

SOUTH RIBBLE BOROUGH COUNCIL

**EXISTING
REDUNDANCY POLICY –AS AT
JANUARY 2014**



POLICY STATEMENT

The council aims to ensure as far as possible, security of employment for its employees. However, it also recognises that whether through the requirements of legislation, Best Value, changing local demands or budgetary pressures there may be circumstances when the Council has to reduce the number of employees. Such changes may mean that some jobs are redundant or alter substantially to improve service efficiency.

In this event the Council will seek to minimise the effects of redundancies by seeking suitable volunteers and will provide sufficient time and effort to finding alternative employment. (See redeployment policy) Where compulsory redundancies are unavoidable, the council will handle the redundancies in the most fair, consistent and sympathetic manner.

CONSULTATION

The council is committed to keeping the local Trade Unions fully informed about employee requirements and any potential redundancy situation. When change becomes necessary, consultation with the local Trade Union and individual employees who are affected will commence at the earliest practicable opportunity.

However consultation will start

- at least 30 days before the first dismissal takes effect if 20 to 99 employees are to be made redundant over a period of 90 days or less
- at least 90 days before the first dismissal takes effect if 100 or more employees are to be made redundant over a period of 90 days or less.

If redundancies are expected then the Council will, disclose to the Union information required by law:-

- i) The reasons for the proposals.
- ii) The numbers and descriptions of employees involved.
- iii) The selection criteria to be used.
- iv) Procedures to be used in carrying out the dismissals including the period over which dismissals are to take effect.

Consultation with employees affected will involve:-

- i) Giving as much warning as practicable of the change and its implications.

- ii) Consideration for redeployment.
- iii) Consideration of any relevant matters they wish to raise.

MEASURES TO AVOID OR TO MINIMISE REDUNDANCY

Every effort will be made by the Council to reduce the number of possible redundancies.

The Council will look at the following issues:-

- i) Freezing vacancies or restricting the recruitment of permanent staff.
- ii) Reducing the use of temporary employees.
- iii) Reducing or eliminating overtime.
- iv) Short time working
- v) Volunteers for early retirement or voluntary redundancy.

However, it is important that the Council retains the balance of skills and experience within the remaining workforce. Consideration will only be given to volunteers for redundancy if this is not detrimental to the Council.

SELECTION CRITERIA

If, having taken any of the above steps, the number of employees still exceeds the requirements, selection criteria may have to be applied. This would come into effect where two or more employees who hold similar jobs are at risk of redundancy. The criteria to be considered will be based on objective assessment of:-

- i) Performance/capability
- ii) Skills and experience
- iii) Length of service
- iv) Attendance
- v) Personal circumstances

This criteria will be applied without discrimination.

ALTERNATIVE WORK

This is dealt with in detail in the redeployment policy.

ASSISTANCE WITH JOB SEEKING

Employees who are under notice of redundancy and qualify for a statutory redundancy payment have statutory rights to reasonable time off to look for work and arrange for training for new employment. Where ever possible assistance will be given by the Human Resources Team on compiling CV's and guidance on attending job interviews.

COMPENSATION

Compensation will vary according to age, length of service and membership of the Local Government Pension Scheme.

REDUNDANCY PAYMENTS

Employees aged 17 and over will receive a redundancy compensation payment based on the provisions of the Employment Rights Act 1996 (ERA), as updated by the Employment Equality (Age) Regulations 2006.

This payment will be calculated using a formula which comprises of a defined number of weeks' pay based on age and continuous service at the date when employment is terminated, the statutory scheme is then enhanced by a multiplier of 2.2.

For employees dismissed as redundant who have been continuously employed for at least two years, they will receive the following number of weeks pay;-

Up to 21 years of age - 0.5 week's pay for each completed year of service

22 - 40 years of age - 1 week's pay for each completed year of service

41+ years of age - 1.5 week's pay for each completed year of service

The calculation will be on the basis of an employee's actual week's pay, rather than the statutory limit.

The calculation will be based on continuous local government service with any other local authority or employer covered by the Redundancy Payments Modification Order.

In addition to the redundancy compensation payment specified above, employees aged 55 and above who have at least three months membership of the LGPS, will receive immediate payment of an unreduced pension and lump sum based on their accrued contributory service at the date their employment is terminated.

Those employees leaving on grounds of redundancy will be offered: -

- i) The option of payment in lieu of outstanding leave.
- ii) Consideration of early release with no loss of benefits.

PAYMENT IN LIEU

Where it is inappropriate for an employee, who is given notice of termination of employment, to work out his/her notice a payment in lieu of notice will be made.

APPEALS

Where an employees believes that the selection criteria has been unfairly applied in their case, they will have the right to appeal to the Appeals Committee within 10 working days of being notified that they have been selected for redundancy.

REVIEW

The operation of this policy will be subject to a review after 12 months, the first review taking place 12 months from its introduction.

Produced April 2007
Revised April 2008
Amended April 2011

CB removed reference to protection between 50/55 for payment of pension