

## **Appendix D – Somerset West & Taunton Council Redundancy Policy**

### **Introduction**

Somerset West and Taunton Council recognise a responsibility to safeguard the job security and prospects of their employees as far as possible. This policy covers all redundancy situations that may arise within the Council and sets out the ways in which it will, as far as possible, seek to avoid or minimise the need for compulsory redundancies.

### **Aims**

The aim of this policy is to set out a clear and fair process for handling redundancies. In doing so, it ensures employees, managers and UNISON are clear of the procedure that is being followed through any redundancy process.

### **Redundancy Procedure**

#### **Consultation**

Where the possibility of redundancies is identified the Council will inform and consult with the relevant trade union representatives as early as possible and before any formal decisions have been made. As part of the consultation the Council will provide the following information:

- the reasons for the proposed redundancies;
- the numbers and descriptions of employees it proposes to make redundant;
- the total number of employees of those descriptions employed at the establishment in question;
- the proposed method of selecting those who may be dismissed;
- the proposed method of carrying out the dismissals, including the period over which the dismissals are to take effect;
- the proposed method of calculating any redundancy payments;
- the number of agency workers working temporarily for, and under the supervision and direction of, the employer;
- the parts of the employer's business in which the agency workers work; and
- the type of work that the agency workers carry out.

Formal consultation shall be deemed to commence on the date when these details are given in a letter to the Branch Secretaries of UNISON.

Consultation timescales will depend upon the scale of potential redundancies and will be as follows:

- A minimum of 30 days before the first dismissal takes effect where up to 99 employees are to be made redundant over a period of 90 days or less: or
- A minimum of 45 days before the first dismissal takes effect where more than 100 employees are to be made redundant over a period of 90 days or less.

Any consultation responses received in time will be included in any committee reports to be considered by the appropriate Committee.

#### **Measures to avoid or minimise compulsory redundancies**

The Council will, in consultation with the appropriate trade union representatives explore any options to avoid or minimise the need for compulsory redundancies. Alternatives may include (not in order of priority):

- Reductions through natural staff turnover (i.e., not automatically replacing employees who leave).
- Seeking volunteers for redundancy;
- Redeployment, including retraining where appropriate;
- Stopping or reducing overtime other than contractual or emergency overtime;
- Restrictions on permanent and/or external recruitment;
- Termination of casual or agency worker arrangements;
- Flexible retirements/voluntary reduction in hours.

## **Employees ‘at risk’ of redundancy**

### **Notification of ‘at risk’ status**

As soon as practicable after the unions have been informed of the potential for redundancies, any individuals affected will be informed that they are ‘at risk’ of redundancy and that consultation has commenced. An individual will be identified as being ‘at risk’ of redundancy if their current post does not exist in a new structure or there will be a reduction in the number of the same post in a new structure. This will be confirmed in writing with an estimate of any redundancy payment and if applicable, pension payment due.

Throughout the consultation period, further meetings (usually mid consultation and at the end of the consultation period) will be arranged with individuals ‘at risk’ of redundancy to discuss any concerns, redeployment opportunities, any selection processes etc. Records of any discussions will be kept on the employee’s personal file.

### **Rights of employees ‘at risk’**

Employees ‘at risk’ of redundancy have certain rights. The Council will make every effort to redeploy the individuals within the Council’s’ services.

Employees are entitled to reasonable paid time off to look for alternative employment. This may include time off to attend interviews or attend relevant training courses. A reasonable amount of time is up to two days per week (pro rata for part-time employees). Such time off must be arranged in advance with the line manager.

A central register of employees ‘at risk’ of redundancy will be held by the People Function and those employees put ‘at risk’ will be informed by the People Function of all relevant vacancies arising within the Council. Efforts will be made to redeploy employees within the Council to retain skills, knowledge and experience and reasonable training will be provided if necessary.

The Council will make every effort to facilitate employees search for new employment, either through in-house support or, on occasions, outplacement specialists. Support may include advice on writing application forms or preparing CVs, interview tips, coaching etc.

### **Selection for redundancy**

Once a proposal for a restructure or reduction in headcount is approved and where compulsory redundancies are unavoidable, the ring fence arrangements and process of selection for redundancy will be agreed with UNISON. It may include some or all the following criteria:

- Attendance records (other than absences covered by the Equality Act 2010);
- Disciplinary records (‘live’ warnings only);
- Skills and experience;
- Past performance records;
- A selection interview.

If a function or service is to be discontinued all employees directly related to the provision of that function will automatically be selected for redundancy.

If there is to be a reduction in the number of posts but the job descriptions remain largely unchanged, (i.e., duties are more than 80% the same). Selection will be based on agreed criteria and made by a selection panel that comprises of a higher level of management, at least one member of the Senior Leadership Team (SLT) and a representative from the HR and People Team.

If a restructure involves the creation of new roles, selection for redundancy will be dependent on success at interview for those new roles. A new role is one where the duties are more than 20% different. A ring fence of employees that can apply for the new posts will be agreed with UNISON and will be based on job type, grade and/or salary levels. The appointment panel should consist of managers from a higher level of management, at least one member of SLT and a representative from the People Function.

This appointment process does not apply to posts named as Scheduled Posts on the constitution, for example the Chief Executive. As these appointments require an Appointments Committee, comprising of at least one member of each of the Councils' Executive/Cabinet.

The employee/s selected for redundancy will receive written notification of the reasons for their selection as well as their proper contractual notice in accordance with their contract of employment or statutory notice whichever is greater.

**NB:** The cost of redundancy is not a factor that will be considered when selection for redundancy is made.

### **Calculation of redundancy payments**

Employees will be notified personally about their redundancy entitlements as soon as possible after they have been notified that they are 'at risk' of redundancy, including the compensation/severance payment in writing and details of any pension due where applicable.

The qualifying service in respect of redundancy payments is two years continuous local government service (in accordance with the Redundancy Payments (Local Government) Modification Order. Reckonable service is limited to the last 20 years before redundancy.

Statutory redundancy payments are made according to the following scale:

- (a) one and a half week's pay\* for each year of employment during which the employee was aged 41 and over;
- (b) one week's pay\* for each year of employment during which the employee was aged 22 to 40 inclusive;
- (c) half a week's pay\* for each year of employment in which the employee was aged 21 and under.

\* A week's pay is based on contractual pay and does not include occasional overtime or additional payments.

Appendix One includes a table with the number of statutory weeks entitlement according to age and continuous service.

If prior to the expiry of the employee's notice of dismissal an individual receives an offer of employment with a related employer (in accordance with the Redundancy Payments Continuity of Employment in Local Government Modification Order 1999) to start immediately or within four

weeks of the end of the previous employment, a redundancy payment cannot be made by the Council.

### **Compensation/severance payments**

The Council operate a discretionary enhanced redundancy payment scheme under the Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations 2006, as compensation for the loss of employment on redundancy grounds. Details of the Councils' compensation schemes are annexed as Appendix Two.

Employees will be entitled to the discretionary compensation payment in accordance with the Compensation Policy

Redundancy and compensation payments will be made to employees within the next payroll run, provided that Payroll have been notified before the payroll deadline for that month.

### **Local Government Pension Scheme Payments**

If you are age 55 or over, your main LGPS benefits are payable immediately without any early retirement reductions if the Council makes you redundant and you have met the two years *vesting period* in the Scheme.

### **Redeployment Procedure**

Wherever possible employees will be redeployed to avoid compulsory redundancy.

The Council reserve the right in agreement with UNISON to apply a ring fence to new roles that are created as a result of any proposed restructures and offer them in the first instance to those employees at a similar job type grade/salary level within the existing structure and who have the relevant skills and experience that match the job description or person specification.

Where there is more than one employee that matches the role or a group of employees to more than one role, a selection procedure panel will take place that involves a formal interview and other recruitment selection procedures.

Where only one individual is matched with the new position, they will be slotted in.

All other vacancies arising within the Council where a suitable ring fence is not identified will be offered to employees 'at risk' of redundancy in the first instance. Such vacancies will be sent initially to the People Function who will check them against the 'at risk' register for any suitable candidates. Employees will be matched according to the essential criteria on the person specification, salary levels and preferred hours of work. Consideration must also be given to any reasonable appropriate training that will enable them to perform the duties of the role.

Any employees that meet the essential criteria will be made an offer of redeployment. Where more than one employee is matched to a vacancy a selection process will apply.

Any offer of redeployment will be made in writing and will include reference to a trial period, any training available, terms and conditions and protection arrangements if applicable.

Any employees that are redeployed into a new role will be given a 4-week trial period. This period may be extended by mutual agreement.

If the trial period is successful, the employee will be sent written confirmation of any changes to terms and conditions. If the trial period is deemed unsuccessful by the manager, contractual notice will be reduced by the length of the trial period.

If an offer of redeployment is made by the Council and the employee decides during the trial period that they wish to reject the offer, they must advise the People Function in writing within the trial period.

An employee who believes that a job offer is not suitable alternative employment may claim a redundancy payment. However, this will only be paid where the Council agree that the job is unsuitable. The decision will be made by a Member of SLT, taking account of any changes to terms and conditions and the level of seniority.

### **Pay Protection**

Pay protection will be available where employment on less favourable terms is offered to an employee as an alternative to redundancy. An employee's basic pay will be protected for up to two years if the reduction in their basic pay does not exceed 17.5%.

If, by accepting alternative employment, the reduction in an employee's basic pay exceeds 17.5%, pay protection is subject to the People Business Partner or the HR Specialist and the relevant member of SLT being satisfied that there is some tangible benefit to be gained by the Council, for example, in circumstances where pay protection would be less costly than an employee's redundancy.

During the pay protection period, an employee's basic pay is protected on a 'mark time' basis. 'Mark time' means that during the period of protection, an employee's basic pay is frozen and that any increments and annual pay awards applicable to their previous job are not paid to the employee.

### **Appeals**

If an employee is aggrieved about their selection for redundancy, they have the right of appeal. The appeal must be received in writing by the People Function within 10 working days of the decision being made. Refer to Council Appeals Procedure.

If the selection for redundancy was made by the Chief Executive the employee will have the right of appeal to be heard by an Appeal Committee comprising of at least one member of each of the Councils' Executive or Cabinet.

If the selection for redundancy was made by a Member of SLT other than the Executive, the employee will have a right of appeal to be heard by the Chief Executive.

All decisions made by the appeal panel are final

**Appendix one – Table to show entitlement to statutory weeks’ redundancy based on age and continuous service**

		Years Service																		
		2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Age	18																			
	19																			
	20	1.0	1.0	1.0	1.0															
	21	1.0	1.5	1.5	1.5	1.5														
	22	1.0	1.5	2.0	2.0	2.0	2.0													
	23	1.5	2.0	2.5	3.0	3.0	3.0	3.0												
	24	2.0	2.5	3.0	3.5	4.0	4.0	4.0	4.0											
	25	2.0	3.0	3.5	4.0	4.5	5.0	5.0	5.0	5.0										
	26	2.0	3.0	4.0	4.5	5.0	5.5	6.0	6.0	6.0	6.0									
	27	2.0	3.0	4.0	5.0	5.5	6.0	6.5	7.0	7.0	7.0	7.0								
	28	2.0	3.0	4.0	5.0	6.0	6.5	7.0	7.5	8.0	8.0	8.0	8.0							
	29	2.0	3.0	4.0	5.0	6.0	7.0	7.5	8.0	8.5	9.0	9.0	9.0	9.0						
	30	2.0	3.0	4.0	5.0	6.0	7.0	8.0	8.5	9.0	9.5	10.0	10.0	10.0	10.0					
	31	2.0	3.0	4.0	5.0	6.0	7.0	8.0	9.0	9.5	10.0	10.5	11.0	11.0	11.0	11.0				
	32	2.0	3.0	4.0	5.0	6.0	7.0	8.0	9.0	10.0	10.5	11.0	11.5	12.0	12.0	12.0	12.0			
	33	2.0	3.0	4.0	5.0	6.0	7.0	8.0	9.0	10.0	11.0	11.5	12.0	12.5	13.0	13.0	13.0	13.0		
	34	2.0	3.0	4.0	5.0	6.0	7.0	8.0	9.0	10.0	11.0	12.0	12.5	13.0	13.5	14.0	14.0	14.0	14.0	
	35	2.0	3.0	4.0	5.0	6.0	7.0	8.0	9.0	10.0	11.0	12.0	13.0	13.5	14.0	14.5	15.0	15.0	15.0	15.0
	36	2.0	3.0	4.0	5.0	6.0	7.0	8.0	9.0	10.0	11.0	12.0	13.0	14.0	14.5	15.0	15.5	16.0	16.0	16.0
	37	2.0	3.0	4.0	5.0	6.0	7.0	8.0	9.0	10.0	11.0	12.0	13.0	14.0	15.0	15.5	16.0	16.5	17.0	17.0
38	2.0	3.0	4.0	5.0	6.0	7.0	8.0	9.0	10.0	11.0	12.0	13.0	14.0	15.0	16.0	16.5	17.0	17.5	18.0	
39	2.0	3.0	4.0	5.0	6.0	7.0	8.0	9.0	10.0	11.0	12.0	13.0	14.0	15.0	16.0	17.0	17.5	18.0	18.5	
40	2.0	3.0	4.0	5.0	6.0	7.0	8.0	9.0	10.0	11.0	12.0	13.0	14.0	15.0	16.0	17.0	18.0	18.5	19.0	
41	2.0	3.0	4.0	5.0	6.0	7.0	8.0	9.0	10.0	11.0	12.0	13.0	14.0	15.0	16.0	17.0	18.0	19.0	19.5	
42	2.5	3.5	4.5	5.5	6.5	7.5	8.5	9.5	10.5	11.5	12.5	13.5	14.5	15.5	16.5	17.5	18.5	19.5	20.5	
43	3.0	4.0	5.0	6.0	7.0	8.0	9.0	10.0	11.0	12.0	13.0	14.0	15.0	16.0	17.0	18.0	19.0	20.0	21.0	

		Years Service																		
		2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Age	44	3.0	4.5	5.5	6.5	7.5	8.5	9.5	10.5	11.5	12.5	13.5	14.5	15.5	16.5	17.5	18.5	19.5	20.5	21.5
	45	3.0	4.5	6.0	7.0	8.0	9.0	10.0	11.0	12.0	13.0	14.0	15.0	16.0	17.0	18.0	19.0	20.0	21.0	22.0
	46	3.0	4.5	6.0	7.5	8.5	9.5	10.5	11.5	12.5	13.5	14.5	15.5	16.5	17.5	18.5	19.5	20.5	21.5	22.5
	47	3.0	4.5	6.0	7.5	9.0	10.0	11.0	12.0	13.0	14.0	15.0	16.0	17.0	18.0	19.0	20.0	21.0	22.0	23.0
	48	3.0	4.5	6.0	7.5	9.0	10.5	11.5	12.5	13.5	14.5	15.5	16.5	17.5	18.5	19.5	20.5	21.5	22.5	23.5
	49	3.0	4.5	6.0	7.5	9.0	10.5	12.0	13.0	14.0	15.0	16.0	17.0	18.0	19.0	20.0	21.0	22.0	23.0	24.0
	50	3.0	4.5	6.0	7.5	9.0	10.5	12.0	13.5	14.5	15.5	16.5	17.5	18.5	19.5	20.5	21.5	22.5	23.5	24.5
	51	3.0	4.5	6.0	7.5	9.0	10.5	12.0	13.5	15.0	16.0	17.0	18.0	19.0	20.0	21.0	22.0	23.0	24.0	25.0
	52	3.0	4.5	6.0	7.5	9.0	10.5	12.0	13.5	15.0	16.5	17.5	18.5	19.5	20.5	21.5	22.5	23.5	24.5	25.5
	53	3.0	4.5	6.0	7.5	9.0	10.5	12.0	13.5	15.0	16.5	18.0	19.0	20.0	21.0	22.0	23.0	24.0	25.0	26.0
	54	3.0	4.5	6.0	7.5	9.0	10.5	12.0	13.5	15.0	16.5	18.0	19.5	20.5	21.5	22.5	23.5	24.5	25.5	26.5
	55	3.0	4.5	6.0	7.5	9.0	10.5	12.0	13.5	15.0	16.5	18.0	19.5	21.0	22.0	23.0	24.0	25.0	26.0	27.0
	56	3.0	4.5	6.0	7.5	9.0	10.5	12.0	13.5	15.0	16.5	18.0	19.5	21.0	22.5	23.5	24.5	25.5	26.5	27.5
	57	3.0	4.5	6.0	7.5	9.0	10.5	12.0	13.5	15.0	16.5	18.0	19.5	21.0	22.5	24.0	25.0	26.0	27.0	28.0
58	3.0	4.5	6.0	7.5	9.0	10.5	12.0	13.5	15.0	16.5	18.0	19.5	21.0	22.5	24.0	25.5	26.5	27.5	28.5	
59	3.0	4.5	6.0	7.5	9.0	10.5	12.0	13.5	15.0	16.5	18.0	19.5	21.0	22.5	24.0	25.5	27.0	28.0	29.0	
60	3.0	4.5	6.0	7.5	9.0	10.5	12.0	13.5	15.0	16.5	18.0	19.5	21.0	22.5	24.0	25.5	27.0	28.5	29.5	
61	3.0	4.5	6.0	7.5	9.0	10.5	12.0	13.5	15.0	16.5	18.0	19.5	21.0	22.5	24.0	25.5	27.0	28.5	30.0	
62	3.0	4.5	6.0	7.5	9.0	10.5	12.0	13.5	15.0	16.5	18.0	19.5	21.0	22.5	24.0	25.5	27.0	28.5	30.0	
63	3.0	4.5	6.0	7.5	9.0	10.5	12.0	13.5	15.0	16.5	18.0	19.5	21.0	22.5	24.0	25.5	27.0	28.5	30.0	
64	3.0	4.5	6.0	7.5	9.0	10.5	12.0	13.5	15.0	16.5	18.0	19.5	21.0	22.5	24.0	25.5	27.0	28.5	30.0	