

SCHEDULE

COMPENSATION PAYMENTS SCHEME

Dismissed by reason of redundancy

3.—(1) For the relevant purposes an employee who is dismissed shall be taken to be dismissed by reason of redundancy if the dismissal is attributable wholly or mainly to—

- (a) the fact that his employer has ceased, or intends to cease, to carry on the business for the purposes of which the employee was employed by him, or has ceased, or intends to cease to carry on that business in the place where the employee was so employed, or
- (b) the fact that the requirements of that business for employees to carry out work of a particular kind or for employees to carry out work of a particular kind in the place where he was so employed, have ceased or diminished or are expected to cease or diminish.

In this sub-paragraph “cease” means cease either permanently or temporarily and from whatsoever cause, and “diminish” has a corresponding meaning.

(2) For the relevant purposes an employee shall be taken to be dismissed if, but only if—

- (a) the contract under which he is employed by the employer is terminated by the employer, whether it is so terminated by notice or without notice, or
- (b) the employee terminates that contract with or without notice, in circumstances such that he is entitled to terminate it without notice by reason of the employer’s conduct.

(3) For the relevant purposes an employee given notice to terminate his contract of employment before 1st August 1992 in a case where the notice does not take effect until on or after that date shall be taken to be dismissed immediately prior to 1st August 1992 notwithstanding that the notice does not take effect until after that date.

(4) An employee to whom paragraph 4(4) of Schedule 2 of the Act applies is not by virtue thereof to be taken to be dismissed by reason of redundancy by his previous employer if the dismissal was justified for reasons other than redundancy.