

Leavers Framework Element 3: Redundancy Procedure

1 Introduction

This Policy is part of the Leavers Framework which is made up of a number of elements which together encompass all formal policy, procedure and statement documents, including associated forms, relating to leavers in Abertay University.

If you would like this document in a different format (e.g. large print, braille) or need any assistance to access or understand the policy/procedure please contact your School/Service designated HR Partner.

This procedure does not form part of any employee's contract of employment and it may be amended at any time. The University may also vary any parts of this procedure, including any time limits, as appropriate in any case.

2. Purpose and Scope

It is the policy of the University, as far as is reasonable, to ensure security of employment for its employees. However, it is acknowledged that, as a result of both internal and external factors, it is not always possible to ensure security of employment and that change in the functions, structure and levels of staffing within the University may need to be considered. Factors which may result in a review of staff functions, structures and levels may include, but are not limited to:

- Developments and changes in Government policy;
- Financial implications of changes in funding;
- Meeting student demand and that of other stakeholders;
- Technological developments;
- Facilitating growth and development opportunities;
- Maintaining competitiveness;
- Ensuring efficiency and capability;
and
- Developing and maintaining quality of services.

With this in mind, it is the aim of the University to manage change in a positive and responsive manner whilst enabling a structured approach to efficiently managing its human resource requirements and thus safeguard, in so far as is possible, the employment of University staff within the context of the long term economic sustainability of the University.

This procedure and its procedures apply to all University staff with more than 51 weeks' service.

Note: For staff with less than 51 weeks' service an individual employee will be informed, in writing that their role is at risk of redundancy. A meeting(s) will take place to clarify the

situation. If no alternative post can be identified the employee will be dismissed on the grounds of redundancy, with the right to appeal.

This procedure will be reviewed on a triennial basis, or before if deemed necessary, to ensure it remains compliant with legislation and good practice and that it meets the needs of the University. In making amendments to this procedure the University will undertake appropriate consultation with the recognised Trades Unions and Staff Representatives

3 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.

4. Consultation

The University will notify affected employees at an early opportunity of the reasons for the potential redundancy situation and of its proposals. This will be done through consultation with employees, recognised Trades Unions and Staff Representatives, except in the case of individual redundancies.

4.1 Collective consultation

Where the University is contemplating 20 or more redundancies over a 90 day period consultation will take place with the recognised Trades Unions and Staff Representatives, which will be in addition to individual consultation (see section 3.3.2 below).

Collective consultation will begin in good time and be completed before any redundancy notices are issued. Consultation will begin:

- At least 30 days before the first dismissal takes effect if 20 to 99 employees are to be made redundant over a period of 90 days or less;

and

- At least 45 days before the first dismissal takes effect if 100 or more employees are to be made redundant over a period of 90 days or less.

During collective consultations, University representatives will provide information (oral and written) to the recognised Trades Unions and Staff Representatives about the proposed redundancies, and will provide adequate time to respond. Information provided will include:

- The reasons for the proposed redundancies;
- The numbers and categories of employees who may be redundant;
- The proposed method of carrying out any redundancy dismissals;
- The time period over which the redundancies may be carried out;
and
- The proposed method of calculating redundancy payments.
- The objectives of consultation will be to, where possible, reach agreement on the following:
 - Avoiding the need for redundancies wherever possible;
 - Reducing the number of employees who are to be made redundant to a minimum;
 - Determining the criteria to be used to select employees for redundancy;
and
 - Mitigating the consequences of any dismissals.

4.2 Individual consultation

Once provisional selection for redundancy has been made, the University will enter into individual consultation with each employee who has been provisionally selected for redundancy.

Individual members of staff can be accompanied at consultation meetings by an Abertay colleague or an official of a recognised Trades Union. Each employee will have the right to be informed of the basis of their selection and invited to put forward any representations. The University will fully consider any representations before making a final decision on which employees are to be made redundant.

At the individual consultation meeting, consideration will also be given to any representations which the employee wishes to make about the reasons for the proposed redundancies, ways of avoiding redundancies, and any opportunities for redeployment or retraining (see section 3.4.2 below).

5. Avoiding and minimising redundancy

5.1 Measures to avoid or minimise redundancy

The University will give specific consideration, where appropriate and reasonable to the following measures by which the need for redundancies might be avoided or minimised.

The following list is not exhaustive and any of the measures stated, (either individual or in combination), may be used:

- Restrict recruitment, for example:
 - prioritise essential roles
 - operate a recruitment freeze or partial freeze
 - reduce/minimise the use of temporary staff, agency staff, or both
- Stop or reduce systematic overtime;
- Amend hours of work;
- Job sharing;
- Natural wastage, e.g. leavers;
- Voluntary early retirement;
- Voluntary redundancy;

- Sabbatical or secondment;
and
- Re-deployment and/or retraining.

52 Redeployment and Retraining relating to redundancy

Vacancy information

Where a potential redundancy exists the member of staff at risk will be provided with details of all current vacancies within the University. This information will be updated on a regular basis throughout the redundancy process.

Applications

If “at risk” employees wish to be considered for a vacancy then they must submit an application, subject to the requirements of the particular job advert. The outcome of the application may be:

- Where the University deems an at risk employee fully meets all essential criteria and all desirable criteria from the role person specification, the member of staff may be offered the post without interviewing other applicants.
- Where circumstances exist involving more than one at risk employee who meet the essential and desirable criteria, each will be interviewed for the role.

Where the University deems an at risk employee 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 University deems an at risk employee meets the majority, but not all, of the essential criteria from the role person specification, the employee will be considered for interview.
- Where an employee is subsequently interviewed consideration will be given, along with their suitability for the role, to retraining and the length of the potential trial period.
- 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.

The University may also identify positions from the list of vacancies which it considers may be suitable for particular employees. In such situations employee’s will be expected to co-operate with the University in providing such information as is deemed reasonable to allow the University to make an assessment as to their suitability for such vacancies. The University will make a decision based on the information it has in its possession.

Suitable alternative employment

A role will be deemed a suitable alternative to redundancy where the terms and conditions of employment are broadly comparable, and the skills and experience required are within the employee’s capability.

If an employee declines an offer of redeployment, which the University deems a suitable alternative to redundancy, then the employee may forfeit their right to compensation, including statutory redundancy pay and any additional severance payment offered by the University. The University will take into account the particular circumstances that could apply to individual cases where an employee wishes to decline an offer of redeployment.

Trial period

All posts offered under redeployment will be subject to a trial period.

An employee who is under notice of redundancy has a statutory right to a trial period of four weeks in a post offered under redeployment where the terms and conditions of the new contract of employment differ from the original contract. The trial period begins when the previous contract has ended and ends four weeks after the date on which the employee starts work under the new contract.

The purpose of the trial period is to give the employee a chance to decide whether the new job is suitable without necessarily losing the right to any proposed (including statutory) redundancy payment. Likewise, the University will also use the trial period to assess the employee's suitability for the role.

Should the University wish to end the new contract within the four weeks (or within a jointly agreed extended period) for a reason connected with the new job, the employee will preserve the right to any previously proposed (including statutory) redundancy payment under their previous contract. This will not be the case if the employee unreasonably terminates the contract. In addition, if the dismissal was because of a reason unconnected with redundancy (for example due to misconduct), the employee may also lose the entitlement.

Where an employee does not wish to continue within the role they should inform Human Resources in writing before the end of the four week trial period (or jointly agreed extended period).

If the employee works beyond the end of the four week period (or a jointly agreed extended period, see below) any proposed (including statutory) redundancy entitlement will be lost and the employee will be deemed to have accepted the new employment.

For the avoidance of doubt it is the University's sole decision:

- Whether or not to offer a redeployment opportunity on a trial basis;
- Whether to offer an extended trial period of more than four weeks;
and
- Whether the University terminates the employment at the end of the four week or extended trial period.

Retraining

The four week trial period may be extended by the University in considering the aspects of the role or for retraining purposes. Such arrangements will be outlined in an agreement which is in writing, specifies the date on which the trial period ends and sets out the employee's new terms and conditions of employment.

6. Selection for Redundancy

The identity of the pool for selection, and the criteria for provisional selection for redundancy, will be decided in consultation with recognised Trades Union and Staff Representatives, subject always to the University's need to retain specific knowledge and skills and a balanced workforce.

The selection criteria will be objective and a matter for consultation. Examples of criteria that may be applied include, but are not limited to, consideration of the following (or other similar) factors:

- The extent to which the skills and experience of the affected employees meet the skill set required;
- Whether the affected employee meets current and future needs of the University;
- Past performance of the affected employee in the post for selection (in liaison with the HOSS and/or line manager);
- Attendance record;
and
- Disciplinary record.

7. 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.

Where selection has been confirmed, those selected for redundancy will be given notice of termination in accordance with contractual and legal entitlements. In certain circumstances, where it is considered appropriate by the University, employees may receive a payment in lieu of working their notice period.

7.1 Statutory Entitlement

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

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

Further details can be found on the Department for Business Enterprise and Regulatory Reform (formerly the DTI) website.

7.2 Severance Agreement

There is no contractual right to any additional severance payment in addition to the Statutory Entitlement. However, the University may, at their sole discretion, offer such additional service payments. Such payments will be made as compensation for loss of employment. The total of any Statutory Entitlement, and any such additional severance payment, which may be made will be made free of any deductions of income tax or National Insurance Contributions up to Her Majesty's Revenue & Customs' ("HMRC") limit of £30,000. Payments in excess of this sum will be subject to a deduction of basic rate income tax by the University for which deduction the University will account to HMRC.

Any additional higher rate tax, for which the employee may be liable in respect of the excess payment over £30,000, will be payable by the employee to HMRC as part of the settlement of the employee's tax affairs for the tax year in which the employment ceases.

Any contractual pay during notice, or in lieu of notice, will be subject to deductions of tax and national insurance.

In the event of any severance payment for compensation for loss of employment being made (and there is no contractual right or entitlement to such payment), such payment as shall be conditional on the employee entering into a compromise agreement with the University. The payment will be in full and final settlement of all claims which an employee may have against the University arising from the contract of employment or its termination, excluding any claim for accrued pension rights or damages for latent personal injury. This includes any claim under contract and under current employment legislation, European law or at common law.

8. Support for staff at risk or under notice of redundancy

The University will endeavour to provide reasonable and appropriate assistance to employees who are at risk or under notice of redundancy to seek alternative employment. The following support is available:

8.1 Time Off

Subject to the University's operational needs, employees will be granted reasonable time off for the following:

- To seek alternative employment opportunities;
- and
- Undertake training in relation to attaining alternative employment.

Arrangements for such time off must be made in liaison with and agreed by the line manager.

8.2 Access to Facilities and Services

The University will consider allowing reasonable access to facilities during the redundancy process, up until the termination of employment date. Such access may include the use of internet, email, telephone and fax. The employee should seek the permission from their line manager for the use of such facilities.

Advice from the HR Partner designated to the employee's School/Service will be available on issues such as job search, making a job application and interview skills. In consultation with the Head of Human Resources, such support may remain available from HR after the employment termination date.

8.3 Counselling

The University recognises that the circumstances of redundancy can prove a difficult experience for some employees. Access to the Occupational Health Advisor is available, as is access to the approved University's counselling service, (up to a maximum of six sessions to be taken in a three-month period).

Employees wishing to access such services should contact the Occupational Health Advisor in the first instance.

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