

MANAGING STAFF REDUCTIONS POLICY

Implementation date 1st December 2014

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1. Introduction

1.1 Leeds City Council remains committed to doing everything it can to try and avoid compulsory redundancy wherever possible in order to maintain the highest possible level of job security for employees. To this end the Council is working towards developing a more flexible, agile workforce to enable the organisation to respond effectively to deliver the Best Council priorities and changing service needs.

1.2 Inevitably, changing service needs will sometimes lead to individual or groups of jobs changing or no longer being required. It is the intention of this Policy to minimise the effect on staff of changes in the workplace. The Council is committed to only considering compulsory redundancies when all reasonable alternatives have been explored. In relation to redeployment, where a current employee wants a job, and there is a suitable alternative post available, they will be offered that post as long as they have been fully engaged in the employment process.

2. Measures to Avoid Redundancy

2.1 The Council will demonstrate what measures have been or will be taken to try and avoid, reduce and minimise the effects of redundancy dismissals. Such measures may include any of the following:

- Achieving reductions through natural turnover
- Redeployment
- Reducing overtime
- Reducing the use of agency workers
- Consultation on reviews and restructures to minimise the risk of redundancy
- Workforce Planning
- Freezing/Suspending Vacancies
- Voluntary severance or voluntary early retirement
- Retraining of staff
- Support for staff through review meetings
- Giving employees at risk of redundancy reasonable time off work to look for another job and attend interviews
- Any other measures felt appropriate

2.2 However, in the event of any redundancy situation this Policy and process provides the framework to be followed.

3. Scope of the Policy

3.1 The Policy will apply to all Leeds City Council employees, including officers on JNC for Chief Officers terms and conditions, save those detailed in 3.2 below.

3.2 The policy does not apply to;

- those employed directly by a Schools
- former Public Health Staff who remain on Agenda for Change terms and conditions
- the Chief Executive, Deputy Chief Executive and JNC employees on who fall under the definition of “directors” in the footnote to the terms of reference of the Council’s Employment Committee (as other procedures will apply to these posts).

3.3 If the employee is continuously employed for two years within local government or an associated employment identified in the Redundancy Payments (Continuity of Employment in Local Government etc) (Modification) Order 1999 (and any subsequent amendments or Orders), even if they are employed on a fixed term or temporary contract, they will be eligible for redundancy payment upon the termination of their employment if the reason for the termination falls within the statutory definition of redundancy.

4. Definition of Redundancy

4.1 An employee is regarded as being dismissed by reason of redundancy, if the dismissal is wholly or mainly attributable to the fact that the:

- employer has ceased or intends to cease to carry on the business for the purposes of which the employee was employed, or
- employer has ceased, or intends to cease, to carry on the business in the place where the employee was employed, or
- 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
- 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.

4.2 In Leeds City Council, managers need to be aware that a redundancy situation could arise in the following situations:

- where there are changes in the amount of, the demand for or the type of Council services, or
- changes intended to achieve savings and / or increased efficiency in Council service delivery; or
- where the Council is changing the way in which it delivers a service or the location in which a service is delivered;
- where new technology is being introduced;
- Where a section is being restructured and as a result fewer posts will be required under the new structure.

4.3 Where a function of the Council has been transferred to an external organisation, it will not normally be a redundancy situation. Employees who work in the particular service or function which is being outsourced will usually transfer into the employment of the new service provider under the terms of the Transfer of Undertakings (Protection of Employment) Regulations and relevant Government Guidance. HR and Legal Services can advise in these circumstances.

5. Consultation

5.1 The Council recognises that for consultation to be meaningful this means entering into discussions with an open mind; a willingness to be persuaded about other options and allowing sufficient time to consider options.

5.2 The Council remains committed to having meaningful communication with its employees. The Council will consult with appropriate Trade Union representatives as soon as possible when a potential redundancy situation occurs. Consultation will commence prior to a decision being reached about whether redundancies should take place. Where possible, informal consultation regarding any changes affecting employees will begin at the earliest opportunity.

5.3 Legally there are specific timeframes for collective consultation which employers must adhere to if they propose to dismiss as redundant 20 or more employees at one

establishment within a period of 90 days or less. In this situation, consultation with the recognised Trade Unions or other appropriate representatives should commence at the earliest opportunity and 'in good time' and in any event 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
- 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.

5.4 As the Council has recognised Trade Unions, the Council will consult with representatives from the recognised Trade Unions in order to comply with its legal obligations. The Council will also consult with representatives of any other non-recognised Trade Unions whose members may be affected directly or indirectly by the proposed redundancies or by any measures which may be taken in connection with those redundancies.

5.5 The collective consultation process must start early enough for it to be meaningful and must be undertaken with a view to reaching agreement and should include details of any action to be taken to:

- avoid the dismissals
- reduce the number of employees to be dismissed
- mitigate the consequences of the dismissals.

5.6 If more than 20 employees are to be made redundant at one establishment within a period of 90 days or less, the Council must also inform the Secretary of State for Business, Innovation and Skills of their intentions at least 30 or 45 days in advance of the first dismissal taking effect, depending on the number of proposed redundancies. This is done by way of serving what is called HR1 notice, a copy of which should also be sent to the trade unions. Failure to serve this notice could lead to a fine.

5.7 In order that the Trade Unions can play a constructive role in any consultation process, the Council will write to the Trade Union representatives informing them of the following:

- The reasons for the proposed redundancies,
- The numbers and descriptions of employees whom it is proposed to dismiss as redundant
- The total number of employees of any such description employed by the employer at the establishment in question
- The proposed method of selecting the employees who may be dismissed
- The proposed method of carrying out the dismissals, with due regard to any agreed procedure, including the period over which the dismissals are to take effect
- The proposed method of calculating the amount of any redundancy payments to be made to employees who may be dismissed.
- Information about agency workers, including the total number of agency workers working for and under the supervision and direction of the employer, where they are working and the type of work they are doing.

5.8 Trade Union representatives acting on behalf of the employees affected will be granted time off under the Facilities Scheme to meet and consult with their members throughout the consultation process.

5.9 All employees on maternity, paternity or adoption leave, absent due to ill health or employees who are seconded to a different team or organisation will be included in any consultation exercises, and will be kept informed throughout any periods of organisational change.

5.10 In addition to Trade Union consultation, the Council will carry out individual consultation. For further information please see section 7 below.

6. Pool for Selection and Selection Criteria

6.1 The pool for selection should be clear.

6.2 The selection criteria should be clearly defined and objective and support a fair and transparent selection process. The criteria should be applied in a reasonable, fair and objective manner and should not discriminate against employees on the grounds of age, sex, race, disability or other protected characteristics or part time status. The Council may choose to use one or more of the following criteria to select employees for redundancy (please note this list is not exhaustive):

- Voluntary Redundancy/Early Retirement
- Skills or experience
- Formal appropriate qualifications, advanced skills and other aptitudes
- Standard of work performance or aptitude for work
- Performance (there should be objective evidence to support selection on this basis, for example by reference to the Council's existing appraisal system)
- The future viability of the Council and/or service i.e. the requirement to maintain a balanced workforce after the redundancies have been carried out. For example specific skills, flexibility, adaptability and an employee's approach to work may be relevant to the future success of the business

6.3 The Council will consult on the proposed selection criteria and how they will be weighted during the consultation exercise.

6.4 An equality impact assessment will be carried out when looking at selection criteria to ensure there is no disproportionate impact on any employee who may have a protected characteristic under the Equality Act 2010.

7. Individual Consultation

7.1 It is important that affected employees are notified when they are at risk of redundancy; are kept informed of developments; are made aware of the procedure being followed and the support available to them; are made aware of options available to them and are individually consulted with and allowed to feed back any comments before a decision is made to make them redundant. This includes consultation with those employees who although they may not be under the threat of dismissal may be directly or indirectly affected by a redundancy situation. All employees at risk of redundancy will be invited to an individual consultation meeting before being issued with formal notice of redundancy.

7.2 Following the completion of the scoring exercise whereby the selection criteria are applied to the potentially redundant employees, the Council will write to those employees who have been provisionally selected for redundancy to invite them to an individual consultation meeting. Employees will have the right to be accompanied by a Trade Union representative or a work colleague at individual consultation meetings. Prior to this meeting the employee will have been provided with information explaining why they are at risk of redundancy; why they have been provisionally selected including any scoring information; what the selection criteria used were; any suitable alternative roles which may be available and the financial proposals (redundancy payment where applicable). At the meeting the employee will be given an opportunity to discuss their score in the selection process, to raise any questions they may have about the redundancy process and to provide any responses they wish to make.

7.3 Depending on the issues or suggestions made by the employee at this meeting a further individual consultation meeting may need to be arranged at which the Council can respond on the points raised.

8. Hearing representations and Issuing Formal Notice of Redundancy

8.1 Once the consultation exercise has been concluded both at a collective and individual level, those employees selected for redundancy will be invited to a meeting at which their selection for redundancy and the amount of any redundancy payment will be formally confirmed. Employees will have the right to be accompanied by a Trade Union representative or work colleague at this meeting. Following the meeting, the employee will be sent a letter giving the employee appropriate written notice of the termination of their employment on the grounds of redundancy (see appendix 2) and will be informed of their last day of employment with the Council. Where the employee has sufficient service to be eligible to receive a redundancy payment, the amount of the payment will also be confirmed in writing.

9. Right of Appeal

9.1 Employees will have the right to appeal against their selection for redundancy. The appeal process will be stated in the letter giving formal notice of redundancy. Any appeal will be considered by the Chief Officer HR or her nominee. For further information on the appeal process please see the MSR Guidance Notes.

10. Search for Suitable Alternative Employment

10.1 From the point where an employee receives formal notice of redundancy the employee will be entered into the Council's talent pool if they aren't already. The Resourcing Team will work with the employee to seek suitable alternative employment during their notice period via existing processes.

10.2 An employee who is under notice of redundancy has a statutory right to a 4 week trial period if suitable alternative employment is found and the terms and conditions of the new role differ (wholly or in part) from the employee's previous role. The 4 week period can be extended if any retraining is needed to enable the employee to perform the new role. The extension must be agreed in writing before the trial period starts. The trial period gives both the Council and the employee the opportunity to decide whether the new job is suitable for the employee. Where an offer of suitable alternative employment is made and the employee unreasonably refuses it, the employee may lose the right to a redundancy payment.

10.3 If the employee has not been successful in obtaining suitable alternative employment at the end of their notice period or statutory trial period in circumstances where this goes beyond the end of the notice period, their contract will be terminated by reason of redundancy. Where a redundant employee has at least two years' continuous service on the last day of employment, he or she will be entitled to a redundancy payment. See section 12 below for more detail on how this will be calculated.

11. Redundancy Payments

11.1 The Council will calculate redundancy payments using the same method of calculation as for statutory redundancy payments, however, the employee's actual week's pay will be used and the statutory cap on a week's pay will not be applied. The payment will be calculated with reference to the employee's age, length of service and average weekly

earnings at the date of termination in accordance with the statutory redundancy payment calculation table.

11.2 For non-standard working patterns involving shift or rota work a week's pay will be calculated using the average number of hours worked at an average pay rate over a 12-week period.

11.3 Appendix 2 is a copy of the statutory redundancy table, which will be used to calculate the number of weeks' redundancy pay an employee is entitled to.

12. Miscellaneous

12.1 Time Off from Work

An employee who is given notice of dismissal on grounds of redundancy and who has at least 2 years' continuous service by the end of the notice period has a legal right to reasonable time off with pay during working hours to seek new employment or to arrange training for future employment.

12.2 Statement of Calculation

Each redundant employee will receive a written statement setting out how their redundancy payment has been calculated.

12.3 Public Sector Equality Duty

The Council will adhere to its obligations under the Public Sector Equality Duty in the operation of this Policy.

Appendices

Appendix 1 Statutory Redundancy Pay Table

Appendix 2 MSR Policy Notice Periods

Appendix 1 – Statutory Redundancy Pay Table

You can use the Statutory Redundancy Pay table to work out the number of weeks' pay you could be entitled to receive if you are made redundant. To use the table, look up your age and the number of completed years' service you have with the Council at the date of termination. Where the two cross on the table, that is the number of week's pay you would receive.

Age	Service (Years)																		
	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
17*	1																		
18	1	1½																	
19	1	1½	2																
20	1	1½	2	2½	-														
21	1	1½	2	2½	3	-													
22	1	1½	2	2½	3	3½	-												
23	1½	2	2½	3	3½	4	4½	-											
24	2	2½	3	3½	4	4½	5	5½	-										
25	2	3	3½	4	4½	5	5½	6	6½	-									
26	2	3	4	4½	5	5½	6	6½	7	7½	-								
27	2	3	4	5	5½	6	6½	7	7½	8	8½	-							
28	2	3	4	5	6	6½	7	7½	8	8½	9	9½	-						
29	2	3	4	5	6	7	7½	8	8½	9	9½	10	10½	-					
30	2	3	4	5	6	7	8	8½	9	9½	10	10½	11	11½	-				
31	2	3	4	5	6	7	8	9	9½	10	10½	11	11½	12	12½	-			
32	2	3	4	5	6	7	8	9	10	10½	11	11½	12	12½	13	13½	-		
33	2	3	4	5	6	7	8	9	10	11	11½	12	12½	13	13½	14	14½	-	
34	2	3	4	5	6	7	8	9	10	11	12	12½	13	13½	14	14½	15	15½	-
35	2	3	4	5	6	7	8	9	10	11	12	13	13½	14	14½	15	15½	16	16½
36	2	3	4	5	6	7	8	9	10	11	12	13	14	14½	15	15½	16	16½	17
37	2	3	4	5	6	7	8	9	10	11	12	13	14	15	15½	16	16½	17	17½
38	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	16½	17	17½	18
39	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	17½	18	18½
40	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	18½	19
41	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	19½
42	2½	3½	4½	5½	6½	7½	8½	9½	10½	11½	12½	13½	14½	15½	16½	17½	18½	19½	20½
43	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
44	3	4½	5½	6½	7½	8½	9½	10½	11½	12½	13½	14½	15½	16½	17½	18½	19½	20½	21½
45	3	4½	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22
46	3	4½	6	7½	8½	9½	10½	11½	12½	13½	14½	15½	16½	17½	18½	19½	20½	21½	22½
47	3	4½	6	7½	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23
48	3	4½	6	7½	9	10½	11½	12½	13½	14½	15½	16½	17½	18½	19½	20½	21½	22½	23½
49	3	4½	6	7½	9	10½	12	13	14	15	16	17	18	19	20	21	22	23	24
50	3	4½	6	7½	9	10½	12	13½	14½	15½	16½	17½	18½	19½	20½	21½	22½	23½	24½
51	3	4½	6	7½	9	10½	12	13½	15	16	17	18	19	20	21	22	23	24	25
52	3	4½	6	7½	9	10½	12	13½	15	16½	17½	18½	19½	20½	21½	22½	23½	24½	25½
53	3	4½	6	7½	9	10½	12	13½	15	16½	18	19	20	21	22	23	24	25	26
54	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	20½	21½	22½	23½	24½	25½	26½
55	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22	23	24	25	26	27
56	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	23½	24½	25½	26½	27½
57	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	24	25	26	27	28
58	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	24	25½	26½	27½	28½
59	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	24	25½	27	28	29
60	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	24	25½	27	28½	29½
61+	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	24	25½	27	28½	30

Appendix 2

Managing Staff Reductions (MSR) Policy - Notice Period

The following notice periods are applicable in situations where someone is given notice of redundancy in accordance with the Managing Staff Reductions Policy. Notice periods for all other purposes remain as stated in contracts of employment.

When notice periods are enhanced by 2 months the total combined notice periods will be as follows:

Length of Service	Contractual Notice	Enhanced MSR Notice	Total Combined Notice Period
Up to 4 years continuous service	4 weeks	2 months	3 months
5 years continuous service	5 weeks	2 months	5 weeks plus 2 months
6 years continuous service	6 weeks	2 months	6 weeks plus 2 months
7 years continuous service	7 weeks	2 months	7 weeks plus 2 months
8 years continuous service	8 weeks	2 months	8 weeks plus 2 months
9 years continuous service	9 weeks	2 months	9 weeks plus 2 months
10 years continuous service	10 weeks	2 months	10 weeks plus 2 months
11 years continuous service	11 weeks	2 months	11 weeks plus 2 months
12 years continuous service	12 weeks	2 months	12 weeks plus 2 months
12 years + continuous service	12 weeks	2 months	12 weeks plus 2 months

When the Council can demonstrate that the average time to redeploy someone is 4 months or less and this is sustained for 3 months the enhanced notice period will reduce to 1 month. Total combined notice periods will be as follows:

Length of Service	Contractual Notice	Enhanced MSR Notice	Total Combined Notice Period
Up to 4 years continuous service	4 weeks	1 month	3 months
5 years continuous service	5 weeks	1 month	3 months
6 years continuous service	6 weeks	1 month	3 months
7 years continuous service	7 weeks	1 month	3 months
8 years continuous service	8 weeks	1 month	3 months
9 years continuous service	9 weeks	1 month	9 weeks plus 1 month
10 years continuous service	10 weeks	1 month	10 weeks plus 1 month
11 years continuous service	11 weeks	1 month	11 weeks plus 1 month
12 years continuous service	12 weeks	1 month	12 weeks plus 1 month
12 years + continuous service	12 weeks	1 month	12 weeks plus 1 month

There will be no further reduction in notice periods before 31st March 2016.