

# LASTING TRANSFORMATION

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Future proofing the  
workplace  
HR conference - 27 April 2015

## Sample Redundancy Policy for a Non-Unionised Workplace

### Contents

1. Policy Statement
2. Scope
3. Redundancy Procedure
  - Notification
  - Consultation
  - Voluntary redundancy
  - Compulsory redundancy

***NOTE: this policy is provided for illustrative purposes only.  
Employment law and practice are subject to change and Lasting Transformation Ltd. takes no  
responsibility for any reliance which may be placed on this sample policy.***

## 1. Policy Statement

1.1 Restructuring of the Organisation may be necessary from time to time in order to adapt services to meet the changing needs of service users, or to respond to changes in the funding environment or because strategic objectives have changed. Such restructuring may involve staff redundancies. In considering redundancies, the Organisation will comply with the Employment Rights Act 1996, which describes redundancy as when a dismissal occurs and that dismissal is attributable wholly or mainly to:

- the fact that the employer has ceased, or intends to cease the business for the purposes of which the employee is or was employed, or has ceased, or intends to cease, to carry on that business in the place where the employee is or was so employed - for example, the closure of a site;
- the fact that the requirements of that business for employees to carry out work of a particular kind have ceased or diminished or are expected to cease or diminish - for example, a restructuring resulting in a reduction in the number of employees needed to provide a service.

1.2 The Organisation will make every effort to avoid redundancies through effective human resource planning in accordance with business needs and will ensure that staff are informed at the earliest opportunity of any developments which may impact upon the activity of the whole Organisation, specific departments or individuals.

1.3 If it is necessary to remove particular posts from the staffing establishment, redeployment of the post-holders into suitable alternative employment will be considered first, with compulsory redundancy as a last resort.

1.4 The Organisation reserves the right to invite all staff or just those in particular departments or just those holding particular posts to apply for voluntary redundancy and to decide whether or not to accept applications for voluntary redundancy.

1.4 Where compulsory redundancy is inevitable, the Organisation will handle the situation in the most fair, consistent and sympathetic manner possible, provide as much support as it can and seek to minimise hardship.

1.5 The policy of the Organisation is to pay redundancy payments in accordance with the statutory provisions in operation at the time. The Organisation reserves the right to offer enhanced redundancy payments to meet particular needs and circumstances.

1.6 This Restructuring and Redundancy Policy and Procedure is based on ACAS guidance. The Organisation will comply with legal requirements in place. The Organisation is required by law to enter into formal consultation in the event of proposing to make 20 or more employees redundant over a period of 90 days or less but will, as a matter of good employment practice, consult with all individual members of staff affected by any proposed redundancies. Affected staff may choose to

elect representatives for the purposes of consultation with management, in which case the Organisation will meet such representatives in addition to holding individual meetings.

## **2. Scope**

This Restructuring and Redundancy Policy and Procedure applies to all employees of the Organisation including those people employed on fixed term contracts but not those who are in their probationary period, nor does it cover agency staff. For the avoidance of doubt, this Restructuring and Redundancy Policy and Procedure does not apply to independent contractors working on a contract of service.

## **3. Redundancy Procedure**

### **Notification**

**3.1** When restructuring is proposed which may involve redundancies, the Organisation will invite individuals at risk of redundancy to an individual consultation meeting. The following information will be given in the written notification:

- details of the proposals and the reasons for making the proposals;
- the number and descriptions of employees affected by the proposed redundancy;
- selection criteria for redundancy;
- that employees at risk of redundancy will be given reasonable time off to look for another job or undertake training and details of the support to be provided by the Organisation for job search, which may come from an external agency, HR or line managers depending on circumstances at the time;
- whether at this stage it is proposed that new posts will be created;
- whether there are any other suitable posts available or likely to become available across other parts of the Organisation;
- details of any proposed new and/or suitable posts, including draft job descriptions if possible;
- that the employee will be given a chance to consider the proposals and the information before, during and after the meeting;
- that the Organisation will consider any representations or other proposals at the meeting and during a consultation period, giving a suitable closing date to allow for the employee's response;
- details of entitlement to redundancy pay which will be in accordance with the statutory provisions in operation at the time and of any enhanced payment which the Organisation has decided to offer in the particular circumstances.

### **Consultation**

**3.2** At the first consultation meeting the employee has the right to be represented by their Trade Union representative (even if there is no recognized Trade Union in the workplace) or a work colleague and both the employee and their representative may speak at the meeting. Employees and their representatives must take all reasonable steps to attend this meeting.

**3.3** Following this meeting, there will be a suitable period during which time the affected employee will be encouraged to comment or put forward alternative proposals. The Organisation will consider all proposals put forward. At the end of the consultation period a further consultation meeting will be arranged with the individual employee and their representative to indicate what decisions have been made and if appropriate whether there are any suitable alternative posts available.

**3.4** Redeployment into suitable alternative employment

The Organisation will look at whether vacant or new posts are available which are suitable for the employee, taking account of:

- grading of the current post and of any vacant or new posts;
- the skills and experience of the employee in relation to requirements of these posts;
- similarities between the current job description and those for any vacant or new post;
- location, working environment and hours of work;
- any other specific factor relevant to the particular circumstances.

The employee may be required to accept an alternative post if it is deemed by the Organisation to be a 'suitable alternative' with reference to the above factors.

**3.5** If any suitable alternative posts are available then the employee will be offered one, or invited to apply for them if the posts are considered suitable for more than one person in the pool of people at risk of redundancy, in which case selection will be by competitive interview against the job description and person specification for the vacant or new post. If a post is deemed suitable it will be offered for a trial period of a minimum of four weeks. If the employee does not accept a suitable alternative post which is offered then the right to a redundancy payment will be lost. The right to a redundancy payment will be retained during the trial period. At the end of the trial period, the employee will either be confirmed in post or, if the trial period has not been successful from the point of view of either the employer or the employee, will be made redundant.

**Voluntary redundancy**

**3.6** Subject to business needs, the Organisation may invite all staff or just those in particular departments or just those holding particular posts to apply for voluntary redundancy. An enhanced redundancy package may be offered. The Organisation will decide whether or not to accept any particular application for voluntary redundancy. When an employee leaves under voluntary redundancy, the Organisation will require them to sign a Settlement Agreement and will make a standard payment for the necessary legal advice to the employee.

## **Compulsory redundancy**

**3.7** Compulsory redundancy will be a last resort. The criteria used to determine which employees are to be selected for redundancy will be defined according to the circumstances and will be applied fairly and consistently to all affected employees. The selection criteria may include:

- the business needs of the organization;
- skills, experience and appropriate qualifications;
- standard of work performance and/or aptitude for work;
- attendance (the Organisation may discount absence directly related to disability under Disability Discrimination legislation);
- disciplinary record;
- Any other specific criteria relevant to the particular circumstances.

Where compulsory redundancy has not been avoided, the employee will be notified in writing of the redundancy, with details of the severance payment, including payment for any accrued holiday and time off in lieu which has not been taken and will be notified of their right to appeal.

**3.8** Employees have the right to appeal against a compulsory redundancy dismissal. Appeals must be made in writing to a specified person within five working days of notification of the redundancy dismissal and must set out the grounds of appeal. The employee will be invited to an appeal hearing, which will normally be held within five working days of receipt of the appeal or, if this timescale is too short, as soon as possible by agreement with the employee. The appeal may be heard by the Chief Executive or a member of the Board or an independent external person appointed for this purpose. The employee will have the right to be represented by a Trade Union representative (even if there is no recognized Trade Union in the workplace) or a work colleague and both will have the right to speak at the hearing. The employee and representative must take all reasonable steps to attend the hearing. The employee will be informed of the appeal decision in writing and the decision is final.