

REDUNDANCY POLICY

1. Purpose of the Policy

It is the intention of Peterborough City Council to manage the organisation in a manner which results in secure employment for all employees.

The purpose of this policy is to ensure that, whenever reductions in employee numbers become necessary the council will:

- communicate clearly with all affected employees;
- consult with employees and recognised trade unions;
- try to find ways of avoiding compulsory redundancies; and
- ensure that any selection for compulsory redundancy is undertaken fairly and reasonably.

This policy does not form part of any employee's contract of employment. It may be amended from time to time.

2. Key Principles

The council will always try to avoid the need for compulsory redundancies but sometimes these may be necessary.

Where the council is unable to avoid reducing employee numbers the council will try to minimise the effect of redundancies through the steps set out in this policy.

The council will not discriminate directly or indirectly on grounds of gender, sexual orientation, marital or civil partner status, gender reassignment, race, colour, nationality, ethnic or national origin, religion or belief, disability or age. Part-time employees and those working under fixed-term contracts will not be treated differently to permanent, full-time comparators.

3. Avoiding Compulsory Redundancies

Where the council proposes to make redundancies, appropriate managers will enter into consultation with all affected employees on an individual basis and, where appropriate, also with recognised trade unions.

In the first instance the council will consider steps that might, depending on the circumstances, be taken to avoid the need for compulsory redundancies. Examples of such steps include:

- Reviewing the use of agency staff, self-employed contractors and consultants.
- Restricting recruitment in the affected categories of employee and in those areas into which affected employees might be redeployed.

- Reducing overtime to that needed to meet contractual commitments or provide essential services.
- Considering the introduction of flexible working arrangements, where these are practicable.
- Identifying suitable alternative work that might be offered to potentially redundant employees.
- Inviting applications for early retirement or voluntary redundancy. In all cases the acceptance of a volunteer for redundancy will be a matter of our discretion and we reserve the right not to offer voluntary redundancy terms or to refuse an application where it is not in the interests of the council to do so.

4. Making Compulsory Redundancies

Where it is not possible to avoid making compulsory redundancies appropriate managers will be tasked with identifying which roles are at risk. The criteria used to select those employees who will potentially be made redundant will be objective, transparent and fair and based on the skills required to meet existing and anticipated business needs.

Where practicable, employees will be offered posts which are directly comparable with their present post without the need for formal selection processes. This is referred to as **slotting**.

If a post is available for slotting which is:

- of the same grade or of one grade difference and
- the accountabilities are similar to those of the redundant post and
- where there are more 'at risk' candidates than posts;

Employees will be placed into a **selection pool** (also referred to as **ring-fencing**). If other employees do jobs that are interchangeable, or do the same or similar work, line managers will consider widening the pool to include these employees.

Those employees who have been provisionally selected for redundancy will be consulted with individually and in accordance with the guidance set out in the following documents:

- Management Guidance on Redundancy Consultation Procedure - Non Pools
- Management Guidance on Redundancy Consultation Procedure - Pools
- Management Guidance on Redundancy Selection Criteria - Pools

Where selection for redundancy is confirmed, employees selected for redundancy will be given notice of termination of employment in accordance with their contracts. Employees will be given the opportunity to appeal against this decision and further information can be found in the Council's [Appeals Policy](#) and [Appeals Procedure](#) available through InSite – Information Library/MyHR/Employee Policies.

Employees will also receive written confirmation of the payments that they will receive however the likely amount can also be calculated with reference to [Annex A](#).

Employees 'at risk' of redundancy will be advised of any recruitment opportunities until their termination dates. The manner in which redundant employees will be invited to apply for and be interviewed for vacancies will be organised depending on

the circumstances existing at the time. Alternative employment may be offered subject to a trial period where appropriate.

Where an 'at risk' employee takes on a new or revised post as part of a re-structure, they may be entitled to a measure of protected basic pay if appointed to a post which carries a lower level of grade or remuneration. The protection will be:

- Full protection of contractual basic pay applicable to the previous redundant post for the first 12 months; followed by
- 50% of the difference between contractual basic pay applicable to the previous redundant post and the new posts for the next 6 months.
- Protection will cease after 18 months.

Pay protection excludes elements of variable pay. The level of protection given will be discussed prior to the employee accepting the new/revised post. Pay protection for teachers will be in accordance with the School Teachers Pay & Conditions document in force at the time.

Employees under notice of redundancy will be entitled to take a reasonable amount of paid time off work to look for alternative employment or to arrange training for future employment.

The council calculates redundancy based on an employee's actual week's pay multiplied by the number of statutory redundancy week's entitlement multiplied by an enhancement of 1.5.

Contractual pay is used to calculate an employee's actual week's pay i.e. no account will be taken of any salary sacrifice arrangements in place.

This policy will comply with the Local Government (Early Termination of Employment) (Discretionary Compensation) (England & Wales) Regulations 2006, the Teachers Pensions Regulations 2010 and the Teachers (Compensation for Redundancy and Premature Retirement) Regulations 1997.

5. Repayment of redundancy

Rejoining the council or joining another body listed under the Modification Order within 4 weeks of the date of redundancy:

If the Council gives the employee notice of redundancy and before the dismissal takes effect the employee receives an offer of employment from another body specified in Schedule 2 of The Redundancy Payments (Continuity of Employment in Local Government) (Modification) Order 1999, the individual will lose entitlement to a redundancy payment.

This only applies where the relevant body makes the offer of a new job before the end of the old contract and the employment starts within four weeks of the date of redundancy.

Where this situation arises, any redundancy payment received must be repaid in full by the employee/ex-employee. This includes both the statutory and enhancement element of the redundancy payment and any payment in respect of compensation for loss of office.

Re-engagement following redundancy more than 4 weeks following the date of redundancy:

It is council's policy that no employee who has been made redundant will be permitted to rejoin the council within 12 months of the effective date of termination without the specific approval of the Chief Executive. If permission is given then the amount equivalent to the enhanced redundancy portion of the redundancy payment must be repaid in full. Any repayment must be repaid in full prior to rejoining the council.

In exceptional circumstances the Chief Executive can agree for this to be paid in instalments and a repayment schedule will be agreed or for the repayment requirement to be waived.

For the avoidance of doubt, re-employment/re-engagement includes those rejoining the council regardless of their employment/contractual status i.e. rejoining as agency/temporary workers, casual/relief workers, fixed term contract workers, consultants or interims etc.

Recruiting managers who rehire a redundant employee without seeking approval in line with this policy will face disciplinary action which could result in dismissal for a first offence.

6. Pension

If you are aged 55 or over you may be entitled to receive early payment of your pension benefits but this will be in accordance with the LGPS/TPS scheme rules.

The city council will not normally agree to release retirement benefits to teachers who retire prematurely by reasons of redundancy below the age of 60 years.

Please follow the links below for comprehensive information:-

[Local Government Pension Scheme - Home Page](#)

[Teachers Pensions - Home Page](#)

Any individual who has previously retired on permanent ill-health, redundancy, or efficiency grounds from Peterborough City Council or an organisation falling with Schedule 1 of the Redundancy Payments (Continuity of Employment in local government etc) (Modification Order 1999 (regardless of whether with Peterborough City Council), is advised to contact the pensions administrators before accepting employment to ensure that they are fully aware of any implications regarding their pension.

7. Monitoring and review of the policy

This policy will be reviewed from time to time to ensure that it reflects our legal obligations and our organisational and business needs.

8. Further information

This Policy should be read in conjunction with the council's:-

- [Equality and Diversity Policy](#)

Available through InSite – Information Library/MyHR/Manager Guidance/Equalities and Employment

- [Management Guidance on Redundancy Consultation Procedures for Non Pools](#)

- [Management Guidance on Redundancy Consultation Procedures for Pools](#)
 - [Management Guidance on Compulsory Redundancy Selection Criteria for Pools](#)
- Available through InSite – Information Library/MyHR/Manager Guidance

REDUNDANCY READY RECKONER

		Service in years																		
Age in years	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	
17	1.5																			
18	1.5	2.25																		
19	1.5	2.25	3																	
20	1.5	2.25	3	3.75																
21	1.5	2.25	3	3.75	4.5															
22	1.5	2.25	3	3.75	4.5	5.25														
23	2.25	3	3.75	4.5	5.25	6	6.75													
24	3	3.75	4.5	5.25	6	6.75	7.5	8.25												
25	3	4.5	5.25	6	6.75	7.5	8.25	9	9.75											
26	3	4.5	6	6.75	7.5	8.25	9	9.75	10.5	11.25										
27	3	4.5	6	7.5	8.25	9	9.75	10.5	11.25	12	12.75									
28	3	4.5	6	7.5	9	9.75	10.5	11.25	12	12.75	13.5	14.25								
29	3	4.5	6	7.5	9	10.5	11.25	12	12.75	13.5	14.25	15	15.75							
30	3	4.5	6	7.5	9	10.5	12	12.75	13.5	14.25	15	15.75	16.5	17.25						
31	3	4.5	6	7.5	9	10.5	12	13.5	14.25	15	15.75	16.5	17.25	18	18.75					
32	3	4.5	6	7.5	9	10.5	12	13.5	15	15.75	16.5	17.25	18	18.75	19.5	20.25				
33	3	4.5	6	7.5	9	10.5	12	13.5	15	16.5	17.25	18	18.75	19.5	20.25	21	21.75			
34	3	4.5	6	7.5	9	10.5	12	13.5	15	16.5	18	18.75	19.5	20.25	21	21.75	22.5	23.25		
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	23.25	24	24.75	
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	24.75	25.5	
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	26.25	
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	

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		Service in years																		
		2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Age in years																				
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
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
65		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
66		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
67		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
68		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
69		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

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Equality Impact Assessment:

Initial assessment – Redundancy Policy

What are the proposed outcomes of the policy?

The proposed outcomes of the redundancy policy were set out in an equality impact assessment which was undertaken the last time this policy was reviewed (June 2011). The proposed change currently being considered is to specifically include those who are employed under teacher's terms and conditions. There are no further changes. The only update to this EIA is to remove the data which was used initially. Data in this version relates to teachers who were made redundant in year 2011/12 who were (a) direct employees of the city council or (b) employed in schools on the city council payroll.

The policy aims to set out the formal steps that must be followed to ensure employees selected for redundancy are managed in a fair and equitable manner. To ensure that the process is used consistently. To help the council ensure that their approach to dealing with issues is compliant with legislation and best practice.

Managers and employees benefit by having a clear, consistent framework within which to manage redundancy situations. The procedure provides a framework which ensures fair treatment and consideration of alternatives to redundancy i.e.

- **Reviewing the use of agency staff, self-employed contractors and consultants.**
- **Restricting recruitment in the affected categories of employee and in those areas into which affected employees might be redeployed.**
- **Reducing overtime to that needed to meet contractual commitments or provide essential services.**
- **Considering the introduction of flexible working arrangements, where these are practicable.**
- **Identifying suitable alternative work that might be offered to potentially redundant employees.**
- Inviting applications for early retirement or voluntary redundancy.

Factors or forces which could contribute to or detract from delivery of the outcomes and success measures: Standard of day to day management within the organisation – managers need to be aware of the policy, their responsibilities and how to use it correctly.

The number of redundancies and their outcomes can be monitored through data from the council's payroll system. Training in the new policy has been incorporated into current redundancy training programmes and delivered to all managers when the council has been running voluntary redundancy programmes. Training entitled 'Investing in your future' was also offered to those individuals taking voluntary redundancy. Delegate's evaluation of these sessions was either good or excellent with very positive feedback including how the delegate's confidence was boosted, how it had inspired them and made them feel more positive.

It is likely that this or a similar programme would be organised if the council were to run another large scale redundancy exercise.

Which individuals or groups are most likely to be affected?

The main stakeholders in relation to the procedure are council employees, managers and trade unions.

Now consider whether any of the following groups will be disproportionately affected:

Equality Group	Note any positive or negative effects
Particular age groups	The HR Resource Link system is used to monitor and identify where any such trends may be occurring. Of the 10 leavers by reason of redundancy in the last financial year there is marginal evidence to suggest that those aged between 35-44, 45-54 and 55+ are disproportionately affected, however the majority of these were voluntary which doesn't allow for a clear judgement to be made. The procedure focuses on consistent and fair treatment irrespective of age. An emphasis on raising equality awareness through the training has been implemented with support provided for those who require it.
Disabled people	The HR Resource Link system is used to monitor and identify where any such trends may be occurring. Of the 10 leavers by reason of redundancy in the last financial year none were recorded as having a disability. The procedure focuses on consistent and fair treatment. An emphasis on raising equality awareness through the training has been implemented.
Married couples or those entered into a civil partnership	The procedure focuses on consistent and fair treatment irrespective of status. We are not currently collecting data on civil partnership but there are plans to extend our monitoring to this group at a later date.

Pregnant women or women on maternity leave	Data not available, however the procedure focuses on consistent and fair treatment irrespective of whether a woman is pregnant or on maternity leave.
Particular ethnic groups	The HR Resource Link system is used to monitor and identify where any such trends may be occurring. Of the 10 leavers by reason of redundancy in the last financial year none declared themselves to be from a minority or mixed ethnic group, however 4 of the 10 chose not to provide their ethnicity. Again this does appear to indicate that ethnicity is not an issue when redundancies are being decided. The procedure focuses on consistent and fair treatment irrespective of ethnicity.
Those of a particular religion or who hold a particular belief	The procedure focuses on consistent and fair treatment irrespective of religion or belief. We are not currently collecting data on religion or belief but the council is currently looking at whether to extend our monitoring to this group at a later date.
Male/Female	The HR Resource Link system is used to monitor and identify where any such trends may be occurring. Of the 10 redundancies in the last financial year 8 were female and 2 were males. Compared to the workforce composition of 70% female there is a marginally disproportional effect on females. However as the majority of the redundancies were voluntary this doesn't allow for a clear judgement to be made. The procedure focuses on consistent and fair treatment irrespective of gender.
Those proposing to undergo, currently undergoing or who have undergone gender reassignment	The procedure focuses on consistent and fair treatment irrespective of gender reassignment. We are not currently collecting data on gender reassignment but the council is currently looking at whether to extend our monitoring to this group at a later date.
Sexual orientation	The procedure focuses on consistent and fair treatment irrespective of sexual orientation. We are not currently collecting data on sexual orientation but the council is currently looking at whether to extend our monitoring to this group at a later date.

What information is available to help you understand the effect this will have on the groups identified above?

Most recent data from the HR Resource Link system indicates no differential impact on good relations between PCC and any of the stakeholders, or between any of the groups. It is very important however that where ever possible there is equity across the various terms and conditions of council employees.

Who will be the beneficiaries of the policy?

Council employees, managers and trade unions will benefit from the clear policy.

Has the policy been explained to those it might affect directly or indirectly?

When the update to this policy is agreed various communications will be sent to the affected employees. It will also be shared with those who provide HR and Payroll services to schools.

Can any differences be justified as appropriate or necessary?

N/A

Are any remedial actions required?

There is no clear evidence that the policy is or could be disproportionately applied to a particular group and therefore progression to a Full Equality Impact Assessment is not required.

Once implemented, how will you monitor the actual impact?

Monitoring will take place through the HR Resource Link System, redundancy database and through feedback from the teachers, their managers and HR team members.

Policy review date	31/08/2013
Assessment completed by	Karen Craig
Date Initial EqIA completed	31/08/2012
Signed by Head of Service	

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