

### Redundancy Policy

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Author	Human Resources Officer
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External References	ACAS; Employment Rights Act 1996
Comments	

## **Redundancy Policy**

### **1. Introduction**

- 1.1 Blackwood aims to retain employees and provide security of employment. However, changes in competitive conditions, organisational requirements and technological developments may sometimes lead to redundancies.
- 1.2 Blackwood, in consultation with employees and their representatives as appropriate, will seek to minimise redundancies. Where redundancy is, inevitable Blackwood will handle the process in the most fair, consistent and sympathetic manner possible.
- 1.3 This policy is within the scope of the Recognition Agreement with Unite the Union.

### **2. SCOPE, PURPOSE AND AIMS OF THE POLICY**

- 2.1 Redundancy is defined in the Employment Rights Act 1996. Accordingly, in four different situations a dismissal may constitute a redundancy, if the reason for the dismissal is wholly or mainly attributable to the fact that: -
  - 2.1.1 there has been an actual or prospective cessation of the business “for the purposes of which the employee was employed”
  - 2.1.2 there has been an actual or prospective cessation of the business “in the place where the employee was employed”
  - 2.1.3 there has been an actual or prospective cessation or reduction of the requirement of the business “for employees to carry out work of a particular kind” there has been an actual or prospective cessation or reduction of the requirements of the business “for employees to carry work of a particular kind in the place where the employee was employed by the employer”.
- 2.2 As part of this retention first policy, Blackwood will, where appropriate:
  - 2.3.1 Move existing employees into a new post (See 8.1)
  - 2.3.2 Retrain and/or redeploy existing employees (See 8.2)
  - 2.3.3 Consider appointing existing employees to internal vacancies which arise or are expected to arise during the period where redundancies are being considered.
  - 2.3.4 Restrict the recruitment of permanent employees to new or vacant positions
  - 2.3.5 Seek application for voluntary redundancy amongst existing employees Terminate, the contracts of temporary or agency workers

2.3.6 Consider Job Share schemes

2.3.7 Consult with other similar organisations within the sector about employment opportunities out with Blackwood.

### **3. KEY OPERATIONAL FRAMEWORK**

3.1 Blackwood will consult with appropriate representatives\* and affected employees\*\* in line with our statutory obligations. The Chief Executive, or delegated member of the Executive Management Team (EMT), will advise the appropriate representatives and affected employees why redundancies are proposed and the proposed timings.

*Note the definition from statute;*

\*"appropriate" representatives – are representatives of the recognised trade union or elected employee representatives where there is no trade union representation.

\*\*"affected" employees – are employees who are affected by the proposed dismissal or who may be affected by measures taken in connection with those dismissals.

3.2 The Chief Executive will keep the Board advised at all times throughout the consultation process in line with Blackwood's scheme of delegation.

3.3 The Chief Executive will review and agree the Redundancy Approval form (See appendix 1) which will be completed by the Human Resources Team.

3.4 During the Consultation Process, every effort will be made to avoid redundancy (See Section 22.0)

3.5 All redundancies will be signed off by the Chief Executive using the form in Appendix 1. Authorised redundancies will be recorded on the Redundancies Register which will also be signed off by the Chief Executive at the end of each financial year.

3.6 The Chief Executive or the appropriate member of EMT, will advise the affected individuals as soon as possible.

3.7 The Chief Executive or the appropriate member of EMT will inform all Blackwood employees as soon as possible will provide regular briefings throughout the process.

3.8 If there is more than one post holder of the post that is to be made redundant, selection will be made following the selection process detailed below.

### **4. THE CONSULTATION PROCESS**

4.1 The consultation process will be "in good time" this means that all affected employees will have an appropriate amount of time to discuss the proposal before being given notice of dismissal. The minimum period for advance consultation will be 30 days before the proposed date of dismissal of the first redundant employee when 20 to 99 redundancies are proposed within a 3-month period or 45 days before the proposed date of dismissal of the first redundant employee when 100 or more redundancies are proposed within a 3-month period.

4.2 Blackwood will provide information to and consult with the appropriate representatives and affected employees on an individual basis as well as on a collective basis where required. Representatives may be elected from the affected group of employees and need not be appointed by the Trade Union or members of the Trade Union (see 3.1).

- 4.3 Consultation will be agreed which will allow for group and individual meetings and will be notified to affected employees.
- 4.4 The consultation process applies to all those at risk of redundancy.
- 4.5 Having started the consultation process, Blackwood will disclose in writing;
- the reasons for the proposed redundancies, including a basic business case
  - the numbers and descriptions of employees that may be dismissed as redundant and the total number of these categories employed in the affected workplace
  - the proposed selection criteria
  - the proposed method of carrying out dismissals and their timings
  - the method of calculating the amount of any redundancy pay. (See 11.0).
- 4.6 Employees will be able to apply for voluntary redundancy during the consultation period however, confirmation will not be given to these applications until the period of consultation is formally concluded and all the information surrounding the redundancy is available to all those affected.

## **5. REDUNDANCY SELECTION PROCEDURES**

- 5.1 Where attempts to retain employees have failed Blackwood will apply Selection Procedures when there is more than one holder of a redundant post. Where appropriate to do so the first method of selection will be to call for volunteers for redundancy.
- 5.2 It should be noted however that Blackwood is under no obligation to accept those who volunteer for redundancy.
- 5.3 Before selection for redundancy, the manager will identify the appropriate skills, qualifications, knowledge, experience etc. required for the remaining post(s). This will be done using Blackwood's current practice for identifying necessary requirements for posts.
- 5.4 The selection of employees for redundancy will be carried out by a panel appointed by the Chief Executive, comprising of a member of the EMT, a member of the Human Resources Team and a manager not directly involved with affected employees. It will be based on the identified needs of the remaining post(s) and having applied criteria from Section 6. However, it is recognised that each redundancy situation may be different and the specific criteria for selection will be drawn up at the time and based on the ongoing needs of Blackwood to effectively conduct its business.
- 5.5 Written records of the selection process for each individual will be provided by the Selection Panel. Individuals do not have right of access to other people's selection records for comparison.
- 5.6 Blackwood will consider using a scoring matrix discussed beforehand with Unite the Union and employee representatives before undertaking any selection procedures.
- 5.7 An employee selected for dismissal by means of redundancy may appeal using the Procedures in section 12.

## **6. CRITERIA TO BE USED IN THE SELECTION PROCESS**

The criteria below are intended as a guide only:

### **6.1 Skills and Qualifications**

- 6.1.1 Selection on this basis needs to be objective, and it may be appropriate for other aptitudes to be taken into account, e.g. ability to be transferred to another function. The selection panel will review the appropriate Job Profile and Person Specification for the affected post against each employee in the selection pool.

### **6.2 Experience and Individual Ability**

- 6.2.1 Relevant experience, personal ability and/or specialist knowledge.

### **6.3 Standard of Work Performance**

- 6.3.1 Selection must be supported by objective Performance Management documentary evidence taken over at least the current year and preferably two years of annual appraisals, supervision records or other objective performance management documentation. If this information is not available Blackwood will consult with the individuals concerned about the most appropriate way of assessing the employees.

### **6.4 Versatility and Adaptability**

- 6.4.1 Consideration should be given to how adaptable and flexible the person is and how they have reacted to change in the past and any additional responsibilities that they have undertaken for Blackwood.

### **6.5 Attendance Records**

- 6.5.1 Accurate records of absence, including at least the current and preferably the past two years of work history will be taken into consideration. The panel will make appropriate reasonable adjustments for those employees who have a disability or illness which is covered under The Equality Act 2010.

### **6.6 Disciplinary Records**

- 6.6.1 Only current disciplinary records can be referred to in this instance. Any previous disciplinary warnings which are time expired are not to be included and any disciplinary issues which are based on attendance or standards of work performance should not be included if already addressed through 6.3 and 6.4.

### **6.7 Seniority or Length of Service**

- 6.7.1 Selection on this basis is normally applied only when there is no other way of distinguishing between employees tied following application of the criteria in 6.1-6.5. Blackwood will review these criteria carefully but will not give it undue or unfair weighting which may be discriminatory to younger employees.

6.8 The selection criteria will not be discriminatory. An employee's sex, race or nationality, disability, age, marital status or civil partnership, sexual orientation, pregnancy, maternity or responsibility for dependants, religion or belief, employment status, trade union membership or other personal characteristic will not be taken into account.

## **7. REQUIREMENT TO WORK NOTICE PERIOD**

7.1 An employee dismissed because of redundancy will be required to work their notice period. Where an employee chooses to take voluntary redundancy or to leave during their notice period to take up other employment the period of notice may be subject to negotiation and agreement, however these employees lose their entitlement to payment in lieu of notice for the remainder of their contractual notice period. The arrangements for the period of notice will be agreed with the employee but the expectation is that they will work to ensure that there is a smooth transition of responsibilities and the needs of the service are maintained.

7.2 An employee may be required to leave their place of employment immediately after their redundancy has been intimated to them. This will be at the discretion of the Chief Executive; under these circumstances an employee will receive full salary payment in lieu of notice.

7.3 Blackwood reserves the right to place employees on "garden leave". This is a term used to indicate that an employee is still formally employed by Blackwood but is in their notice period and not required to attend work. Although there is no requirement to be at work the employee should be available if required. An employee cannot commence employment for another employer whilst on garden leave without the written permission of Blackwood; permission will not be unreasonably withheld.

7.4 Periods of Notice cannot commence within the period set for consultation. See Section 4.

7.5 An employee has the right to access the appropriate records following dismissal for the purposes of collecting information for an appeal. See Redundancy Appeals Procedure Section 12.

7.6 If an employee wishes to commence employment with another employer or wishes to leave within their notice period they will not be paid in lieu of the remaining portion of their notice. However, providing their redundancy has been confirmed during a termination meeting, they will still be entitled to redundancy payments

## **8. ALTERNATIVE WORK AND TRIAL PERIODS – ASSIMILATION & RE-DEPLOYMENT**

8.1 In so far as reasonably possible, retention of employees is a key aim of the policy and Blackwood will maximise the opportunities for continuous employment and minimise the need for redundancies. Where employees are faced with redundancy and where vacant posts exist, Blackwood will consider whether it is possible to match the people faced with redundancy with the vacant posts. Care needs to be taken that people are matched with posts appropriate to their skills, and that they are not placed in posts for which they would not be suited. In considering a match between people and vacant posts, three things will be considered in sequence: assimilation, redeployment and internal recruitment. There is not a clear dividing line between circumstances when each of these might apply, and judgement will be required. The Human Resources Team should be consulted by managers to determine which channel is used.

- 8.2 **Assimilation** can occur when an existing post has been removed and another created which is substantially similar. This does not refer to minor changes in job descriptions or re-titling a post, but changes which are substantial enough to say that a post has been removed. When a newly created post is so similar to a removed post that it is reasonable to assume that the post holder of one could carry out the duties of the other, then assimilation can occur. Factors which would be considered in terms of similarity would include job content, level of seniority, skills and experience required, and similar scoring following the completion of the job evaluation process. Assimilation means that someone who had held the removed post would be placed in the new post, and it would be assumed that no special training or trial period should be necessary – though where training needs exist, these will be assessed and addressed. If significant training needs exist, this would indicate that the posts are not sufficiently similar to be dealt with through assimilation.
- 8.2.1 In circumstances where assimilation is being considered, Blackwood will consult with those affected about the process. A redundancy situation will not apply as the process of assimilation and continued employment of employees is a key feature of this policy.
- 8.3 **Redeployment** - An offer of suitable alternative work, re-deployment, may be made to employees to avoid the need for redundancy. Redeployment occurs when there is less similarity between the two posts in question than when assimilation occurs, but where there is enough similarity to believe that it is reasonable for someone to be able to make the change. Any offer must be made before the end of the original contract of employment and take effect within 4 weeks of the end of that contract. It must contain sufficient information to enable the employee to decide whether to accept the offer (job profile, and person specification) and illustrate the differences between it and the original post.
- 8.3.1 Where an offer of re-deployment is made which involves a different type of work or different terms of employment, the employee will be entitled to a statutory 4-week trial period. If during the 4-week period either the employee or the employer gives notice to terminate the contract, then the employee is still treated as having been made redundant. There is no right to a redundancy payment once the initial 4-week period has expired. Notice should be given to terminate the trial period as follows;
- 8.3.2 The employee must give 4 weeks notice or the remainder of the trial period (whichever is the shorter).
- 8.3.3 The employer must give 4 weeks notice or the period of any outstanding contractual notice (whichever is the longer).
- 8.3.4 An employee who refuses an offer of assimilation, re-deployment or who resigns during the trial period will lose their right to a redundancy payment if their refusal or resignation is shown to be **unreasonable**. For example, it would not be unreasonable to reject an offer which would involve significant changes in travelling time, skills and status.
- 8.3.5 Redeployment may not necessarily be to posts in the same geographic area. Blackwood will consider offering a Relocation Allowance in accordance with current policy when considering redeployment in these circumstances.

8.3.6 Redeployment would not be offered where the gap in skill level was too great, or the job content was too dissimilar. Consultation will take place before that decision is reached. To offer redeployment in these circumstances may constitute constructive dismissal, or would set up a situation where it was unlikely that someone could succeed, which would be in neither party's interest. However, it would still be possible for an employee to apply for a vacant post that was not open to them under redeployment. In a situation where Blackwood can not assimilate or redeploy affected employees to a vacant post but were still faced with making redundancies, affected employees will be given the opportunity to apply for vacant posts on a competitive basis.

8.4 **Internal Recruitment** - Blackwood would only advertise posts among existing employees. Any employee can apply, and Blackwood will appoint according to our current recruitment procedure. Priority would be given to those employees who are at risk of redundancy although appointments will only be made if the necessary criteria were satisfied.

8.4.1 This approach would offer two ways of combating redundancy; if employees at risk of redundancy were appointed, or if another vacancy were created by an unaffected employee being appointed, and if this vacancy in turn could be offered to employees at risk of redundancy. Blackwood would not fill a vacant post internally unless the criteria were satisfied. Internal recruitment should always be considered when potential redundancies exist, but would not always occur. For example, if there were a vacant post which had to be filled quickly and which demanded specialist skills or experience which did not appear to be held by existing staff, we would not delay external recruitment by going through a round of internal recruitment.

## **9. ASSISTANCE TO EMPLOYEES SELECTED FOR REDUNDANCY**

9.1 Blackwood aims to provide as much support as possible to employees dismissed through redundancy. Employees selected for redundancy will be granted reasonable time off work to attend interviews having first consulted with their line manager. Employees selected for redundancy will be offered reasonable access to stationary, postage and administrative support to assist them in pursuing other employment options. Blackwood will use existing communication networks to notify other RSL's or Care Providers of the potential for taking on staff who have been made redundant.

## **10. EMPLOYEES ON MATERNITY OR OTHER LEAVE**

10.1 Blackwood will keep in touch at all times with employees who are absent from work and affected by proposed redundancies. These employees have the same rights to consultation as employees who are present on site.

10.2 Employees who are away from the workplace for whatever reason, maternity, long term sick or other leave will be offered any suitable vacancy which arises during their leave period in the event their post is declared redundant.

10.3 Blackwood has a duty to keep in touch with staff and they should be included in any formal consultation and be invited to attend any meetings which are relevant to the redundancy situation.

## **11. REDUNDANCY PAYMENTS**

11.1 All employees with 2 or more year's service from age 16, including employees on fixed term contracts, who are selected for redundancy, will receive redundancy pay.

Payments are based on length of service (in complete years at the date of dismissal and up to a maximum of 20 completed years' service), and age at the date of dismissal.

11.2 The following table illustrates the Blackwood calculation for redundancy pay;

Age (years)	No. of weeks pay per complete year of service (up to a maximum of 20 years' service)
16-21	1 week
22-40	1.5 weeks
41+	2 weeks

11.3 A week's pay for this calculation refers to basic contractual remuneration, including allowances and additional discretionary payments, such as but not limited to Health & Safety and Essential Car User Allowances. An employee on a **Permanent** Night Shift contract will have their shift allowance included in the basic calculation. Overtime will also be included calculated at an average over a 12-week reference period.

11.4 Redundancy pay is given irrespective of, and in addition to, any payments which may be made in lieu of notice. Payments in lieu of notice are given only with the agreement and consent of the Chief Executive.

11.5 An employee who leaves voluntarily during their contractual notice period will not lose their entitlement to Redundancy Pay provided they leave with Blackwood's prior written consent. Consent will be given where an employee is required to take up alternative employment or training. They will however lose their entitlement to payment in lieu of notice for the remainder of their contractual notice period. See also Section 7.

## 12. REDUNDANCY APPEALS PROCEDURE

### 12.1 Introduction

12.1.1 The implementation of an objective, fair and consistent Redundancy Policy should minimise the need for appeals. Employees should however have a formal avenue in which to discuss and explore the reasons for their selection or their current post's selection for redundancy if they feel this has been unfair.

12.1.2 The dismissal of an employee selected for redundancy may be deemed unfair if it is for one of the following reasons (this list is not exhaustive):

- the selection is in breach of an agreed procedure unless there are special reasons to justify departure from it.
- the selection is unfairly applied or discriminatory.
- the principal reason for dismissal is a need for redundancy but circumstances apply equally to other employees who have not been selected or considered for redundancy.

12.1.3 The appeals procedure is not to be confused with consultation within the redundancy process, which, if carried out correctly, should provide sufficient explanation and understanding to those concerned.

## 12.2 Principles

The appeals procedure will:

- Examine the employee's case.
- Consider the explanations/records which underpinned the decision made.
- Allow for redress if any unfair, subjective, or inconsistent decisions or assumptions have been made.

12.2.1 The mechanisms for appeal will include an Appeals Panel comprised of a member of EMT appointed by the Chief Executive and a member of the Human Resources Team. Note: An employee cannot appeal against the decision taken to implement the Redundancy Policy or re-structure the work of the business, these decisions are taken by the Board after full and proper consideration of the strategic interests of Blackwood and do not constitute grounds for an appeal.

## 12.3 Appeals Procedures

12.3.1 The employee wishing to make an appeal should inform the Human Resources Team in writing no later than 7 working days following formal notification of the redundancy decision.

12.3.2 The Human Resources Team will write to the employee, confirming the appeals procedure has commenced and informing the employee of the date of the Hearing. They should also advise the employee to prepare for the Hearing. If the employee is not working their notice period, there should be provision for them to return to their place of work to allow access to documents etc. that may support their case.

12.3.3 The Hearing will normally be held within 10 working days of receipt of an appeal request. The employee will have the right to be accompanied at the hearing by a colleague, union or another non-legal representative.

12.3.4 The panel hearing should clearly identify what the employee's appeal entails and what remedy the employee is seeking. Should any further course of action (i.e. investigation into the process for selecting the employee for redundancy) be agreed, a timetable will also be identified and agreed with the employee and their representative.

12.3.5 The panel should then investigate the redundancy decision fully. A separate meeting without the employee should then be undertaken to allow full and frank discussion of the case.

12.3.6 The decision of the Panel will be sent to the employee, in writing, within 7 working days of that decision being recorded. The decision should also include, where appropriate, any remedies for redress.

12.3.7 The decision of the Redundancy Appeals Panel will be final.

## Appendix 1



### Redundancy Approval Form

#### Section 1 – Details of request\*

<b>Name of employee(s)</b>	
<b>Name of person making redundancy request</b>	
<b>Date of request</b>	
<b>Justification for Redundancy</b>	
<b>Termination date</b>	
<b>Amount of Redundancy Payment(s)</b>	
<b>Notice to be paid to employee</b>	<i>Please highlight as appropriate</i> <b>Yes                  No</b>

\*Please note that the details above can be provided on an attached spreadsheet if more than one employee is affected.

#### Section 2 – Approval of request

<b>Request approved by Chief Executive</b>	
<b>Date of approval</b>	