

Adopted: 25th April 2017

REDUNDANCY POLICY AND PROCEDURE *(affecting less than 20 employees)*

1 Introduction

Age UK Cambridgeshire & Peterborough(AUKCAP) is committed to seeking security of employment for its staff and honouring the terms of its short-term employment contracts. However, there may be unforeseen circumstances that result in a need to reduce staffing levels and reorganise working practices. Sometimes circumstances may change without sufficient time for all stages of this procedure to take place sequentially and in those circumstances there may be the need for different stages, where practicable, to run concurrently.

AUKCAP has made provision to ensure it is able to fund redundancy payments in the event that funding sources are no longer available. Payments will be made to redundant employees in accordance with the statutory scheme.

The purpose of this procedure is to set out the consultation arrangements that will be followed in the event of such circumstances, to ensure clarity and consistency. Nothing in this procedure should be taken as undermining the entitlements staff have as a result of legislation, where they may be greater than those provided for by this procedure.

2 Consultation

The reason for consultation is to ensure those staff affected have the opportunity to make representations on the basis of full information about the reasons for and the substance of the proposals, with a view to agreeing a way forward if possible

Should AUKCAP foresee the need for:

- a reduction in staff due to a reduction in the work available
- changed working methods as an alternative to or consequent on reductions in staff
- a reorganisation that results in the need for staff with different skills and knowledge

Affected staff and appropriate trades union representatives will be advised as soon as possible of:

- the reasons for the proposed redundancies
- the numbers and descriptions of the employees it is proposed to dismiss
- the total number of employees of each description employed by AUKCAP

- the proposed method of selection
- the proposed method of carrying out the dismissals

Consultation and discussions will take place at the earliest possible time.

AUKCAP will give serious consideration to any representations made by staff and trade union representatives and will respond in writing. All discussions that take place will be with a view to avoiding redundancies.

In the event that

- There are more staff for remaining posts and / or
- Any existing staff are not suitable for new or remaining posts in the structure because their skills, knowledge experience or competency in key areas is less than required for the post and / or
- There are no suitable alternative posts available

It may be necessary to consider dismissal on the grounds that the employee is redundant. In this event, the process at paragraph 8 will be followed

3 Selection for Redundancy

If staff reductions are unavoidable the following steps will be considered to avoid compulsory redundancy. In all cases the final discretion will lie with AUKCAP:

- Voluntary early retirement - most likely to apply to staff who would qualify for a pension. The member of staff volunteering may either be one of the staff most likely to be directly affected by redundancy, or where the consequential vacancy will be suitable for an employee under threat of redundancy.
- Voluntary Redundancy - where staff are directly affected by the proposal or where the vacancy caused as a consequence would be suitable for redeployment of a potentially redundant employee
- Other organisational proposals - which have the same effect as the reduction required, by agreement with those affected

4 Selection Criteria

Where compulsory redundancy is unavoidable, the criteria for selection will be discussed with trades unions and will be established to take account of the circumstances that apply at the time. Normally the criteria will take account of

- ability to perform the duties required in future by AUKCAP.
- discipline and performance records
- and will be applied to ensure there is no discrimination on any other grounds.

5 Alternatives to Redundancy

AUKCAP will, where possible, offer suitable alternative work to those who would otherwise be made redundant, with retraining where practicable. Offers of alternative work will be made before the employee's last day of work to ensure continuity of employment.

Trial period: employees who accept the offer of alternative employment are entitled to a four week trial period which may be concluded at the end of four weeks by the employee or AUKCAP without loss of redundancy benefits.

Training: AUKCAP will provide suitable training where possible and the trial period may be extended to accommodate this.

6 Time Off To Seek New Work

Employees under threat of redundancy will be granted reasonable time off without loss of pay to look for new work or arrange training.

7 Job search

AUKCAP will give reasonable assistance to potentially redundant staff to assist with looking for other work. These may include

- Contributions to compiling a CV
- word processing and copying facilities (by prior agreement)
- a contribution to the cost of retraining to a maximum of £200

8 Process

Before a final decision to dismiss an employee as redundant, the following three stage process will be followed

A Explanation of grounds for redundancy

AUKCAP will give each potentially redundant employee a written statement of the reasons why they may be made redundant.

B Meeting.

AUKCAP will invite the potentially redundant employee to discuss their situation and make representation before any decision to dismiss on the grounds of redundancy. This is to ensure that the employee understands their options and the reason for the decision. The employee will have the right to be represented by a trade union representative or work colleague at this meeting. The responsible manager will decide whether dismissal is appropriate.

C Appeal

Where a decision is made to dismiss the employee as redundant they can make an appeal against the decision. Arrangements for this appeal will be made in accordance with AUKCAPs Grievance appeals procedure.

9 Notice of Termination

Redundant employees are entitled to their contractual notice. Pay in lieu of notice may be paid in the event the employee wishes to leave before the normal date of expiry of that notice with the agreement of AUKCAP, and without loss of redundancy pay.

10 Appeals

If an employee is unhappy with any aspect of the application of this procedure they may take up their complaints through the grievance procedure. The appeal must be made in writing to the Chief Executive within 7 days of receipt of the written confirmation that their post is redundant.

11 Notice and Garden Leave

In addition to any entitlement of redundancy pay, employees are also entitled to notice in accordance with statutory and contractual provisions.

AUKCAP reserves the right to place an employee on 'Garden Leave' during notice following redundancy, if this is deemed in the best interests of the organisation and/or the employee.

12 Implementation and review

This procedure will be made available to all employees who may be affected by redundancy and their representatives. The procedure will be reviewed within 36 months of adoption.

APPENDIX 1 - REDUNDANCY PAYMENT

QUALIFICATION CRITERIA

To qualify for a redundancy payment the worker must be an employee of AUKCAP and must have at least two years' continuous service with AUKCAP.

CALCULATION OF REDUNDANCY PAYMENTS

For each complete year of service, up to a maximum of 20, employees are entitled to;

- For each year of service at age 18 or over but under 22 – half a week's pay;
- For each year of service at age 22 but under 41 - one week's pay; and
- For each year of service at age 41 or over but under 65 – one and a half weeks' pay.

CALCULATING A WEEK'S PAY

A week's pay is that which the employee is entitled to under the terms of his or her contract at the 'calculation date'. The 'calculation date' is the date on which AUKCAP gives the employee the minimum notice to which he or she is legally entitled. If the pay varies the amount of a week's pay will be averaged over the 12 weeks prior to the 'calculation date'.

There is a statutory limit on what constitutes a weeks' pay. However, AUKCAP will pay the actual weeks' pay where the statutory limit is exceeded. Current statutory limit is £479.

Tax implications

Redundancy pay is paid tax and NI free up to a limit of £30,000