

# Redundancy Policy

## Introduction

- 1) The need to make staff redundant, whilst sometimes necessary, is one of the most difficult decisions for the organisation to make. The aim of this policy is to set out how the Council will approach these issues in a fair and open way.
- 2) The Council will, in the first instance, look at all measures to avoid compulsory redundancies and a range of options can be considered. However, it may be the case that compulsory redundancies have to be considered and a process will have to be put in place to identify which posts are to be ended. This policy also covers what protection will be offered to staff as part of these changes.

## Principles

- 3) The core principles behind this policy are:
  - a) Compulsory redundancy is something which the Council will try to avoid by exploring alternatives before consideration of selection. However, business needs may limit this approach or rule it out.
  - b) Often the role identified for redundancy will be obvious from the organisational change. Alternatively, a restructuring process will have procedures for selection to new posts and this mechanism will apply. A selection process for redundancy will only be used where necessary. If the business change is clearly specific to one area then a ring fence of staff will be set up of those directly affected by this change.
  - c) There will be consultation with representative bodies and staff in any such situation. Any selection process will be non discriminatory and there will be a right of appeal.
- 4) The other key principle is one of natural justice. All parties involved will ensure the policy is used both fairly and equitably. The procedures try to provide a full range of guidance, but there will always be circumstances they do not cover. Common sense and clear communication are key requirements of making these procedures effective.

## What is Redundancy?

- 5) In essence redundancy is the ending of employment resulting from a change in the operation of some part of the Authority. This can be relatively straightforward in a Local Authority. A particular function can be brought to an end and therefore the posts specifically associated with this function are likely to be redundant. However it can also be much more complicated, for example where only an element of the function is ended (with no clearly defined posts) or where supporting services undertake some proportion of their work in this field. It is a complex area of employment law in its application as often a whole range of

factors have to be assessed before a decision can be reached on whether or not a post is redundant.

- 6) It is important to stress that transfers of staff to other organisations are often undertaken in the local government environment and these are not normally redundancy situations. A TUPE type transfer will often be the basis of this change. We should though, be aware that there are circumstances where redundancy can potentially occur within these transfers.

### **Avoiding Compulsory Redundancy**

- 7) The Council will, in the first instance and as part of the consultation exercise, look at ways in which any compulsory redundancies can be avoided. A number of avenues can be looked at, including initiating voluntary redundancies and ending temporary forms of employment. The key aim is to maintain staff employment. However within this there are factors we need to consider:
  - a) We expect staff to work with us to achieve this goal and to be flexible in redeployment.
  - b) Offering a degree of protection of employment conditions is accepted as a positive step in ensuring staff motivation and commitment during this change. However, this protection must be affordable.
  - c) The terms of this policy are not applied to temporary staff, though clearly any contract beyond 2 years would not be considered temporary.
- 8) It is important to be clear that measures such as voluntary redundancies and redeployments may not always be practical, particularly around issues such as professional requirements and skills sets. Whilst this will always be given first consideration in any redundancy scenario it may be the case that this will be ruled out or only partially used, because of the particular circumstances.
- 9) In any redundancy situation a proper consultation process with Staff Side / Unison is a clear expectation. Part of this dialog will be to consider any measure we can use to avoid the possibility of compulsory redundancies. Examples of the steps which can be considered as part of this consultation include:
  - a) Freezing normal recruitment procedures to enable consideration of vacancies. In these situations all vacancies will be notified to employees who are likely to be re-deployed. The Council will not advertise any suitable vacancies until affected employees have been given an opportunity to say whether they wish to be considered for redeployment. We will then interview from this re deployment group with the aim of selecting for the vacancy, unless there are sound reasons for not doing so.
  - b) Approaching other Councils in the region to ascertain whether there are any options for our staff.

- c) Ending the use of contracting and agency services and temporary employees in the Service affected or in other Services where this would create employment opportunities for displaced employees (note :- This clause shall not be interpreted so as to prevent the Council from using contracting, agency and temporary employees where required or where the roles are particularly specialist).
- d) Consideration of temporary secondments and transfers of displaced employees until they can be absorbed in an established post - subject to a maximum period of six months of such employment.
- e) Opportunities for Retirement/Voluntary Redundancy with staff interested in this option. We must be clear though that this has to be managed for the long term good of the authority and cannot be an automatic consideration.
- f) Reviewing of any temporary arrangements such as overtime in any areas where this would provide employment opportunities.

10) If there is a redeployment option, appropriate individual training in the skills of the new job will be given to employees who are being re-deployed from one type of work to another.

### **Terms and Conditions for Employees who are Redeployed (Redundancy and Organisational Changes)**

11) If the member of staff is moved to a post of lesser grade as a result of the changes then a degree of protection will be given in the new post. This is accepted as a positive step in ensuring staff motivation and commitment during this change. This protection will also apply during restructuring and other such changes not directly part of this policy. It will not apply where the individual initiates or requests such a change. The details are given at Appendix C.

### **Compulsory Redundancy Procedures**

12) Where we find that compulsory redundancies have to be considered, the first step will be to identify the ring fence of posts affected. This could be very specific to a certain function, or wider because of financial or organisational pressures. Employers seeking to act fairly in selecting for redundancy must be careful to ensure that the pool of employees to whom the selection criteria are applied is fairly defined. Part of the appeal process will include the issue of ring fencing.

13) In the circumstances where the post or posts are clearly identified from the circumstances of the organisation change, and there is no argument to be made on this, then the redundancy will go ahead with these posts and post holders. No selection will be needed in this scenario.

- 14) Similarly, where a restructure is used as part of the changes then it is likely that the process of implementing the new structure will identify those staff redundant. This will usually be via the Council's Restructuring Procedures.
- 15) Where the ring fence does not identify specific posts as above, then a selection approach will be needed. The format for assessing selection is shown at Appendix A. The assessment will look at the following three factors:
- i) Work Performance
  - ii) Conduct
  - iii) Attendance
- 16) When assessing employees, the Council is committed to a fair, consistent, objective and non-discriminatory selection procedure. Selection decisions will in no way be made (directly or indirectly) on the basis of gender, race, colour or ethnic origin, sexual orientation, religion, disability, age, marital status, or trade union activities. In particular, where an employee in the pool for selection has a recognised disability under the Disability Discrimination Act, the Council will ensure that he/she is not put at any disadvantage on account of the application of the selection criteria and will accordingly make reasonable adjustments to the selection procedure to remove any disadvantage that the disabled employee would otherwise have.
- 17) Two managers must assess the individuals who may be selected for redundancy. These will be agreed by HR and the relevant Director. The assessors involved in the assessment process must have knowledge of the employee and the work he/she performs. The assessment will be in writing and should be supported by documented and verifiable evidence and dependent upon the subjective opinion of the assessors. Detailed notes must be kept at all stages of the assessment process. The managers involved will need to be able to justify their decisions and scores, and must submit relevant supporting evidence. This could include for example (but is not limited to):
- i) Performance Appraisals
  - ii) Attendance records
  - iii) Any current warnings (disciplinary or capability)
  - iv) Notes from any 1-1 meetings, or acknowledgements of excellent performance.
- 18) Where any significant numbers are involved the assessments will be referred for moderation to a panel consisting of a Director, a member of HR and a Staff Side/Unison representative who will review/audit them across the grouping as a whole. This will provide a means of ensuring accuracy and consistency of the assessments and non-discriminatory selection practice.
- 19) Once this process is complete then meetings will be held with the staff and redundancy letters issued. In the event of redundancies then proper notice will

need to be given and redundancy pay calculated as per the framework set out in this policy at Appendix B.

- 20) HR will also work with any affected staff to support them in finding new career options (if needed). Staff have legal rights in a redundancy situation. Dependent on the circumstances, these may include reasonable time off to look for another job or training, and also a trial period should an alternative post be found.

### **Consultation**

- 21) In any potential redundancy situation there will be a programme of consultation with the affected staff and representatives, as required by legislation. It may be that under these circumstances staff will be identified as being at risk of redundancy, but this will only be formally notified to individuals if there is a genuine risk identified that redundancy is a real possibility.

### **Appealing**

- 22) The staff member can appeal against the decision to make their post redundant. This also applies to the range of circumstances around the redundancy. To appeal they should write to HR within 5 working days of the written decision, stating their grounds for appeal. The Chief Executive will hear the appeal and the procedures for this will be as detailed in the Grievance Procedures. They can uphold the original outcome or decide it is not upheld.

**Appendix A – Redundancy Selection Procedures**

**Appendix B – Redundancy Payments**

**Appendix C – Protection Arrangements**