



# PATCHWAY TOWN COUNCIL

## Redundancy Policy

### 1. Policy Statement

It is necessary for every organisation to adapt to change if they are to remain viable. Although the Council's policy is to avoid redundancies wherever possible, the needs of the Council may from time to time require a reduction in the overall number of staff employed or to make organisational changes that result in employees being made redundant. The Council aim to keep compulsory redundancies to a minimum and where possible will consider alternative options such as voluntary redundancy and effective redeployment mechanisms. This policy commitment is reflected in the procedures referred to below.

This policy applies to all Patchway Town Council employees.

### 2. Legal Background

Redundancy is a potentially fair reason for dismissal. An employee's post may be redundant if the employer intends to stop or requires fewer people to do a particular kind of work at the place where they are employed. The law on redundancy ensures that employers do not dismiss employees without considering alternatives and outlines the:

- Need to treat each individual employee fairly by ensuring that all redundancies are genuine, handled sensitively and any unfair dismissals are avoided.
- Need to consult recognised Trade Unions about any large-scale proposals to try to avoid redundancies, where possible.
- Payment of any redundancy compensation due.

In cases where the business or part of the business transfers to another provider, employees are not necessarily redundant and would normally transfer to another employer on their terms and conditions, commonly referred to as "TUPE" regulations (Transfer of Undertakings Protection of Employment).

### 3. Setting Redundancy in Context

A redundancy situation may arise when there has been or is going to be:

- A change in the way a service is provided or closure of a workplace
- Restructuring
- A need to make budget savings or
- A diminished need for employees to carry out work of a particular kind.

If the potential for redundancy is identified, the Council will take steps to ensure that redundancy and redeployment discussions are handled with care and consideration, taking all reasonable steps to ensure that decisions about redundancy are consistent and fair, and seen to be so.

The approach that Council will take when undergoing a redundancy process will be in line with legislation and the guidance issued by ACAS.

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Where potential redundancy situations are identified, the Council/Town Clerk will prepare a report setting out the details which may include:

- The nature of the proposed change
- The business case supporting the change
- Arrangements and timeframes for consultation
- Selection criteria
- Alternative options being considered.

The business case will include consideration of service delivery changes and the financial consequence of any redundancy payment and pension recovery payback over a period no greater than 5 years.

#### **4. Minimising Compulsory Redundancies**

The Council is committed to minimising compulsory redundancy. Measures to achieve this may include:

- Redeployment to other jobs within the Council (if there are any suitable).
- Financial management to reduce other budget costs
- Controls on recruitment e.g. not filling vacancies (natural wastage)
- Accepting requests to job share or reduce hours. Consulting with employees and their representatives as early as possible to share ideas about alternative options that do not involve redundancy.

The Council may also consider requests from employees for voluntary redundancies. The organisation reserves the right as its absolute discretion to decline requests for voluntary redundancy.

#### **5. Consultation**

The Council will carry out appropriate consultations with employees and relevant recognised Trade Unions in respect of any proposals for organisational change including redundancy proposals at the earliest opportunity.

Employees have the right to be accompanied by a work colleague or their trade union representative at all stages of the process.

#### **6. Selection**

Where the redundancy applies to a job held by one individual, the post would be redundant without the need for selection.

Where there are multiple redundancies or a reduction in posts within a group of employees the 'pool' of employees from which the redundancies will be drawn must be defined.

##### Selection Criteria

The criteria used for redundancy selection must be fair, clear, objective and non-discriminatory, precisely defined and capable of being applied in an independent way. The criteria must be applied fairly and consistently to all employees at Patchway Town Council who have been identified as at risk.

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The criteria applied, will as far as possible, be measurable and supported by documentary evidence. Appendix 4 specifies the Redundancy selection matrix.

## 7. Suitable alternative employment

The Council will make every effort to establish whether there is suitable alternative employment available and offer such employment to the individual(s) concerned. If 'suitable alternative employment is not available redundancy may then apply.

When assessing whether a post is suitable alternative employment, the Council will consider whether the employee can reasonably be expected to do the role, taking into account their level of seniority and skills and whether the role is on terms and conditions that are not substantially less favourable to the employee. As part of this the Council will consider the following factors:

- The nature of the work and how similar it is to the current role.
- The terms of the job being offered.
- Relevance of an employee's skills, qualifications, abilities and experience to the requirements of the post.
- The pay (including benefits), status, hours and location.
- Not involve unreasonable additional inconvenience.

The Council will give prior consideration for suitable alternative employment to employees at risk of redundancy provided the employee's skills and abilities match the criteria of the post or will do so with reasonable training. While priority may be given to employees at risk of redundancy, the Council reserves the right to select the best available candidate in relation to any given vacancy.

Employees have a separate legal entitlement to be offered any suitable alternative work that is available if they are made redundant while on maternity leave.

All posts offered for re-deployment will be subject to a trial period.

If an employee refuses an offer of alternative employment which the Council deems suitable and the refusal is considered to be unreasonable, the individual will lose their entitlement to a redundancy payment, and potential early access to their pension benefits.

## 8. Formal Notification of Redundancy

If, by the end of the period of consultation no alternative to redundancy has been identified notification of redundancy will be given, providing employees with appropriate notice of their employment being terminated.

The notice period will be an individual's contractual or statutory notice period, whichever is the greater. Wherever possible notice should be worked and not paid in lieu. In those exceptional circumstances where full notice is not worked the balance will be paid in lieu except when a termination date is mutually agreed prior to the contractual date. Then any balance in lieu is not applicable.

Continuous Service	Statutory Notice
1 month but less than 2 years	1 week
2 years but less than 12 years	1 week of each year of continuous employment

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12 years or more	Not less than 12 weeks
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## 9. Right of Appeal

The employee has the right of appeal if they believe that the selection for redundancy has been unfair or a fair process has not been followed.

The employee should put their appeal, in writing to the Town Clerk stating the full grounds of the appeal within 10 working days of the notification of dismissal. The appeal will be heard within fifteen working days or as soon as practicable after receiving the appeal. Individuals have the right to be accompanied by a work colleague or, trade union representative.

Appeals against the redundancy selection would normally be heard by the Town Clerk.

## 10. Compensation

Where there is a redundancy, there may be entitlement to redundancy pay and other benefits. Compensation for loss of employment due to redundancy will not be calculated on less favourable terms than in accordance with statutory entitlement laid down in existing legislation. All employees who receive redundancy payment will be given a written notification of their redundancy pay.

**11 Continuity of Service** Continuity of service will not be broken if the employee at risk of redundancy receives and accepts an offer of employment with an organisation covered by the Redundancy Modification Order before their employment ends with Patchway Town Council and they start their new job before the 5<sup>th</sup> Monday following the date of their termination of employment. In this situation the employee will not be entitled to a redundancy payment.

Where a redundancy payment is made, continuity of service will be broken for the purposes of calculating future redundancy payments. In the case of an employee who has had more than one job with the Council, continuity of service will be based on the redundant post. However, if at the time of redundancy, the employee is employed under one contract but in that past has had one or more overlapping contracts the length of service can be counted back to the start of the first contract if the service has been continuous.

## 14. Employee support

Subject to the Council's operational needs and with approval of the Town Clerk, employees will be granted reasonable time off with pay during their notice period to look for work or to seek retraining opportunities in accordance with current legislation.



### **Appendix 1: Statutory Redundancy Payments**

Currently, statutory payments depend on:

- Length of continuous service by the employing authority/ies; • How continuous service related to a particular age band; and
- Weekly pay.

### **Appendix 2: Inappropriate Redundancy Selection Criteria**

The following grounds shall **not** be used as criteria when selecting staff for compulsory redundancy:

- Participation in trade union activities, or membership or non- membership of a trade union
- Having requested flexible working arrangements
- Having taken lawfully organised industrial action lasting 8 weeks or less (or more than 8 weeks in certain circumstances)
- Having asserted a statutory employment right
- Maternity -related reasons, or in relation to other rights for working parents (for example adoption leave and paternity leave)
- Having exercised or sought to exercise the right to be accompanied at a disciplinary or grievance hearing
- A reason relating to the member of staff's rights under the Working Time Regulations 1998
- A reason relating to the member of staff's rights under the National Minimum Wage Act 1998
- A reason relating to the member of staff's rights under the Maternity and Parental Leave etc Regulations 1999
- A reason specified in the Fixed- Term Workers (Prevention of Less Favourable Treatment) Regulations 2002
- Having made a protected disclosure within the meaning of the Public Interest Disclosure Act 1998
- Having taken action on health and safety grounds as a designated health and safety matter, or as a member of staff in particular circumstances
- Having taken part (or proposed to take part) in consultation on specified health and safety matter, or taken part in elections for representatives of member of staff safety

### **Appendix 3 Redundancy Procedure**

- Following 1<sup>st</sup> consultation meeting with staff to agree job description for post/s being considered for redundancy
- Agree timeframe for matrix to be completed, the date the scoring will be based on, the date the matrix will be finalised and timetable of all meetings, in order to give all parties clear information
- Clerk to complete the matrix for all staff affected by the redundancy/ies
- Deputy Clerk to quality assure the scoring

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- Arrange 2<sup>nd</sup> consultation meeting to explain the matrix scores with staff, give the right to appeal the decision as set out in the policy
- Following the expiry of the appeal period arrange 3<sup>rd</sup> consultation meeting to confirm the staff not selected for redundancy and discuss the options with the staff that have been selected for redundancy that are now at risk
- Following the decision by the Personnel sub Committee issue final notice letter to the unsuccessful staff giving the right of appeal against dismissal.

**Appendix 4 Redundancy Selection Matrix \*\*The Lowest score/s achieved is the employee/s that will be selected for redundancy.\*\***

**Length of Service (Mandatory)**

The Council uses length of service as part of the selection criteria and recognises that this cannot be used as the only qualifying factor in selection for redundancy. The Council's aim is to apply this as part of the selection criteria for redundancy. In addition to this the Council will also apply length of service as a factor in a tie-break situation. Where there is a tiebreaker in respect of the scoring, final selection will be made by reference to length of service, where the person with the longest continuous (unbroken) local council service will be retained.

1 day- 1 years' service	5
1 year- 3 years' service	10
3 years- 5 years' service	15
5 years -10 years' service	20
10-15 years' service	25
15 years or more	30

**Attendance Record (Mandatory)**

For the purpose of attendance records the Council will score the Attendance record criteria over a 4year period with effect from the date of marking. All individuals within the selection pool including those not selected for redundancy will be subject to further scoring for selection. The Council reserves the right to revisit the scoring at any point during the notice period.

Please note that consideration is required upon absences that could fall within the remit of the Equality Act 200, further advice and guidance is available at <https://www.gov.uk/definition-ofdisability-under-equality-act-2010>

In case whereby absences maybe linked to a work-related accident, these should be considered separately.

**Occasions of Absence (Mandatory)**

7 or more periods of absence	0
5-6 periods of absence	10
3-4 periods of absence	20
1-2 periods of absence	30
No absences	40

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Occurrences of Absence are the number of times a person has been off sick over the previous 4 years

i.e. 1 period of 4 weeks absence and 1 period of 2 days absence would be 2 occasions. This must be formally recorded and available for review by the employee.

**Days of absence (Mandatory)**

41 or more days	0
31-40	5
21-30	10
11-20	15
1-10	20
Nil	25

Days of absence are the total amount of days lost to absence.

**Disciplinary Record (Mandatory)**

Only disciplinary warnings that are current and do not expire prior to the date of the termination will be used when scoring this section

Final Written Warning	0
First Written Warning	10
Nothing on record	20

**Capability (Mandatory)**

(Evidenced) issues of performance being addresses through supervisions, performance management or training	15
Nothing on record	20