

Job references and keeping your reputation intact

What are your rights when you have been made redundant?

By Philip Landau
Employment Law Solicitor

If you have been made redundant, you will probably want a reference. It is good practice for your employer to give one, but they actually do not have to unless you are regulated by the financial services authority- in which case there is an obligation to do so.

If your employer does give you a reference, they are under a legal duty to make sure it is accurate and not misleading to your future employer. In the majority of cases employers will give factual references only- essentially this being dates of employment, job title and reason for dismissal. If however you have been dismissed for gross misconduct or have left following performance issues, some employers may feel the need to include such information on the reference and this may hinder your new employment opportunities. In these circumstances, you should ensure that you are provided with a clean reference wherever possible. If necessary you should challenge the reason for dismissal in the hope that this could be resolved with a more amicable parting of the ways, and the all important reference that makes no mention of the issues leading up to dismissal.

If your employer does give an inaccurate, negligent or deliberately misleading job reference, you can sue them to recover damages where you have incurred losses. In some cases, this may amount to defamation in which case you could claim for libel. You will need professional advice about this.

Once you start working for a new employer you can ask them for a copy of any reference that they have been given from your previous employers. This is a right that you have under the Data Protection Act, but your old employers are not obliged to provide such a copy.

Many employees will be asked to sign a compromise agreement when they leave as a pre-requisite for receiving an enhanced redundancy package. Most compromise agreements will include a clause stating that you will not make any derogatory comments against the employer or bad mouth them in any way, but many agreements are not reciprocal in this regard. This is a golden opportunity to negotiate a reciprocal clause to make sure that your employer does not similarly bad mouth you, and thus preserve your reputation in the industry. It is especially important to secure this where there have been performance issues, any hint of misconduct or simply disharmony with your line manager.

You should ensure if possible that named individuals from your previous employer (such as your line managers) are specifically stated in the compromise agreement. The fluidity in the movement of labour between some industry sectors (such as banks) means it can be common for your previous line manager to know someone in your new team. It can only take a phone call or whispering campaign between the two to scupper your chances of new employment which I have seen this many times. By naming the individuals in the agreement, they become particularly aware (and bound) by what they can or cannot say after you have left. As in all cases, if you are unsure how to best protect your position at the time of your departure, early professional advice should be sought.

For further information please contact us by telephone on 020 7357 9494 or email:

Philip Landau pl@lzwlaw.co.uk