

# **Redundancy Procedure**

## Version Control History

<b>Version Number</b>	<b>Date of Change</b>	<b>Summary of Revisions Made</b>
1.0	October 2009	Redundancy Policy – approved by JNC
2.0	June 2018/May 2019	Approved by Board of Management, subject to changes being made. Final approval given May 2019.
2.1	April 2023	Updated job titles and other updates to ensure statutory compliance. Rebranded to new branding. Footer Updated to reflect new template model.

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# Redundancy Procedure

## 1 Purpose

This procedure can be invoked as part of an organisation change procedure or when a fixed-term contract or fixed funding ends.

UHI Perth is committed to protecting job security for staff, as far as practically possible. On occasions where that is not possible UHI Perth will follow the steps detailed in this procedure by way of attempting to avoid redundancy. In cases where a redundancy cannot be avoided, UHI Perth will undertake the steps described in relation to support, redundancy payments and notice periods.

## 2 Scope

This procedure provides a structured approach to managing a redundancy situation in a transparent way.

## 3 Definitions

Settlement Agreement – Legally binding written agreement that is used to set out the terms of ending employment, required when UHI Perth pays an enhanced payment.

## 4 Responsibilities

4.1 The Head of Human Resources and Organisational Development is responsible for the content and legal compliance of the procedure.

4.2 Line managers and HR staff are responsible for the proper application of this procedure.

## 5 Linked Policies/Related Documents

Organisation Change Procedure

## 6 Relevant Legislation

Employment Rights Act 1996

## 7 Definition of Redundancy

A redundancy situation arises when:

- The employer has ceased, or intends to cease, to carry on the business for the purposes of which the employee was so employed;  
  
or
- The employer has ceased, or intends to cease, to carry on the business in the place where the employee was so employed;  
  
or
- The requirements of the business for employees to carry out work of a particular kind has ceased or diminished or are expected to cease or diminish;  
  
or
- The requirements of the business for the employees to carry out work of a particular kind, in the place where they were so employed, has ceased or diminished or are expected to cease or diminish.

## 8 Types of Redundancy

UHI Perth recognises that a redundancy situation can arise from various scenarios, the below outlines what these scenarios are and how UHI Perth will address these.

### a **Organisational Change**

The Organisational Change Procedure outlines the process for managing organisational change projects. If staff are identified as "at risk" of redundancy this procedure should be enacted.

### b **Expiry of Fixed Term Contracts**

As of 6 April 2013, the expiry of fixed term contracts at the predetermined end date are excluded from collective consultation. However, should the contract end earlier than planned, collective consultation will apply. In addition, individual consultation will apply to both scheduled and early termination of fixed-term contracts.

### c **Expiry of Fixed Funding**

For a member of staff employed on a permanent contract that is funded by fixed funding, which comes to an end, individual and collective consultation will apply.

## 9 Consultation

The college will notify both affected staff and the unions at the earliest possible opportunity of the reasons for the proposed redundancy and any proposals for avoiding this redundancy.

UHI Perth is committed to undertaking meaningful consultation and defines this as:

- Commencing consultation with union representatives and affected staff when proposals are still at a formative stage.
- Providing detailed information which allows for the staff and unions to ask questions and respond with solutions.
- Providing project timelines that allow adequate time for staff and unions to meet and discuss options and receive responses to queries.
- Genuine consideration of all staff and union alternative suggestions and if these are not adopted the rationale for this will be provided.
- Attendance at the JNC by the Sector Development Director/Head of Service to ensure consultation takes place at a sufficiently detailed level.

### a **Collective Consultation**

Collective consultation will consider ways in which any potential redundancies could be avoided, reduced or the effects minimised and takes place with the recognised trade unions.

The trade unions will be notified, in advance of informing staff, in writing of the potential redundancy and this notification will include the following:

- The reasons for the change proposal.
- The numbers and descriptions of members of staff who may be "at risk" of redundancy.
- The total number of employees of that description employed at UHI Perth.
- The proposed method of selecting any members of staff who may be "at risk" of redundancy.
- The proposed method of carrying out any dismissals with due regard to agreed procedure, including the period over which dismissals are to take effect.
- Confirmation of the method of calculation of redundancy payments for members of staff who may be dismissed.
- The length of the consultation period, determined by the number of employees affected by the organisational change proposal, at least 30 days when the proposal affects 20 to 99 staff and 45 days when the proposal affects more than 100 staff.

The change proposal will be placed on the agenda of the next JNC and Staff Consultation Forum meeting and further documentation and/or updates will be provided to the appropriate union(s) throughout the collective consultation

period. If the next Staff Consultation Forum or JNC is not timely an extraordinary meeting will be convened to discuss the potential redundancy situation.

This letter will mark the start of the consultation period.

#### **b Individual Consultation**

If a member of staff is identified as "at risk" of redundancy" the college will enter into individual consultation with the affected staff member(s). All staff will be offered the opportunity to be accompanied at these meetings and HR will also be in attendance. For staff who are absent, arrangements will be made to ensure a consultation meeting is conducted.

The purpose of this meeting is to provide the reason for the post being "at risk" of redundancy and to discuss ways of avoiding the redundancy. The college will also request that staff provide a CV at this point to ensure that the college is aware of all skills and expertise in advance of searching for redeployment opportunities.

Several individual consultation meetings may take place during the consultation process.

## **10 Avoiding or Minimising Redundancy**

UHI Perth will work with staff and trade union representatives to try and avoid or minimise the number of redundancies. The college will give considerations to any measures suggested by staff or union representatives. The following measures will be considered in all cases of potential redundancy and may be utilised in isolation or in combination to avoid a redundancy. This list is not exhaustive and the college is open to alternative suggestions.

- Full or Partial Recruitment Freeze (this could involve ceasing the advertisement of posts).
- Reduce the number of bank staff used to utilise those "at risk" of redundancy.
- Reduction or elimination of overtime, where possible.
- Reduction in working hours.
- Part-time working.
- Term-time working.
- Job shares.
- Reduction of staff levels by natural wastage.
- Redeployment to other roles in the college.
- Ending employment of external contractors.
- Voluntary early retirement.
- Voluntary redundancy.
- Sabbatical or secondment.

## 11 Redeployment and Retraining

Where a potential redundancy exists the member of staff "at risk" will be provided with details of all current vacancies within the college. This information will be updated on a regular basis throughout the redundancy process. The employee is required to express an interest in any posts within 1 week of notification to be considered for the role. This expression of interest should be accompanied by a CV and cover letter. Support and advice on CV writing could be provided by HR and union representatives.

New posts will be held, until an assessment of fit has been made against the job description for all "at risk" members of staff, who have expressed an interest in the role. Where the college deems that an "at risk" employee fully meets all essential criteria and all desirable criteria from the person specification, the member of staff may be offered the post without interviewing other applicants.

Where more than one "at risk" member of staff meets the essential and desirable criteria, each will be interviewed for the role.

If an "at risk" staff member fully meets all essential criteria and some of the desirable criteria from the role person specification, the member of staff will be guaranteed an interview in relation to the role and a decision taken thereafter to determine if they are suitable to be offered the role.

Where the college deems an "at risk" staff member meets the majority, but not all, of the essential criteria from the role person specification, the employee will be considered for interview.

If the "at risk" employee does not meet the criteria from the role person specification they will be informed that their application will not be taken further.

## 12 Suitable Alternative Employment

The college may identify a post that is comparable in terms of the required skills and experience and has similar terms and conditions. In such circumstances, when the "at risk" staff member has not expressed an interest in such a role, the college may make an assessment of their suitability and determine a match.

If an "at risk" member of staff then declines an offer of redeployment made through this process, as an alternative to redundancy, they may forfeit their right to their statutory redundancy payment and any offer of an enhanced redundancy payment. All personal circumstances will be considered prior to withholding such payments.



## 13 Trial Periods

All redeployment opportunities will be subject to a 4 week trial period. The purpose of the trial period is to allow both the employee and the college the opportunity to assess suitability for the role.

The "at risk" employee's right to a redundancy payment will be preserved, when the following applies:

- The "at risk" employee decides to end the trial before the 4 week period concludes or at the end of the trial period. The employee should inform HR in writing before 5pm on the last day of the trial period.
- The college decides the employee is not suitable for the role, the college will inform the employee by 5pm on the last day of the trial period, and provide a reason for this decision.
- A mutually agreed extension to the trial period concludes in the college wishing to permanise the trial period.

Discussions should take place throughout the trial period as to its success to ensure both parties are aware of progress and can make any changes as necessary (eg change to training plan, number if one to one meetings and reviews).

## 14 Pay Protection

For staff who are redeployed to a lower graded post or for staff who undertake a reduction in FTE to avoid redundancy the following pay protection would apply:

The cash value of the employee's salary at the time of the change will be maintained until that value is overtaken by the value of the salary applicable to the employee's new post.

or

Until a period of 4 years has elapsed from the date of the change, whichever occurs sooner.

Further details around pay protection are agreed at a national level.

## 15 Redundancy Pay and Notice

All employees who are to receive redundancy payments will be given a written notification of the formula by which their redundancy pay has been calculated. Redundancy payments apply to all staff with 2 years reckonable service or more.

### 15.1 Notice

Where selection has been confirmed notice of termination will be in accordance with contractual and legal entitlements.

In certain circumstances, where it is deemed appropriate by the college it may be agreed to provide payment in lieu of notice.

### 15.2 Statutory Payment

The calculation for redundancy payments will be based on the statutory redundancy payment scheme, and will therefore comprise elements of:

- Length of service;
- Age;
- Weekly pay.

### 15.3 Enhanced Payment

There is no contractual right to any additional redundancy payment in addition to the Statutory Entitlement. However, the college may, at their sole discretion, decide to offer such additional payments. The total of any payment, which may be made will comply with Her Majesty's Revenue and Customs' ("HMRC") rules around payment of income tax and NI. Any enhanced payments will require the member of staff to sign a settlement agreement.

## 16 Right of Appeal

Any appeal against a decision of selection for redundancy must be submitted within 10 working days of the date of the outcome letter. This appeal should state the grounds of the appeal and should be submitted to the Principal. The Principal will appoint an appeal panel.

The Sector Development Director or Head of Service and HR support will be in attendance to present their case and respond to the appeal.

The decision of the appeal panel is final and there is no further right of appeal.

## 17 Support

UHI Perth understands that any member of staff "at risk" of redundancy will find this a difficult process and as such offers a variety of support mechanisms for staff.

### 17.1 Counselling Service

This is a confidential service operated by Rowan and is a safe space to discuss and seek help with any aspect of life. However, under these specific circumstances it can provide techniques to help with reducing stress or an opportunity to talk with someone completely independent. The college supports 6 counselling sessions with Rowan.

Rowan can be contacted at 01738 562005 or at <http://www.rowan-consultancy.co.uk/>

Members of staff can also access counselling services through Recourse, Supporting Education professionals:

<https://www.educationsupportpartnership.org.uk/helping-you/telephone-support-> counselling who offer a free 24 hours a day, 7 days a week, telephone counselling service. They can be contacted on 08000 562 561.

NHS 24 offers a free telephone service for guided self-help and CBT called Living Life. This is open Mon-Fri 1pm to 9pm and can be contacted on 0800 328 9655. Further details can be found at: <http://www.nhs24.com/usefulresources/livinglife/>

### 17.2 Occupational Health

Occupational Health can also provide pro-active interventions with management if required under these circumstances, acting in the best interests of both employees and UHI Perth.

### 17.3 Other Support

For staff who have been provided with notice of redundancy the college will undertake the following:

- Allow for paid time off to seek alternative employment, attend interviews and training/CPD, via the normal approval lines.
- Outplacement support, this offers staff the opportunity to have personal support to determine what next steps to take and have expert input into achieving those goals.
- Time to spend with union representative for support and to access help with CV writing.