

APPENDIX 1



Redeployment and Redundancy Policy

Author:	Chris Morris
Owner:	Angela Tebbutt
Version No:	1.2
Date:	September 2013

Version No	Version Date	Author	Summary of Changes
1.0	07/2007	Angela Tebbutt	First Issue
1.1	07/2007	JSWG	Amendments
1.2	09/2013	Chris Morris	Review and update

APPROVALS

Name	Title	Date of Approval	Version No
Angela Tebbutt	Management Team	09/03/2011	1.0
	JSWG	18/03/2011	1.1
	Management Team	09/13	1.2
	JSWG		1.2

DISTRIBUTION

Title	Date of Issue	Version No
T3	13/08/2012	1.1
MIKE	13/08/2012	1.1
T3	09/2013	1.2
MIKE	10/2013	1.2

APPENDIX 1

Melton Borough Council

REDEPLOYMENT AND REDUNDANCY POLICY

1. PURPOSE

- 1.1 This policy and procedure document sets out the Council's policy for organisational changes resulting in redundancy, redeployment, early retirement or downgrading as a result of redeployment.
- 1.2 This is an interim policy that will be reviewed in 12 months time or earlier if guidance is available that suggests earlier amendment.

2. DEFINITION OF REDUNDANCY

- 2.1 Redundancy is defined by the Employment Right's Act 1996 as a dismissal wholly or mainly due to:
 - the fact that an employer has ceased, or intends to cease, to carry out work on the business for the purpose which the employee was employed, or has ceased, or intends to cease, to carry on that business in a place where the employee was so employed, or
 - the fact that the requirements of that business for employees to carry out work of a particular kind, or for employees to carry out work of a particular kind in the place they were so employed, have ceased or diminished, or are expected to cease or diminish.

3. SCOPE

- 3.1 This policy and procedure applies to all permanent employees. However, under the Fixed Term Employee (Prevention of Less Favourable Treatment) Regulations 2002 Fixed Term employees have the right to not be treated less favourably than comparable permanent employees working in the same establishment - in terms of pay and benefits or access to opportunities for promotion, transfer, training or permanent employment - unless it can be shown that the less favourable treatment is objectively justified. These regulations will always be taken into account.

(If an employee is employed under JNC terms and conditions of service the procedures outlined in Chief Officer's Pay and Conditions of Service must be followed where appropriate.)

4. STATEMENT OF INTENT

- 4.1 The Council recognises its responsibilities as an employer and wishes to retain, where ever possible and practicable, the skills and experience of its employees and adopts the following guiding principles:

APPENDIX 1

- To ensure minimum disruption to service delivery to the customer.
- To keep additional costs to a minimum.
- To avoid compulsory redundancies where ever possible.
- To consult fully with trade unions.
- To communicate to all employees throughout the implementation process so that all are aware of what is going on.

5. PLANNING AND CONSULTATION

- 5.1 The responsibility for drawing up and carrying out this policy and procedure will lie with senior management. Wherever practicable an action plan (to include principles for assimilation of staff into the new structure) will be drawn up by the Head of Communication*/ HR Officer and relevant senior manager in consultation with recognised trade union(s).
- 5.2 Following consultation the appropriate senior manager in conjunction with the Head of Communication / HR Officer will present proposals to the Policy, Finance and Administration Committee for approval where delegated authority is not granted. Recognised trade unions and/or staff representatives may submit their comments in writing to the committee if they so wish. This is usually done through the Joint Staff Working Group.

6. MEASURES FOR LIMITING IMPACT OF STAFF CHANGES

6.1 Preliminary Measures

- 6.1.1 The following measures will be considered and where appropriate implemented to minimise the impact of changes on permanent employees:
- Where appropriate under the fixed term workers less favourable treatment regulations 2002 the termination of casual or temporary staff.
 - Reduction in overtime
 - Vacancy freeze
 - Restricted external recruitment
 - Ring-fenced recruitment
- 6.1.2 Where the above measures are not sufficient to achieve the required reductions the following measures will be available:
- Voluntary redundancy/early retirement
 - Voluntary reduction in hours
 - Voluntary redeployment
 - Compulsory redeployment/redundancy/retirement

6.2 Assimilation to new posts

- 6.2.1 Where ever possible staff will be matched against posts in the new structure based on the criteria laid down in the Action Plan. Ring fenced recruitment may

APPENDIX 1

be appropriate where a restructuring is taking place that includes regrading and changing the responsibilities of existing posts and the creation of new posts. Ring fenced recruitment will be a process where applications for new posts are sought from a group of employees already in the Council. Ring fences will be established in consultation with the recognised trade union(s).

6.2.2 A post that is not filled through the process will be advertised.

6.3 Early Retirement in the interests of the efficiency of the service

6.3.1 This is not a measure to resolve overstaffing because it carries no entitlement to redundancy payment. It may however, be appropriate in related matters, for example, where a long serving employee is not able to adapt to a revised way of working.

6.3.2 Any requests must be considered by the relevant senior management on an individual basis in consultation with the Head of Communication and Head of Financial Services. Following detailed consideration, a request may be submitted to Committee for approval under delegated powers.

6.4 Voluntary Redundancy and/or Early Retirement

6.4.1 Management Team may agree in principal redundancy with or without any enhancements although any case must then be put to Policy Finance and Administration Committee for approval. The view of the Head of Communication must be sought. The view of the Head of Financial Services must also be sought where there are financial implications.

6.4.2 The basis of the financial compensation for volunteers will be:
A redundancy payment in accordance with the Employment Rights Act 1996 that will be based on actual weeks pay. An award (including the redundancy payment) up to 1.5 times the statutory redundancy entitlement, i.e. up to 45 weeks discretionary compensation. The amount to be determined by the amount of redundancy pay awarded as attached Appendix A

6.4.3 Current members of the LGPS scheme may choose to convert all this discretionary payment to augmented service in line with the rules of the LGPS.

6.4.4 Posts on management team will have their redundancy and any enhancement decided by Policy, Finance and Administration Committee.

6.5 Substitution

6.5.1 Substitution is a means of creating opportunities to redeploy staff who are redundant into vacancies created by voluntary redundancy or early retirements elsewhere. The Council will consider such arrangements on an individual basis in consultation with the individual and the recognised trade union. Compensation will be as above and any cost will be met by the service area where the redundancy situation exists unless a corporate approach is agreed.

APPENDIX 1

6.6 Voluntary Reduction in Hours

- 6.6.1 To avoid a redundancy or a compulsory reduction in hours, an employee or group of employees may agree voluntarily to reduce their contracted hours of work. When considering such requests, managers must ensure that the proposal would avoid the need for one or more redundancies or avoid the need to compulsorily reduce hours and that it will meet the needs of the service, including considerations of cost and the retention of key skills.

If the request is agreed, the employee(s) concerned will receive compensation on the same basis as employees whose hours are compulsorily deleted (see section 9.1 below).

6.7 Protection of Pay

1 year at full compensation and 1 year at 50%
No salary increments will be awarded during the protection period unless the salary for the job in which the employee is redeployed becomes equal to, or exceeds the protected rate of the employee. At that point, the pay protection arrangements will cease. Protection will not apply to any other terms and conditions of employment.

Once the protection of earnings time period has been exhausted, the employee will receive the substantive salary for the job.

6.8 Flexible Retirement

- 6.8.1 The Local Government Pension Scheme Regulations allow, subject to an Employers consent, a scheme member who has attained age 50 and reduces the hours they work, or the grade in which they are employed to take their pension benefits whilst continuing in employment. Each case will be considered on its merits and in particular the financial implications for the Council. The Council's normal approach will be that any flexible retirement must be at no cost to the Council.

7. Compulsory Redundancy or Redeployment

7.1 Selection Methods for Compulsory Redundancy

- 7.1.1 Where the above measures have failed to secure the reduction in staffing required the Management Team in conjunction with the Head of Communication and in consultation with the recognised trade union (s) will draw up criteria to be used to effect compulsory redundancies.

7.2 Notice of Redundancy

APPENDIX 1

7.2.1 Employees whose posts will be made redundant will be informed verbally by management and the decision confirmed in writing. Formal notice will be issued in line with the Employment Rights Act 1996.

7.2.2 Where it is not possible or considered not in the interests of the Council to give notice in accordance with the statutory or contractual requirement then pay in lieu of notice will be made, subject to complying with other statutory requirements, e.g. Income tax rules.

7.3. Redeployment

7.3.1 The council will continue to seek redeployment opportunities for employees during the notice period.

7.3.2 Employees redeployed to another post will be entitled to a 4-Week trial period in accordance with the Employment Rights Act 1996.

7.3.3 Where employees are redeployed into a lower grade post they will receive protection as detailed in paragraph 6.7 above.

7.3.4 Where an employee unreasonably refuses an offer of suitable alternative employment no compensation/redundancy pay will be made. The Head of Service will write to the employee if this is deemed to be the case. An employee may appeal to the Chief Executive within five working days of receipt of the written confirmation.

7.4 Time off to seek alternative employment

7.4.1 Employees whose post has been declared redundant will be allowed reasonable time off with pay to seek alternative employment or undertake relevant training. Paid leave may also be granted by the Manager in consultation with the Head of Communication / HR Officer for advice and assistance from external agencies related to their redundancy, e.g. financial counselling, pension benefits etc.

7.5 Redundancy Pay

7.5.1 Redundancy pay will be made in line with the Employment Rights Act 1996 based on actual weeks pay. Compulsory redundancy will **not** normally attract the awarding of discretionary pay as detailed in 6.4 above. However, Management Team has the discretion to recommend the payment of a discretionary award (as in 6.4 above) in appropriate circumstances.

8. Re Employment

8.1 Employees who are made redundant or retired early on the grounds of redundancy may be re-employed by Melton Borough Council or other local authorities in the future subject to:

APPENDIX 1

- The redundancy payments (local government) (modification) order 1983 states that a local authority employee who is offered suitable alternative employment by another employer covered by the modification order, before the end of their previous contract and to commence within four weeks of the end of that contract, will lose the right to a redundancy payment. Full details of employers covered by the modification order are available from the HR Section. However, flexible retirement arrangements allow LGPS members, under specified circumstances, to draw down some, or all, of their accrued pension rights from the scheme while still continuing to work. Apart from flexible retirement cases, retired employees who come back to work must comply with the Recruitment Procedure.

9. Reduction in hours resulting from a restructuring

- 9.1 If an employee's hours of work are compulsorily reduced, provided they have at least 2 years' continuous local government service, they will be eligible to receive a compensation payment. This payment is based on the calculation for a redundancy payment pro rata to the number of hours lost. As the employee is not being made redundant, the compensation payment is subject to income tax and National Insurance.

Where during a restructuring, an employee is appointed to a post in the new structure at a lower grade and their hours of work have also been compulsorily reduced, they will be entitled to receive pay protection (see section 6.7 above) based on their new hours of work and a compensation payment for the reduction in hours.

Where during a restructuring, an employee applies for a post which is not their comparable post and it comprises fewer hours than their previous post, they will not be entitled to receive any compensation payment.

**refers throughout to Head of Communication with responsibility for Human Resources.*

A Tebbutt March 07

APPENDIX 1

APPENDIX 1

Complete Years of Service																			
	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
20	1.5	1.5	1.5	1.5															
21	1.5	2.25	2.25	2.25	2.25														
22	1.5	2.25	3	3	3	3													
23	2.25	3	3.75	4.5	4.5	4.5	4.5												
24	3	3.75	4.5	5.25	6	6	6	6											
25	3	4.5	5.25	6	6.75	7.5	7.5	7.5	7.5										
26	3	4.5	6	6.75	7.5	8.25	9	9	9	9									
27	3	4.5	6	7.5	8.25	9	9.75	10.5	10.5	10.5	10.5								
28	3	4.5	6	7.5	9	9.75	10.5	11.25	12	12	12	12							
29	3	4.5	6	7.5	9	10.5	11.25	12	12.75	13.5	13.5	13.5	13.5						
30	3	4.5	6	7.5	9	10.5	12	12.75	13.5	14.25	15	15	15	15					
31	3	4.5	6	7.5	9	10.5	12	13.5	14.25	15	15.75	16.5	16.5	16.5	16.5				
32	3	4.5	6	7.5	9	10.5	12	13.5	15	15.75	16.5	17.25	18	18	18	18			
33	3	4.5	6	7.5	9	10.5	12	13.5	15	16.5	17.25	18	18.75	19.5	19.5	19.5	19.5		
34	3	4.5	6	7.5	9	10.5	12	13.5	15	16.5	18	18.75	19.5	20.25	21	21	21	21	
35	3	4.5	6	7.5	9	10.5	12	13.5	15	16.5	18	19.5	20.25	21	21.75	22.5	22.5	22.5	22.5
36	3	4.5	6	7.5	9	10.5	12	13.5	15	16.5	18	19.5	21	21.75	22.5	23.25	24	24	24
37	3	4.5	6	7.5	9	10.5	12	13.5	15	16.5	18	19.5	21	22.5	23.25	24	24.75	25.5	25.5
38	3	4.5	6	7.5	9	10.5	12	13.5	15	16.5	18	19.5	21	22.5	24	24.75	25.5	26.25	27
39	3	4.5	6	7.5	9	10.5	12	13.5	15	16.5	18	19.5	21	22.5	24	25.5	26.25	27	27.75
40	3	4.5	6	7.5	9	10.5	12	13.5	15	16.5	18	19.5	21	22.5	24	25.5	27	27.75	28.5
41	3	4.5	6	7.5	9	10.5	12	13.5	15	16.5	18	19.5	21	22.5	24	25.5	27	28.5	29.25
42	3.75	5.25	6.75	8.25	9.75	11.25	12.75	14.25	15.75	17.25	18.75	20.25	21.75	23.25	24.75	26.25	27.75	29.25	30.75
43	4.5	6	7.5	9	10.5	12	13.5	15	16.5	18	19.5	21	22.5	24	25.5	27	28.5	30	31.5
44	4.5	6.75	8.25	9.75	11.25	12.75	14.25	15.75	17.25	18.75	20.25	21.75	23.25	24.75	26.25	27.75	29.25	30.75	32.25
45	4.5	6.75	9	10.5	12	13.5	15	16.5	18	19.5	21	22.5	24	25.5	27	28.5	30	31.5	33
46	4.5	6.75	9	11.25	12.75	14.25	15.75	17.25	18.75	20.25	21.75	23.25	24.75	26.25	27.75	29.25	30.75	32.25	33.75
47	4.5	6.75	9	11.25	13.5	15	16.5	18	19.5	21	22.5	24	25.5	27	28.5	30	31.5	33	34.5
48	4.5	6.75	9	11.25	13.5	15.75	17.25	18.75	20.25	21.75	23.25	24.75	26.25	27.75	29.25	30.75	32.25	33.75	35.25
49	4.5	6.75	9	11.25	13.5	15.75	18	19.5	21	22.5	24	25.5	27	28.5	30	31.5	33	34.5	36
50	4.5	6.75	9	11.25	13.5	15.75	18	20.25	21.75	23.25	24.75	26.25	27.75	29.25	30.75	32.25	33.75	35.25	36.75
51	4.5	6.75	9	11.25	13.5	15.75	18	20.25	22.5	24	25.5	27	28.5	30	31.5	33	34.5	36	37.5
52	4.5	6.75	9	11.25	13.5	15.75	18	20.25	22.5	24.75	26.25	27.75	29.25	30.75	32.25	33.75	35.25	36.75	38.25
53	4.5	6.75	9	11.25	13.5	15.75	18	20.25	22.5	24.75	27	28.5	30	31.5	33	34.5	36	37.5	39

APPENDIX 1

54	4.5	6.75	9	11.25	13.5	15.75	18	20.25	22.5	24.75	27	29.25	30.75	32.25	33.75	35.25	36.75	38.25	39.75
55	4.5	6.75	9	11.25	13.5	15.75	18	20.25	22.5	24.75	27	29.25	31.5	33	34.5	36	37.5	39	40.5
56	4.5	6.75	9	11.25	13.5	15.75	18	20.25	22.5	24.75	27	29.25	31.5	33.75	35.25	36.75	38.25	39.75	41.25
57	4.5	6.75	9	11.25	13.5	15.75	18	20.25	22.5	24.75	27	29.25	31.5	33.75	36	37.5	39	40.5	42
58	4.5	6.75	9	11.25	13.5	15.75	18	20.25	22.5	24.75	27	29.25	31.5	33.75	36	38.25	39.75	41.25	42.75
59	4.5	6.75	9	11.25	13.5	15.75	18	20.25	22.5	24.75	27	29.25	31.5	33.75	36	38.25	40.5	42	43.5
60	4.5	6.75	9	11.25	13.5	15.75	18	20.25	22.5	24.75	27	29.25	31.5	33.75	36	38.25	40.5	42.75	44.25
61	4.5	6.75	9	11.25	13.5	15.75	18	20.25	22.5	24.75	27	29.25	31.5	33.75	36	38.25	40.5	42.75	45
62	4.5	6.75	9	11.25	13.5	15.75	18	20.25	22.5	24.75	27	29.25	31.5	33.75	36	38.25	40.5	42.75	45
63	4.5	6.75	9	11.25	13.5	15.75	18	20.25	22.5	24.75	27	29.25	31.5	33.75	36	38.25	40.5	42.75	45
64	4.5	6.75	9	11.25	13.5	15.75	18	20.25	22.5	24.75	27	29.25	31.5	33.75	36	38.25	40.5	42.75	45