuine consultation.
79. Finally, we do not believe that the benefits which may come from using a percentage (either a single fixed percentage, or as part of a tiered approach) outweigh the additional burdens that they may place on employers. Therefore, our lead option, in our view, represents the most simple to understand methods. This is so that employers, employees and trade unions are sufficiently clear as to when collective redundancy obligations should be fulfilled.

Questions:

Question 25: Do you agree with the preferred method to make the organisation-wide threshold based on a fixed number (Method 1)? Please explain your answer.

- Yes
- No
- Don't know
- Other

[FREE TEXT BOX] Please explain your answer below.

Question 26: Are there any concerns or risks that should be considered with the preferred method (Method 1: Fixed Number)?

[FREE TEXT BOX] Please explain your answer below.

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Question 27: In your opinion, which of the following do you think would be the most appropriate threshold for an organisation-wide fixed threshold? Please explain your answer.

- 250
- 500
- 750
- 1000
- Another number
- Unsure

Question 28: If you answered Question 27, please explain the reasoning behind the threshold level you selected for the organisation wide fixed threshold.

[FREE TEXT BOX] Please explain your answer below.

Question 29: In your opinion, what would be the impact on employees of using Method 1: Fixed number, at your chosen threshold (as answered in question 27)? Please provide any additional evidence which helps to support your point.

[FREE TEXT BOX] Please explain your answer below.

Question 30: In your opinion, what would be the impact on employers of using Method 1: Fixed number, at your chosen threshold level (as answered in question 27)? Please provide any additional evidence which helps to support your point.

[FREE TEXT BOX] Please explain your answer below.

Question 31: In your opinion, are there any concerns or risks you think should be considered with the alternative proposal (Method 3: Tiered Fixed)? Please provide any additional evidence which helps to support your point.

[FREE TEXT BOX] Please explain your answer below.

Question 32: In your opinion, what would be the impact on employees of our alternative option (Method 3: Tiered Fixed)? Please provide any additional evidence which helps to support your point.

[FREE TEXT BOX] Please explain your answer below.

Question 33: In your opinion, what would be the impact on employers of our alternative option (Method 3: Tiered Fixed)? Please provide any additional evidence which helps to support your point.

[FREE TEXT BOX] Please explain your answer below.

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Question 34: Do you agree with the proposal to deprioritise options with percentage based methods (Method 2 and Method 4) for the organisation-wide trigger? Please explain your answer.

- Yes
- No
- Don't know
- Other

[FREE TEXT BOX] Please explain your answer below.

Question 35: Do you believe that the proposals discussed in this consultation will have an impact on individuals with a protected characteristic under the Equality Act 2010?

Protected characteristics under the Act are disability, gender reassignment, age, pregnancy and maternity, race, marriage and civil partnership, sex, sexual orientation and religion or belief.

- Yes
- No
- Don't know
- Other

[FREE TEXT BOX] Please explain your answer below.

Question 36: Where you have identified potential negative impacts under question 35 can you propose ways to mitigate these? Please explain your answer below.

[FREE TEXT BOX] Please explain your answer below.

Question 37: Is there anything else you would like to share your reflections on, that was not covered by the previous questions (e.g. broader risks)?

[FREE TEXT BOX] Please explain your answer below.

Next Steps

This consultation will close on 21 May 2026. Following the closure of this consultation, we will analyse the responses before publishing a government response.

Responses to this consultation will inform the secondary legislation which sets the organisation-wide threshold for collective redundancy obligations. The government also intends to produce a Code of Practice on collective redundancy obligations. The government intends to launch a public consultation on this code in 2026. The intended go-live date of the organisation-wide threshold for collective redundancy is 2027.

Summary of consultation questions

About You

Question 1: Please indicate whether you are responding as:

- An individual or employee
- An academic, or on behalf of an academic or research organisation
- An employer
- A legal representative
- A business representative organisation
- A trade union or staff association
- A voluntary sector organisation
- Other – please specify

Question 2: If responding as an employer, business, business owner or business representative, approximately what is the size of your business? If responding as an individual or employee, what is the size of the workplace you are employed in?

- Micro or small (1 to 50 employees)
- Medium (51 to 250 employees)
- Large (250+ employees)
- Don't know
- Not Applicable

Question 3: If responding as a large employer, business, business owner or business representative (as answered above), approximately what is the size of your business? If responding as an individual or worker of a large employer, what size workplace are you employed in?

- 250 to 499 employees
- 500 to 999 employees
- 1,000 to 2,499 employees
- 2,500 to 9,999 employees
- 10,000+ employees
- Don't know

Question 4: Which region are you located in?

- North-East
- North-West
- Yorkshire and The Humber
- East Midlands
- West Midlands
- East of England
- London
- South-East
- South-West
- Wales
- Scotland
- Northern Ireland

Question 5: What sector are you based in?

- Accommodation & food service activities
- Activities of households as employers; undifferentiated goods and services-producing activities of households for own use
- Administrative & support service activities
- Arts, entertainment and recreation
- Agriculture, forestry and fishing
- Construction
- Education
- Electricity, gas, steam and air conditioning supply
- Financial & insurance activities
- Human Health and social work activities
- Information & communication
- Manufacturing
- Mining and quarrying
- Production
- Professional, scientific and technical activities

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- Public administration & defence; compulsory social security
- Real estate activities
- Services Sector
- Transportation & storage
- Water supply; sewerage, waste management and remediation activities
- Wholesale and retail trade; repair of motor vehicles and motorcycles
- Other service activities

Outcomes and benefits of the collective redundancy consultation process

Question 6: What is your assessment of the benefits of a collective redundancy consultation?

[FREE TEXT BOX] Please explain your answer below

Question 7: In your experience, how effective are collective redundancy consultations at preventing or reducing redundancies? Please provide any additional evidence which helps to support your point.

- Very Effective
- Moderately Effective
- Not Effective
- Don't know
- Other

[FREE TEXT BOX] Please explain your answer below.

Question 8: What is your assessment of how effective collective redundancy consultations are at increasing redundancy pay? Please provide any additional evidence which helps to support your point.

- Very Effective
- Moderately Effective
- Not Effective
- Don't know
- Other

[FREE TEXT BOX] Please explain your answer below.

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Question 9: What is your assessment of the extent to which running collective redundancy consultations is burdensome for employers? Please provide any additional evidence which helps to support your point.

- Very burdensome
- Moderately burdensome
- Slightly burdensome
- Don't know
- Other

[FREE TEXT BOX] Please explain your answer below

Question 10: Does your organisation voluntarily offer collective consultations, which are beyond legal requirements, during redundancy programmes?

- Yes
- No
- Don't know
- Other

Question 11: If responded yes to question x, why does your organisation engage in collective redundancy consultations voluntarily?

[FREE TEXT BOX] Please explain your answer below

Question 12: On average, how many redundancies does your organisation make in a three-month period? Please write in a number below.

[FREE TEXT BOX] Please explain your answer below

Question 13: Based on your experience, to what extent do employers currently monitor the number of redundancies that happen across their business? Please explain your answer.

- Always
- Very Often
- Sometimes
- Rarely
- Never
- Unsure
- Other

[FREE TEXT BOX] Please explain your answer below.

Question 14: Based on your experience, how easy is it for employers to monitor the number of redundancies across their organisation?

- Very easy
- Easy
- Neutral
- Difficult
- Very difficult
- Unsure

Other

[FREE TEXT BOX] Please explain your answer below.

Question 15: The changes to the Collective Redundancy consultation threshold will generally apply only to employees who are working in Great Britain and not to those working in Northern Ireland (unless their employment has a sufficiently strong connection with Great Britain).

Do you foresee any potential challenges for a business operating across both Great Britain and Northern Ireland when monitoring headcount and redundancies? Please explain your answer.

Yes

No

Don't know

Other

[FREE TEXT BOX] Please explain your answer below.

Section One - Threshold Methods

Question 16: Which of the methods for determining the organisation-wide threshold do you consider the most appropriate? Please explain your answer.

Method 1: Fixed Number

Method 2: Variable (Percentage-Based Threshold)

Method 3: Different fixed numbers applying to different sized businesses (based on number of employees)

Method 4: A percentage-based threshold applying to employers who have fewer than Y number of employees), and a fixed number applying to employers who have number of employees or more).

None of the above

Unsure

Other

[FREE TEXT BOX] Please explain your answer below.

Question 17: Which of the following methods for setting the organisation-wide threshold do you consider to be the least appropriate? Please explain your answer.

Method 1: Fixed Number

Method 2: Variable (Percentage-Based Threshold)

Method 3: Different fixed numbers applying to different sized businesses (based on number of employees)

Method 4: A percentage-based threshold applying to employers who have fewer than X number of employees), and a fixed number applying to employers who have X number of employees or more

None of the above

Unsure

Other

[FREE TEXT BOX] Please explain your answer below.

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Question 18: To what extent do you agree that a tiered approach to the organisation-wide threshold, which applies a different threshold based on the number of employees an employer has, could create unfair outcomes for employers (and their employees) near the margins of a tier? Please explain your answer.

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Unsure
- Other

[FREE TEXT BOX] Please explain your answer below.

Question 19: Do you foresee any challenges for a business when calculating the number of employees the business employs? Please explain your answer.

- Yes
- No
- Don't know
- Other

[FREE TEXT BOX] Please explain your answer below.

Question 20: In your view, are there any certain types of employees that should be excluded when working out the total employee numbers an employer has?

[FREE TEXT BOX] Please explain your answer below.

Question 21: Should employees outside of England, Scotland and Wales (where these regulations would apply) be excluded when working out the total employee numbers an employer has?

- Yes
- No
- Don't know
- Other

[FREE TEXT BOX] Please explain your answer below.

Question 22: Are there any international approaches or best practices we should consider when developing our approach to the organisation-wide threshold?

[FREE TEXT BOX] Please explain your answer below.

Section Two - Threshold Levels

Question 23: To what extent do you agree that the organisation-wide threshold should not be set at a number which is lower than 250 redundancies? Please explain your answer.

- Strongly agree

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- Agree
- Neither agree nor disagree
- Disagree
- Unsure
- Other

[FREE TEXT BOX] Please explain your answer below.

Question 24: To what extent do you agree that the organisation-wide threshold should not be set at a number which is higher than 1,000 redundancies? Please explain your answer.

- Strongly agree
- Agree
- Neither agree nor disagree
- Disagree
- Unsure
- Other

[FREE TEXT BOX] Please explain your answer below.

Section Three - Proposals

Question 25: Do you agree with the preferred method to make the organisation-wide threshold based on a fixed number (Method 1)? Please explain your answer.

- Yes
- No
- Don't know
- Other

[FREE TEXT BOX] Please explain your answer below.

Question 26: Are there any concerns or risks that should be considered with the preferred method (Method 1: Fixed Number)?

[FREE TEXT BOX] Please explain your answer below.

Question 27: In your opinion, which of the following do you think would be the most appropriate threshold for an organisation-wide fixed threshold? Please explain your answer.

- 250
- 500
- 750
- 1000
- Another number
- Unsure

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[FREE TEXT BOX] Please explain your answer below.

Question 28: If answered Question 27, please explain the reasoning behind the threshold level you selected for the organisation wide fixed threshold.

[FREE TEXT BOX] Please explain your answer below.

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[FREE TEXT BOX] Please explain your answer below.

Question 30: In your opinion, what would be the impact on employers of using Method 1: Fixed number, at your chosen threshold level (as answered in question 27)? Please provide any additional evidence which helps to support your point.

[FREE TEXT BOX] Please explain your answer below.

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[FREE TEXT BOX] Please explain your answer below.

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[FREE TEXT BOX] Please explain your answer below.

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- Yes
- No
- Don't know
- Other

[FREE TEXT BOX] Please explain your answer below.

Question 35: Do you believe that the proposals discussed in this consultation will have an impact on individuals with a protected characteristic under the Equality Act 2010?

Protected characteristics under the Act are disability, gender reassignment, age, pregnancy and maternity, race, marriage and civil partnership, sex, sexual orientation and religion or belief.

- Yes
- No
- Don't know
- Other

[FREE TEXT BOX] Please explain your answer below.

Question 36: Where you have identified potential negative impacts under question 35 can you propose ways to mitigate these? Please explain your answer below.

[FREE TEXT BOX] Please explain your answer below.

Question 37: Is there anything else you would like to share your reflections on, that was not covered by the previous questions (e.g. broader risks)?

[FREE TEXT BOX] Please explain your answer below.

Analytical Annex

1. This consultation document contains figures and insights from analysis. Our analysis uses data from the Inter-Departmental Business Register (Q1 2025 extract). This is not an official statistic and therefore not an official endorsement of employment. Registered employment as contained on IDBR is based on several sources. This means each employment entry is not from a same point in time. However, this dataset provides insight on employment at specific establishments which is crucial to this analysis.
2. Note our analysis excludes employees and work sites in Northern Ireland as they are not in scope of this regulation.
3. The Options Assessment which accompanies this consultation provides further detail and analysis of the expected impacts of our proposals. This will be published as soon as the Regulatory Policy Committee has finished its review.

Employees and employers in scope

4. The consultation document includes estimates of the employees and the employers who could be in scope of the policy at different threshold levels.
5. Those possibly in scope of the policy are the employers with more than 20 employees operating out of more than one site. This is because the Employment Rights Act 2025 specifies that the threshold cannot be lower than 20 redundancies (across an organisation). In addition, employers who only operate out of one site are excluded because they would always trigger the ‘at one establishment’ test first.
6. Accordingly, the maximum number of employers who could be in scope of threshold is 39,000 and the maximum number of employees who could be in scope is 18.2m, based on setting the organisation-wide threshold level at 20 redundancies. The percentage is estimated from the subset of these employers that are larger than the threshold divided by the total employers in scope. The same approach is taken for employees.

Table 2: Estimates of the number and proportion of employers and employees who could be in scope of the policy at different threshold levels

Threshold level	Number of employers who could be in scope	As a % of employers who could be in scope	Number of employees who could be in scope	As a % of employees who could be in scope
20	39,000	100%	18.2m	100%
100	16,000	40%	17.1m	94%
150	12,000	32%	16.7m	92%

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200	10,000	26%	16.3m	90%
250	9,000	22%	15.9m	88%
300	8,000	19%	15.6m	86%
350	7,000	17%	15.4m	84%
400	6,000	15%	15.1m	83%
450	5,000	14%	14.9m	82%
500	5,000	13%	14.7m	81%
750	3,000	9%	13.8m	76%
1,000	3,000	7%	13.1m	72%

DBT (2025) Analysis of IDBR 2025 Q1. Number of employers rounded to the thousand.

Granting new protections

7. The consultation document also provides estimates of the number of employees who will be given entirely new protections and those whose protection will be strengthened.
8. By definition, those working in a site with more than 20 employees could be consulted collectively on redundancies under the existing law (but only where 20 or more redundancies are proposed). Therefore, those working in sites with fewer than 20 employees will be granted entirely new protections while those working in sites with more than 20 employees will have protections strengthened.
9. We estimate that there are up to 2.1m employees who could be granted entirely new protections as a result of this policy. Of these, 591,000 work for employers with fewer than 250 employees. This is equivalent to 28%. Meanwhile, 1.2 million individuals, or 58% of those who could be granted entirely new protections, work in organisations with over 1,000 employees. At a threshold of 500, 1.4m employees would be granted entirely new protections. This is equivalent to 65% of those who could be granted new protections.
10. All those who are in scope of the policy but who would not be granted new protections would have their protections strengthened. We therefore estimate there are 16.1m employees whose protections could be strengthened.

Number and size of sites

11. The consultation document also notes the extent to which employers with fewer than 250 employees operate out of single sites.
12. We estimate 94,000 employers with fewer than 250 employees operate out of a single site. This is out of a total of 124,000 employers with fewer than 250 employees but more than 20 employees. This is equivalent to 76%.

13. In general, larger employers are more likely to have multi-site operations where redundancies could be dispersed. The table below provides the mean and median number of sites and site size for different employer sizes to demonstrate.

14. Our analysis shows that employers with fewer than 500 employees tend to have fewer sites and there are often more than 20 employees at each site.⁹¹⁰ These employers are therefore more likely to hit the “at one establishment” threshold than an organisation-wide one in the range that we are considering. This means that there is a much smaller likelihood that these organisations can make large redundancies dispersed across multiple sites without triggering the existing collective redundancy obligations, and there would be limited to no detriment to their employees if they were not subject to an additional organisation-wide trigger.

Table 3: Business structure by size band

Size band	Mean number of sites	Median number of sites	Mean site size (calculated at enterprise level)	Median site size (calculated at enterprise level)
10 to 49	1	1	18	15
50-99	2	1	54	56
100-249	3	1	101	105
250-499	7	3	166	106
500-999	13	5	241	79
1000-1499	24	10	285	66
1500-1999	40	17	337	56
2000-2499	51	21	397	55
2500-4999	75	32	520	41
5000-9999	129	73	755	30
10000 or more	411	169	777	30

DBT (2025) Analysis of IDBR 2025 Q1. Mean and median site size are calculated first at the enterprise level and then at the size band level.

Number of additional consultations

15. The consultation document also includes estimates for the number of additional consultations as a result of the policy. We estimate the number of additional

⁹ DBT (2025) Analysis of Interdepartmental Business Registry (IDBR), 2025 Q1

¹⁰ Under current legislation, an “establishment” refers to the entity (or unit) to which the employees made redundant are assigned to carry out their duties. In many (but not all) cases, each worksite will form a separate establishment for collective redundancy purposes, although this will depend on how work is assigned and organised within those worksites.

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consultations by modelling patterns of redundancy across the UK based on the Labour Force Survey and CIPD Labour Market Outlook data. In doing so, we model the number of employers making redundancies by employer size and proposed headcount reduction. This permits us to estimate the number of employers who would trigger consultation obligations for a given threshold. Please see the accompanying Options Assessment for detail. This will be published as soon as the Regulatory Policy Committee has finished its review.

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<p>which deals with, amongst other things, obligations of confidence.</p> <p>In view of this, it would be helpful if you could explain to us why you wish that information to be treated confidentially. If we receive a request for disclosure of information that has been provided, we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances.</p> <p>An automatic confidentiality disclaimer generated by your IT system will not be regarded by us as a confidentiality request.</p> <p>If you are providing a response on behalf of a third party, you must ensure you obtain their consent prior to submission.</p>		<p>decisions about you, unless this has been made expressly clear to you in advance. Any use of AI will be subject to appropriate human oversight.</p> <p>We will apply effective data minimisation techniques to all uses of your personal data, ensuring that only the minimum necessary information is processed.</p> <p>Your responses, including any personal data, may be shared with:</p> <ul style="list-style-type: none"> • (i) a third-party provider, • (ii) another government department, or • (iii) an organisation acting on behalf of the Department for Business and Trade under contract or an equivalent agreement that safeguards your personal information in line with DBT requirements. <p>These parties may use technology, including artificial intelligence, for the purpose of analysing and summarising responses, but only in accordance with DBT's agreed terms and applicable data protection law.</p> <p>We will not:</p> <ul style="list-style-type: none"> • Sell or rent your data to third parties • Share your data with third parties for marketing purposes <p>We may publish a list or summary of responses in an anonymised form, including in any subsequent review reports. "Anonymised" means that all information which could identify you has been removed, so that individuals cannot be identified from the published data. We may also share your personal data where required to by law. You can leave out personal information from your</p>
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		<p>response entirely if you would prefer to do so.</p> <p>Wherever possible please avoid including any additional personal data in free-text responses beyond that which has been requested or which you consider necessary for DBT to be aware of.</p> <p>We will only retain your personal data for as long as:</p> <ul style="list-style-type: none">• it is needed for the purposes of the consultation;• it is needed to archive in the public interest, or scientific, historical, or statistical research, in accordance with Article 89 UK GDPR and the Data Protection Act 2018 (DPA);• the law requires us to. <p>This generally means that we will hold your personal data for at least one year.</p> <p>Your Rights Under Data Protection Law</p> <p>Under the UK General Data Protection Regulation (UK GDPR) and the Data Protection Act 2018 (DPA), when your personal data is processed on the basis that it is necessary for the performance of a task carried out in the public interest or in the exercise of official authority (Article 6(1)(e)), and, where relevant, for reasons of substantial public interest (Article 9(2)(g)), you are entitled to exercise the following rights:</p> <ul style="list-style-type: none">• Right of Access: You can request copies of the personal data we hold about you.• Right to Rectification: You can ask us to correct any personal data you believe is inaccurate or incomplete.• Right to Restriction: You can request that we restrict the processing of your personal data in
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		<p>certain circumstances (for example, if you contest its accuracy or object to its processing).</p> <ul style="list-style-type: none">• Right to Object: You can object to the processing of your personal data where it is processed on the basis of public task, in certain circumstances.• Right to Data Portability: In some cases, you may request that your personal data is provided to you or another organisation in a structured, commonly used and machine-readable format.• Right to Erasure: You can request that we erase your personal data in certain circumstances (for example, if it is no longer necessary for the purposes for which it was collected).• Right not to be subject to automated decision-making: You have the right not to be subject to a decision based solely on automated processing, including profiling, which produces legal or similarly significant effects. <p>Please note that these rights are subject to certain conditions and exemptions under data protection law. If you wish to exercise any of these rights, or would like more information, please contact the Data Protection Officer at data.protection@businessandtrade.gov.uk.</p> <p>You can also submit a complaint to the Information Commissioner's Office (ICO) at:</p> <p>Information Commissioner's Office Wycliffe House: Water Lane, Wilmslow, Cheshire, SK9 5AF</p>
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