



## People & ICT



# Redeployment & Redundancy Policy

### Document Control

Version	Date	Authority	Change
1.0	27.05.15	Partnership Working Forum / Resources Committee	Standard policy format



## Introduction

Due to changes in service and budget provision there will be an ongoing requirement to review the composition of the workforce. With the Council's budgets diminishing year on year and with continual changes in the methods of delivering services, redeployment and redundancy issues require to be managed in a proper, structured and compassionate manner.

The policy will apply to employees of the Council in all staff categories who are identified formally as being 'at risk' of redundancy.

## Aims

The aims of this policy are to:

- attempt to ensure the security of employment for all affected employees.
- apply fair and equitable procedures to achieve reductions in employment levels as necessary

## Principles

The Council will attempt to ensure the security of employment for all affected employees and avoid compulsory redundancy, wherever possible.

The Council also wishes to act as a good employer, and to ensure that staff are treated in a fair, reasonable and consistent manner.

The Council recognises its responsibilities under the relevant employment legislation (in relation to consultation, seeking of alternative employment, trial periods etc.) and will ensure that managers are aware of what is required of them as employers when change has necessitated a reduction in, or restructuring of jobs.

The Council recognises that failure to comply with these requirements could lead to claims for compensation.

Initially, procedures that have the least adverse impact on security of employment will be pursued, and only where these do not achieve the required reductions in employment levels will further measures be considered.

Where reductions are anticipated the Council will comply with the requirements of the relevant employment legislation and take account of any relevant codes of practice.

The Council will consult with those employees who may be affected, and appropriate trade unions, at the earliest opportunity and within the requirements set down in the relevant employment legislation.

Redeployment and the ring fencing of vacancies will only take place where the contractual earnings of the new post are the same or less than the employee's current contractual earnings.

## Consultation

The Council recognises the importance of proper consultation with recognised trade unions in the event that redundancy, either voluntary or compulsory, is being considered.

It is in the interests of the Council to ensure that consultation will commence at the earliest practicable opportunity (longer than the statutory period of consultation wherever practicable) and will be meaningful in relation to reducing the need for redundancy utilising the knowledge of employee representatives to make better decisions.

The Council will consult recognised trade union representatives for an affected category of staff where redundancy is being considered, whether or not the staff concerned are members of a trade union.

The consultation will have due regard to the statutory minimum period for consultation (as outlined below) and will have the purpose of reaching agreement on:

- avoiding dismissals on the grounds of redundancy
- reducing the numbers of employees to be dismissed
- mitigating the consequences of dismissal

Consultation will begin:

- 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 take effect if 100 or more employees are to be made redundant at one establishment over a period of 90 days or less

Through consultation the Council will provide the appropriate recognised trade unions with the following information:

- reasons for the redundancy proposals
- numbers and descriptions of employees and posts which are potentially involved
- total number of employees
- methods of selection for dismissal
- methods of possible dismissal, including periods over which the dismissals will take place
- method of calculating sums payable to those dismissed on grounds of redundancy
- how and when notice of dismissals will be issued to affected staff

The Council will also consult individually with all affected employees.

## Measures To Minimise Redundancies

To avoid compulsory redundancy wherever possible, consultation will take place with the trade unions to attempt to protect existing permanent employees through such measures as:

- restrictions on recruitment of staff from outside the employment of the Council
- encouraging use of the Early Departure Scheme
- redeployment of staff to different posts, both within and outwith their existing service
- ring fencing of vacancies to ensure that employees facing redundancy receive priority consideration ahead of other potential applicants
- use of flexible working arrangements including part-time work, flexible retirement, job share and secondments
- reducing non-contractual overtime
- temporary redeployment to provide the opportunity for further investigation of alternative redeployment opportunities
- reducing or terminating the contracts of consultants, and agency workers
- voluntary or negotiated reductions in hours of work

## Early Departure Scheme

The Early Departure Scheme will be used wherever appropriate although the Council will not necessarily accept any or all volunteers.

While there can be no guarantee that an individual will be allowed to leave, the Council will seek ways to achieve this, always bearing in mind the effect on the Council's current and anticipated operational needs and the need to make an overall financial saving.

The Early Departure Scheme is set out at Appendix 1.

## Redeployment

The Council and the trade unions recognise that redeployment represents an important method of avoiding compulsory redundancy. Where the need for redundancies has been identified, the Council will:

- ring fence vacancies, making them available initially only to those employees who have been notified of redundancy
- advertise posts internally only, in the first instance
- provide appropriate retraining where this would allow an individual to undertake the duties of a vacant post within a reasonable period

The redeployment process will be instigated from the date when an

employee is identified as 'at risk' from redundancy. The process should form part of the individual consultation process.

The employee will be invited to a consultation meeting with his/her line manager and a HR adviser to discuss the potential redundancy situation and outline the redeployment process.

The employee will be asked to complete a personal profile recording their knowledge, skills, experience and types of post in which they might be interested. This information will be entered onto the Redeployment Register and held confidentially by HR.

The employee is entitled to be accompanied at this meeting by a work colleague or trade union representative.

Employees in a redeployment situation will be given access to suitable vacancies before they are advertised internally or externally.

As part of the recruitment process, managers will be required to consult and consider the entries in the Redeployment Register before recruiting. The recruiting manager should compare the details of employees on the redeployment register with the person specification for the vacancy.

If one or more employee on the register matches the person specification, they should be called for interview (subject to the restrictions on ring fencing). This interview will be

undertaken as a priority, in advance of other internal or any external candidates.

The redeployment interview must take place within a reasonable timescale. If any of the staff are successful at this interview, he/she will be offered a post, subject to a 4 week trial period (as per redundancy legislation).

Where an employee, is able to demonstrate at the interview that he/she fully meets the requirements of the post, he/she may be offered the post without a trial period. The duties and terms and conditions of the post and the date of the termination of the trial period will be provided to the member of staff.

If the employee is unsuccessful at the interview or the redeployment is unsuccessful after the trial period, his/her entry will be reactivated on the redeployment register. An employee will remain on the redeployment register until the end of the notice period or expiry of the fixed term contract or until he/she is redeployed whichever is the earliest.

The Council will make every practicable effort to redeploy staff into posts which protect existing contractual earnings. However, should it be necessary to redeploy an employee into a post with lower contractual earnings, the existing contractual earnings will be preserved on a personal basis for a period of 6 months. During that period efforts will

continue to be made to redeploy the member of staff into a post at their previous level of contractual earnings.

The process will not apply to promoted posts as this would contravene the Highland Council's Equal Opportunities policy. If the employee wishes to be considered for a promoted post he/she must submit an application in accordance with the normal recruitment procedures.

In order to assist with the process of redeployment staff must be prepared to accept any suitable, reasonable, alternative job offer.

The Council in redeploying staff, and in offering training and counselling to those who are facing redundancy, will not be bound to appoint to alternative jobs where there is a clear mismatch between staff competencies and the demands of the job. Neither will it be committed to retaining a person appointed to a new role if the subsequent performance of the member of staff does not meet expected standards of performance.

### **Refusal of Alternative Employment**

Where an offer of suitable alternative employment is rejected, or an employee resigns during the trial period, without valid reason he/she may lose his/her entitlement to a redundancy payment.

Where the new post involves additional travel costs or relocation, the appropriate national Conditions of

Service or any other local agreement adopted by the Highland Council will apply.

### **Compulsory Redundancy**

Compulsory redundancy will not be considered until all other options have been explored. Where compulsory redundancies are contemplated and appear to be unavoidable, the following process will apply:

- the relevant trade unions and the affected staff will be notified of the possibility of redundancies, at the earliest practicable opportunity
- the trade unions will be provided with all the necessary information as soon as possible
- consultation will take place with the appropriate representatives with the aim of investigating ways of avoiding compulsory redundancy, reducing the number of staff who could be subject to redundancy, mitigating the consequences of any necessary redundancies and determining the criteria to be used for selection of staff if necessary and where appropriate
- following consultation the Council will decide on the number of redundant posts, the timing of the redundancies and the criteria to be used for selection of staff if necessary
- the employees whose posts are redundant will be notified as soon as possible and allowed reasonable

time off to look for other employment or retraining

### **Selection Criteria**

In some circumstances a post or posts will be declared redundant and staff holding such posts will face dismissal. It may be required for there to be a selection process for staff affected by redundancy.

In selecting for redundancy the Council will consult the trade union side on the criteria which will be used where this becomes necessary. The criteria and weighting to be used will ensure redundancy selection decisions are related to the Council's current and anticipated operational needs.

Criteria for consideration may include length of service, work performance where this is measurable, proven flexibility in undertaking duties, attendance and absenteeism record, disciplinary record and individual competencies (including qualifications, experience, knowledge, skills and expertise) as they relate to the future operational needs of the Council.

### **Payments**

Any employee selected for redundancy will be fully informed of their financial entitlements, and how these are calculated, including notice periods and redundancy payments.

### **Support and Assistance**

Where redundancy is necessary the Council will, wherever possible, try to provide support and assistance for affected employees including:

- reasonable paid time off to look for other employment
- relevant counselling and outplacement advice
- early release from the duties of the post
- business support in assisting employees to search for other positions, for example, typing application forms/CV's etc

### **Appeals**

Where it is considered that the procedures for redundancy selection have not been followed staff will have a right of appeal on these grounds alone.

The right of appeal will be to the Appeals Sub-Committee and any appeal must be lodged in writing with the Depute Chief Executive/Director of Corporate Resources within 10 working days of receipt of formal notification of selection for redundancy.

### **Guidance**

Guidance, information and tools will be developed and maintained in partnership through the Highland



Council Partnership Framework. In relation to attendance management this guidance will:

- inform employees what to do in the event of absence
- provide employees with clear information on the issue of remuneration during sickness absence.
- guide management action in the event of absence including training/briefing
- advise on the procedures to be followed in the event of medical examination
- ensure accurate recording and provision of information to assist the management of absence
- address the management of unauthorised absence.

### **Legislation**

The development and application of this policy is guided by:

- Equality Act 2010
- Employment Rights Act 1996
- Working Time (Amendment) Regulations 2007 (SI 2007/2079)
- Statutory Sick Pay (Medical Evidence) (Amendment) Regulations 2010 (SI 2010/137)

### **Monitoring**

The application of this policy will be monitored through the Highland Council Partnership Framework and the Highland Council Resources Committee.

## Appendix 1

# Early Departure Scheme

## Introduction

The Council has an Early Departures Scheme to permit employees to depart early from the Council's employment should this be in the interests of the Council.

Under the Council's Scheme of Delegation, the Early Departures Sub-Committee has full delegated powers to consider and determine cases for early retirement, severance, redundancy etc. for all employees of the Council in accordance with the relevant Council policies.

The Sub-Committee also has full delegated powers to award partial or no enhancement to pension benefits in the light of individual circumstances for efficiency departures.

## Compensation

Any employee made redundant after 31 May 2015 will be granted compensation in terms of the relevant regulations in accordance with Table 1, with their compensation payment being based on actual pay.

Where an employee ceases employment in the interests of the efficiency of the service, if Option 1 is selected, compensation is at the discretion of the Sub-Committee who

can award up to 2 years enhancement including no enhancement.

If Option 2 is selected, compensation will be in accordance with Table 1, with their compensation payment being based on actual pay.

## Acceptable Categories for Early Departure

1. On the grounds of redundancy
2. In the interests of the efficiency of the service
  - i. as an alternative to redundancy of an individual
  - ii. to avoid redundancy of another employee
  - iii. to assist in service restructuring
  - iv. to effect financial savings
  - v. other justifiable circumstance which would be in the interests of the service

Meets the wishes of the employee provided at least one of the above criteria is satisfied.

3. Individual's choice.
4. Permanent ill-health (see Attendance Management Guidelines).

## Re-Employment

Employees' granted early departure by the Highland Council on voluntary redundancy or efficiency grounds will



not be re-employed by the Highland Council in any capacity without the specific approval of the Chief Executive.

Employees who are retired on the grounds of ill-health by the Highland Council will not be re-employed by the Highland Council without being medically examined and assessed as being fit to be re-employed by the Council's Occupational Health provider.

### **Pension Regulations**

The current pension regulations applying to Early Retirement/Departure are the Local Government (Discretionary Payments and Injury Benefits) (Scotland) Regulations 2009, the Local Government (Discretionary Payments and Injury Benefits) (Scotland) Regulations 1998 and the Teachers' (Compensation for Premature Retirement and Redundancy) Regulations 1996, as amended.

Table 1

### Compensation Payments To Employees Made Redundant After 31 May 2015

<b>Service</b>	<b>Option 1</b> Add Years Compensation	<b>Option 2</b> Lump Sum Compensation – number of weeks entitlement (includes Statutory Redundancy Entitlement)
1	0	0
2	0	6
3	0	9
4	0	12
5	0	15
6	0	18
7	0	21
8	0	24
9	0	27
10	0	30
11	1	33
12	1	36
13	1	39
14	1	42
15	1	45
16	1	48
17	1	51
18	1	54
19	1	57
20	1	60
21	2	60
22	2	60
23	2	60
24	2	60
25	2	60
26	2	60
27	2	60
28	2	60
29	2	60
30	2	60
31	2	60
32	2	60
33	2	60
34	2	60
35	2	60
36	2	60
37	2	60
38	2	60

39	1	60
40	0	60

	Total service for calculation purposes restricted to 40 years or service that could be attained at age 65	The first £30k awarded is Tax free. Compensation over £30k is subject to PAYE  Restrictions currently apply to scheme members aged over 63, which may limit award to that achievable by age 65 subject to statutory minimum
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**Options**

a)	Employees who, at their date of retirement on grounds of redundancy, are aged 55 or over and are in the Local Government Pension Scheme (LGPS) (or aged 50 or over and in the LGPS on 5 April 2006) can choose Option 1 or Option 2.
b)	Employees who, at their date of retirement are not in the LGPS, or are aged under 55 (under 50 if in the LGPS on 5 April 2006) at their date of retirement are only entitled to Option 2.