

# Redundancy Policy and Procedure

#### Introduction

West Oxfordshire District Council (WODC) prides itself on being an employer of choice. With an incredibly varied role in delivering the very best for our residents, communities and businesses, our employees are committed and really make a difference. In return we seek to support and empower our employees, to give their best.

We value our employees and are committed to providing long-term job security and managing the business in the best way possible to safeguard your employment.

However, there may be occasions when financial pressures, changes in our working practices, advances in technology or external factors, have an impact on our workforce. Where this is the case, we will explore alternative measures to avoid a compulsory redundancy situation. Where appropriate, we may initially seek volunteers for redundancy. Despite our best efforts, certain business situations may arise where redundancies are unavoidable.

This policy sets out the procedure that we will follow when faced with a potential redundancy situation and signposts the help and support available to those affected. The policy will be applied fairly and equally to all employees, and without any form of discrimination.

This policy does not form part of your contract of employment, and we reserve the right to amend or withdraw it at any time.

# Measures to Avoid or Minimise Redundancy

We will consider possible alternative measures to minimise or avoid a redundancy situation. Depending on our business needs at the time, we may consider:

- freezing recruitment to posts previously occupied by employees who have resigned or retired
- freezing recruitment for new permanent members of staff
- stopping or reducing the use of temporary workers
- stopping or reducing overtime
- freezing or reducing pay
- offering career breaks or other types of unpaid leave
- flexible working arrangements
- retraining or redeploying employees
- inviting early retirements
- · short-time working reducing the hours of work for a temporary period and
- lay-offs suspending paid work for a temporary period.

# Voluntary Redundancy

To reduce the need for compulsory redundancies, we may seek volunteers for redundancy.

However, we reserve the right not to accept an employee's application for voluntary redundancy. This might be the case where we receive too many volunteers, or we consider that accepting an application is not in the best interests of the business.

If your application is unsuccessful, we will let you know if you are eligible for early retirement.

#### Consultation

We will consult with all employees who are potentially affected by the redundancy situation and not just those who are at direct risk of redundancy. Where it is not possible to hold a face-to-face meeting, we will conduct the consultation process remotely. We will ensure that you have access to the necessary technology for participating in the process.

Where we propose to dismiss as redundant 20 or more employees at one establishment within a period of 90 days or less, we will consult with recognised trade union representatives and/or elected employee representatives on the proposed selection criteria and how that criteria will be scored, in addition to other matters relating to the redundancy proposal. This is known as collective consultation.

In any collective consultation exercise, we will also consult individually with each employee affected by the redundancy proposal in respect of their own particular circumstances.

### Right to Representation

At any formal meeting you have the right to be represented by a work colleague. However, consideration will be given to another person in exceptional circumstances.

## **Redundancy Selection**

We will identify which and how many roles are potentially redundant. We may need to create a pool of employees from which those who are to be made redundant will be selected. The selection pool will normally consist of employees who carry out the same, or similar, work and perform jobs that are interchangeable. However, a selection pool will not be necessary for example where redundancies are expected to involve the whole organisation or just one specific role. The decision on who to include in the pool will be based on genuine business reasons.

Next, we'll evaluate employees in the pool for potential redundancy using a scoring process. Those with the lowest scores will be provisionally selected for redundancy. We will make sure that the criteria used for selecting these employees are objective, measurable, fair, and aligned with the requirements of the role to be performed after the redundancy process has been completed.

We will consult with you individually about the selection pool, the selection criteria that will be used, how that criteria will be scored, and the provisional scores that have been awarded once the selection exercise has been completed.

### Notice of Redundancy

If your selection for redundancy is confirmed, you will be given written notice of the termination of your employment in accordance with the notice period set out in your contract of employment or the statutory minimum notice period, whichever is greater.

Depending on the circumstances, we may make a payment in lieu of notice instead of requiring you to work your notice period.

#### Redundancy Payment

The Council has a consistent method of calculating severance payments which it applies to all employees without differentiation. The payment is intended to recompense employees for the loss of their livelihood and provide financial support whilst they seek alternative employment.

In line with the statutory redundancy payment scheme, the Council calculates redundancy severance payments using the following calculation. The calculation is based on an employee's age and length of continuous local government service (please note that employees must have a minimum of 2 years' continuous service to qualify for a redundancy payment) the multiplier for the number of weeks is then applied to the employee's actual weekly earnings.

The amount of redundancy pay will be calculated as follows:

- 0.5 week's pay for each full year of service where age at time of redundancy is less than 22 years of age;
- I week's pay for each full year of service where age at time of redundancy is 22 years of age or above, but less than 41 years of age;
- 1.5 weeks' pay for each full year of service where age at time of redundancy is 41+ years of age.

The maximum number of service years taken into account is 20. The maximum number of weeks' pay is 30 for anyone aged 61 years of age or older with 20 years or more service.

#### Alternative Work

If you are selected for redundancy, we will continue to explore suitable alternative employment and other internal vacancies that may arise within the organisation up to your termination date. The selection of candidates for alternative work will be conducted in a fair way. If a suitable alternative role arises during your notice period, you will be informed and provided with details relating to the application process.

If you unreasonably refuse an offer of suitable alternative employment, you will lose your right to statutory redundancy pay.

If you have been given notice of redundancy during maternity leave, adoption leave or shared parental leave, we are under a statutory obligation to offer you suitable alternative work, where it exists, in preference to your colleagues who have also been selected for redundancy.

# Salary Protection

Redeployment aims to be neutral in terms of job grading. However, in order to consider the widest possible pool of opportunities, posts lower than the employee's substantive post will normally also be considered.

If an individual, who has formally been notified that their post is being redundant, is redeployed into an alternative job within the Council at a lower grade than their redundant post, their original salary will be protected for a period of two years. On expiry of the two-year period, the full terms and conditions of the lower graded post will take effect and the individual's salary will reduce to the maximum scale point on the new grade.

#### Trial Period

If an employee who is under notice of redundancy, is redeployed into another post, they will be given a trial period of four weeks. This trial period determines the employee's suitability for the job without necessarily losing the right to a redundancy payment. This period can be extended by up to 12 weeks by mutual written agreement to provide for any necessary training.

Please refer to the Council's Redeployment Policy for further information regarding trial periods. Hyperlink

Time off Work for Training or to look for a New Job

If you are selected for redundancy, you may be entitled to take a reasonable amount of paid time off work to look for alternative employment, attend job interviews and arrange training for future employment. To qualify, you must have at least two years' continuous service by the date your notice is due to expire.

Any request for time off work should be made by email to your manager and copied into Human Resources.

# Additional Support

We understand that redundancy situations cause stress and feelings of insecurity. If you are concerned about your wellbeing or that of a colleague, you should speak to Human Resources. Alternative internal help is available through the Employee Assistance Scheme.

We also recommend the external support and information available at:

- www.acas.org.uk/redundancy, for free online and telephone information and advice on employment law issues; and
- <u>www.gov.uk/redundancy-your-rights</u>, for free information from the government on employment law and rights.

### Right of Appeal

You have the right to appeal against being made redundant if you believe the decision to be unfair.

The notice of redundancy will contain details about the appeal process.

#### Pension

Normally, when an employee retires, the benefits they are entitled to are calculated by reference to the final years pensionable pay (or one of the previous two years if this produces a higher pay figure.)

If however, the employee has taken a lower paid post because their substantive post is redundant or their pay has been restricted as a result of redeployment, then it is possible to protect their benefits by the issue of a 'Certificate of Protection of Pension Benefit.' The Council will request these on behalf of the employee affected.

The certificate protects the value of the benefits by allowing them to be calculated by reference to pensionable pay from either:

- Any one of the last five years of service membership (each year ending with the anniversary of the date of leaving), or
- The annual average of any three consecutive years within the last 13 years (each year ending with the anniversary of the date of leaving).

Please discuss any queries you may have concerning your pension options with Human Resources.

Employment with an associated employer

It is important to note that if an employee accepts a redundancy payment and leaves the Council, he or she will have to wait for at least four weeks and one day before returning to another job within local government or an associated employer as defined by The Redundancy Payments (Continuity of Employment in Local Government) (Modification) Order 1999. An earlier return to a local government employer will mean that he or she will have to pay back any redundancy compensation received or lose their continuous service.

#### **Data Protection**

We process your personal data, including special categories of your data, in accordance with our Data Protection policy at all stages of the redundancy process.

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