

Redundancy Policy

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Who can help?

Human Resources & Development (HR&D) team - HR Partners and the HR Services Team can provide support and assistance with the application of this policy and answer any questions that you may have.

HumanResources@napier.ac.uk

Other Support

- ☑ Organisational Change & Redundancy - Policy Guidance for Managers
- ☑ Redundancy Information for Employees
- ☑ Organisational Change & Redundancy Toolkit
- ☑ Online [Change Toolkit](#) provides practical tools and techniques for coping with change and supporting others through change
- ☑ [Employee Assistance Programme](#)
- ☑ ACAS How to Manage Change

Please Note

- ☑ This policy does not form part of your contract of employment with the University and may be subject to change.

Context

The organisation structure and staffing profile of the University may be required to change over time and we are committed to managing such change with care in a fair and consistent manner. We will undertake meaningful consultation and will communicate openly and transparently throughout any period of organisational change.

We recognise that a period of change can be difficult and all reasonable steps will be taken to support both employees affected by change and managers responsible for implementing change. Working in the spirit of trust, we would encourage employees to be open to the need for change and flexible in their approach to organisational change.

Every reasonable effort will be made to avoid or minimise the need for redundancies and we will seek to protect the security of employment as far as is reasonably practicable. However, the needs of the University may from time to time require organisational changes that result in some roles being made redundant or a reduction in the overall number of people employed.

This policy provides a framework for managing redundancies which:

- ✔ Enables the University to continue to deliver its strategic aims and objectives.
- ✔ Treats employees consistently, fairly and sensitively.
- ✔ Safeguards the supply of talent within the University and ensures that we retain the right number of people with the right skills and qualification levels required to achieve our strategy.
- ✔ Fully supports employees throughout any change process.
- ✔ Gives full consideration to any steps which may avoid or minimise compulsory redundancies.

In organisational change situations where redundancies may be necessary, we will ensure that:

- ✔ The total number of redundancies is kept to a minimum.
- ✔ Employees, and where appropriate trade union representatives, are fully consulted on any proposals and their implementation.
- ✔ Selection for redundancy will be based on clear criteria that will be applied fairly and as objectively as possible.

- ✔ Support and advice will be provided to employees who are provisionally selected for redundancy to help them find suitable alternative work.

Scope

This policy applies to all employees of the University.

Planning & Proposals

It is important that proposed changes are carefully planned, appropriately authorised and managed in a sensitive, consultative and collegiate manner. The appropriate consultation process will be determined according to the size and scope of the proposed change.

Advice should be sought from HR&D before any action is taken in relation to any proposed organisation change.

- ✔ The legal definition of redundancy is contained in the appendix.

It is the aim of the University is to avoid or minimise the need for redundancies.

Alternative solutions to redundancy that may be considered as appropriate include (in no particular order):

- ✔ Natural attrition
- ✔ Transferring to other areas of work, where an appropriate requirement and skills match exists
- ✔ Placing restrictions on recruitment and/or promotion
- ✔ Ceasing or reducing overtime
- ✔ Reviewing the use of temporary, short term contract staff or consultants
- ✔ Retraining employees for other work where vacancies exist
- ✔ Considering seeking appropriate volunteers for redundancy
- ✔ Accommodating flexible working requests, where appropriate

Consultation

Effective consultation and communication is an important aspect of organisational change and should be handled sensitively and transparently. Consultation must be meaningful and take place as soon as practicable whilst proposals are at the formative stage. Employees, and their representatives where appropriate should be encouraged to comment and provide feedback on the proposals so that their views can be considered before final decisions are made.

There is no time limit regarding how long a consultation period should be, but there is a legal minimum period between the start of consultation and actual dismissals due to redundancy if the number of proposed redundancies is above a certain threshold (collective consultation).

We recognise the benefit of full and meaningful consultation and the need to allow sufficient time for this.

Collective Consultation

The legal requirement to conduct collective consultation applies if it is proposed that 20 or more roles will be made redundant at the University during a period of 90 days or less. In the event that such a situation arises, we will consult with the trade unions on ways of avoiding the redundancies, reducing the number of employees to be dismissed and mitigating the consequences of any job losses.

☞ The key requirements of collective consultation are contained in the appendix.

In the event of a proposal to make less than 20 employees at the University redundant within a period of 90 days or less we will share the proposals with the trade unions in advance of discussing them with the employees concerned.

Individual Consultation

Individual consultation meetings will take place with all employees who are provisionally selected for redundancy regardless of the number of employees who are affected. Employees may be accompanied at these meetings by either a trade union representative or a work colleague and we will endeavour to provide as much notice as is reasonably practicable.

☞ Managers responsible for conducting individual consultation meetings should refer to the **Organisational Change & Redundancy – Policy Guidance for Managers**

There is no set rule regarding the number of individual consultation meetings. What is appropriate will largely depend upon the scope and complexity of the proposed change. Individual consultation will typically consist of two meetings and it may be appropriate to have a further meeting. There should be

suitable gaps between meetings to provide sufficient time to fully consider and respond to points that have been raised.

The purpose of individual consultation is for the relevant line manager to explain the proposed change with employees on an individual basis and discuss how it may affect them personally. In the course of the individual consultation process employees may be informed that they have been provisionally selected for redundancy and the basis upon which they have been selected.

Individual consultation provides the employee with an opportunity to ask questions, raise any concerns and put forward any ideas and alternative options for management to consider. We will give genuine consideration to views raised during the individual consultation process and no final decision will be made until the consultation process is completed.

Employees will be advised when consultation has concluded. If they have secured an alternative role, details of their new appointment will be confirmed to them in writing. If the decision is taken that an employee will be made redundant, they will be issued with written notice of termination of employment by reason of redundancy in accordance with the employee's contractual or statutory notice entitlements (whichever is greater). This written notice of termination will provide the employee with the right to appeal the redundancy decision.

The University reserves the option to, at its discretion, make a payment in lieu of notice (PILON) for all, or part of, the notice period due.

🕒 Information about statutory notice periods and PILON is contained in the appendix.

Selection

It is important that the process of redundancy selection is conducted fairly and consistently.

🕒 Managers involved in making redundancy selection decisions should refer to the **Organisational Change & Redundancy – Policy Guidance for Managers**

Selection Pool

The first step is to identify the group of employees from which those who will be made redundant will be selected or who will be matched and allocated to remaining roles. The proposed selection pool will be fairly defined and will be dependent upon the specific circumstances of the organisational change. Where the appropriate selection pool is a pool of one employee, then selection criteria will not normally be appropriate.

Selection Criteria

Once the employees in scope have been identified, where it is appropriate proposed selection criteria will be established to determine which employees will be provisionally selected for redundancy. The criteria used will depend upon a number of factors, including the particular needs of the University at the time and the roles under consideration.

The agreed selection criteria will be consistently applied to all employees in the selection pool (including those who are absent from work) in a fair and reasonable manner. Scoring will be based on objective evidence wherever possible and will be calibrated appropriately.

Redeployment

As part of our aim to avoid and minimise redundancies, we will redeploy employees to suitable alternative roles wherever possible. We will provide all reasonable support to employees who are at risk of redundancy to identify other opportunities within the University. This will help to retain skilled and experienced employees as well as being a means to avoid redundancies.

To be eligible for consideration under the redeployment process, employees must have at least 2 years' continuous service with the University.

It may not be possible to achieve an exact role match, therefore both employees and management are encouraged to be open-minded and take a flexible approach to redeployment.

Redeployment Register

To facilitate the redeployment process, we use a redeployment register to maintain the details of employees who wish to have their details placed on the register.

When an employee is notified at an individual consultation meeting that they have been provisionally selected for redundancy or that their fixed term contract is due to expire, they will be given the option to join the redeployment register if they meet the eligibility criteria.

Employees provisionally selected for redundancy are not automatically added to the redeployment register because redeployment may constitute a change to terms and conditions and so this must be with the employee's consent. However, employees should be aware that legally if the University offers them a suitable alternative role and they unreasonably refuse to accept it, they will not be entitled to receive a redundancy payment.

Employees provisionally selected for redundancy are responsible for doing all they can to obtain alternative employment and are encouraged to regularly review vacancies on the intranet and make use of the available support.

☑ Information about joining the redeployment register is contained in **Redundancy Information for Employees**.

Employees on the redeployment register will be considered for vacant roles which could be classed as suitable alternative employment before other internal or external applicants. We will also give such priority to employees on the redeployment register who wish to apply for vacant roles at one lower grade, if they wish to be considered for them.

Employees can apply for roles at higher grades through the University's Recruitment and Selection procedure, however they would not receive priority under the redeployment process.

Where an assessment process is required to establish an employees' suitability for a role, the principles contained within the University's Recruitment and Selection procedure will be applied.

☑ Information about the redeployment process is contained in the **Organisational Change & Redundancy – Policy Guidance for Managers**

Suitable Alternative Employment

In some cases, we deem alternative employment to be 'suitable alternative employment'. A suitable alternative role is one which is broadly similar in nature to the employee's current role and which the employee can reasonably be expected to undertake. Suitability will be judged objectively with regard to an employee's knowledge, skills, aptitude and experience and whether they meet the essential criteria of the role, and the terms of the alternative role, e.g. grade, pay, hours, place of work, duties and responsibilities, as compared with the terms of the previous role. Redeployment to a lower grade would not usually be deemed 'suitable alternative employment'.

Where a suitable alternative role exists, it must be offered to the employee before their current role comes to an end and commence within four weeks of the termination date of their old role. If an employee is offered a suitable alternative role and unreasonably refuses it, they can be made redundant with notice, but will forfeit their right to a redundancy payment.

An employee on maternity, adoption or shared parental leave and provisionally selected for redundancy has priority as far as suitable alternative employment is concerned and is entitled to be offered a suitable alternative role where one exists.

Alternative Employment

Employees provisionally selected for redundancy can also apply for roles which differ in content and/or terms and conditions from their current position. Roles at higher or lower grades would normally be considered to be 'alternative employment'.

An assessment process will be required to establish an employee's suitability for the role(s). Employees who are offered alternative employment, which is not deemed to be 'suitable' can decline the offer without forfeiting their entitlement to a redundancy payment.

Employees provisionally selected for redundancy and accept a role at one grade lower will have their salary protected for one year. During the protected period, the salary will be 'frozen' and will not attract cost of living/pay increases. After that period, their salary will be adjusted to the maximum point of the lower grade. Pay protection does not apply to an appointment made more than one grade below and this would be on the basis of the associated advertised salary and terms and conditions.

Suitability and Trial Periods

A trial period will be offered to employees provisionally selected for redundancy and who accept a new role with wholly or partly different terms and conditions. The trial period will be for at least 4 weeks and may be up to 12 weeks, depending upon the circumstances. The purpose of a trial period is for both the employee and the University to establish whether the alternative role is indeed suitable without losing the right to be treated as redundant if it reasonably proves not to be.

In exceptional circumstances, trial periods can be extended by mutual agreement should it be considered necessary for training purposes only and must be agreed by HR&D.

At the end of the trial period, a formal review will take place to assess the suitability of the role. Acceptance of the new role will remove any current eligibility for a redundancy payment.

If the trial period is unsuccessful (for a reason connected with the change in role), the employee will be treated as having been dismissed by reason of redundancy. However, if an employee unreasonably refuses a role, which the University regards as suitable, they may be made redundant with notice, but would not be entitled to a redundancy payment.

Support for Employees

We will take all reasonable steps to minimise the adverse impacts of change to ensure that employees are provided with the tools and support to cope with change effectively and maintain their wellbeing.

- ☑ **Redundancy Information for Employees** provides further information about the support that is available.
- ☑ The online **Change toolkit** contains useful tools and techniques that can help during periods of change.

Support will include the following, as appropriate:

- ☑ All employees have unlimited access to a free and confidential Employee Assistance Programme.
- ☑ Employees provisionally selected for redundancy will be allowed reasonable paid time off to look for alternative employment or to arrange/attend training and interviews.
- ☑ Employees provisionally selected for redundancy will be offered access to appropriate expert and confidential support services, such as career transition or a pre-retirement course and will be given reasonable access to office facilities to help find other work.
- ☑ Access to relevant and reasonable training that will develop and/or bridge any identified skills gaps.
- ☑ Support to complete the redeployment documentation to ensure that a full skills profile, training needs analysis and details of roles which may be suitable are identified.
- ☑ Support from your trade union, if you are a member.

Employees who are absent from work

During any redundancy process, management should consider and involve any employees who are temporarily absent on family-friendly leave, absent due to sickness or on secondment to an alternative role. These employees should be sent all of the relevant documentation and be invited to all briefings and consultation discussions.

Reasonable Adjustments

Reasonable adjustments will be considered to accommodate individual needs throughout organisational change. Employees with a disability are encouraged to discuss with their line manager what reasonable adjustments they would like to be considered. Similarly adjustments may be requested by employees who are currently absent from work and unable to attend the workplace. Management will determine what adjustments are reasonable under the specific circumstances.

Right to be Accompanied

At all stages of individual consultation, employees have a right to make a reasonable request to be accompanied by a work colleague, a trade union representative or an official employed by a trade union.

If the work colleague or trade union representative is unable to attend the scheduled meeting date in the first instance we will endeavour to rearrange the meeting to a new date (ideally no more than 5 working days after the date originally set). Whilst every effort will be made to find a time that is suitable for all parties, if the work colleague or trade union representative is not available at the pre-arranged date, then we can consider insisting that the employee finds an alternative companion.

Redundancy Pay

We will pay redundancy pay to employees with more than 2 years' service as at the termination date. Two calculations will be made and we will pay the greater of these two calculations.

Both calculations are based on the following:

- For each complete year of continuous service under the age of 22, half a week's pay;
- For each complete year of continuous service between the ages of 22 and under 41, one week's pay;
- For each complete year of continuous service over the age of 41 one and half week's pay.

Statutory Redundancy Pay

For the purposes of calculating statutory redundancy pay, the continuous service date includes reckonable service. Pay will be calculated based on a week's pay and capped at the statutory maximum, which is reviewed on an annual basis. Further details can be obtained from www.gov.uk. Years of service will be capped at 20 years.

Enhanced Redundancy Pay

For the purposes of calculating enhanced redundancy pay, the continuous service date is based on the employee's start date of employment (this will include service recognised as part of a TUPE transfer) but will not include reckonable service. Pay will be calculated on a week's pay based on 1 week's normal actual pay, based on the employees' current contractual salary point as at the termination date and will be calculated on a pro-rata basis for part-time employees. Years of service will be capped at 20 years.

🔗 Information about reckonable service is contained in the appendix.

We will provide employees provisionally selected for redundancy with a redundancy payment estimate during the consultation process.

Right of Appeal

The University recognises that an employee may wish to appeal against a decision that has been taken to make them redundant. The appeal procedure is designed to ensure that any appeals are heard as quickly, fairly and consistently as possible.

There is only one level of appeal within the University and therefore the decision taken following an appeal is final.

🔗 **Organisational Change & Redundancy – Policy Guidance for Managers and Redundancy Information for Employees** provides further information about the appeal procedure.

Related Policies

- Organisational Change Policy
- Fixed Term Contract policy statement
- Recruitment & Selection Procedure

Document Control

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Appendix – Definitions

Redundancy

Legally, redundancy is one of the potentially fair reasons for dismissal as set out in section 139 (1) of the Employment Rights Act 1996. Employees can be dismissed by reason of redundancy where they are dismissed wholly or mainly for one of the following reasons:

- ☑ Closure of a business – If the employer has ceased or intends to cease, to carry on the business for the purpose of which the employee was employed.
- ☑ Closure of a particular workplace – There will be a redundancy situation if an employer ceases, or intends to cease to carry on the business at the place of work at which an employee was employed.
- ☑ Requirements for an employee to carry out work of a particular kind or to carry out work of a particular kind at the place of work at which the employee was employed have ceased or diminished or are expected to cease or diminish. This may cover a number of scenarios, including:
 - Requiring fewer employees to do the same amount of work.
 - There is less work available.
 - No longer requiring employees to do the same work because of, for example, introduction of new technology.

Collective Consultation

If an employer is proposing to make redundant 20 or more employees at one establishment within 90 days, legal requirements regarding collective consultation apply. An employer must consult with a recognised trade union or if none exists, with other elected employee representatives and consultation must start in good time:

- 30 days before the first dismissal takes effect where 20-99 redundancies are proposed at one establishment over a period of 90 days or less
- 45 days before the first dismissal takes effect where 100 or more redundancies are proposed at one establishment over a period of 90 days or less.

Before commencing consultation, certain information must be disclosed in writing to the appropriate representatives concerning the proposed dismissals and to the Secretary of State for Business, Innovation and Skills.

There is no legal requirement to consult on a collective basis when less than 20 redundancies are proposed at one establishment over a 90 day period.

Statutory Notice Period

- **1 week** – after one months' continuous service but less than two full years
- **2 weeks** – after two full years' continuous service

And then one extra week for each additional full year of service, to a maximum of 12 weeks.

PILON (Pay in Lieu of Notice)

Where an employee is not required to work their contractual notice period and instead receives a payment equal to their base pay (subject to tax and NI) which would have been paid, had they worked their notice period.

Reckonable Service

The Redundancy Payments (Continuity of Employment in Local Government, etc.) (Modification) Order 1999 (The 1999 Order) requires certain public sector employers, when considering continuous employment under section 162 of the 1996 Act, to consider, in certain circumstances, previous employment with other public sector employers .

For this service to count, as reckonable service any offer of employment must have been made to the employee before their termination date at the previous public sector employer. In addition, the employee's starting date with Edinburgh Napier University must be within 4 weeks of the termination date.