



THE  
EDUCATION  
ALLIANCE

# Redundancy Policy and Procedure

## Version 4.0

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<p><b>Target Audience:</b></p>	<p>All Employees</p>
<p><b>Related Documents:</b></p>	<p>Redeployment Procedure ACAS Redundancy Handling Booklet April 2014 Redundancy Payments (Continuity of Employment in Local Government) (Modification) Order 1999 Local Government Association Employers' E-Guide No.1 Redundancy: the 39 steps (May 2013)</p>

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## POLICY STATEMENT

The Education Alliance's vision is seeking excellence through inspirational leadership, teamwork, innovation and challenge we work to ensure that all of us achieve our best. Our values are:

- Working together for students
- Generating ideas and sharing outstanding practice
- Promoting independence and interdependence
- Encouraging questioning, feedback and challenge

The Trust has four guiding principles:

- Focus on students to drive decisions
- Believe the team is stronger than the sum of its parts
- Build relationships on trust, respect, honesty and integrity
- See it, own it, make it happen

The Education Alliance (the Trust) aims to minimise the risk of redundancy and where it is necessary to make redundancies the Trust will handle the situation fairly, consistently and sympathetically with the aim of minimising, as far as possible, any hardship that may be suffered by the employees concerned.

This policy sets out Trust's approach to dealing with potential redundancies. It does not form part of the employee's terms and conditions of employment and sits alongside other policies and procedures, such as Redeployment. It is the Trust's aim to avoid redundancies wherever possible, however, there may be times where it is necessary and where redundancy arises the Trust will endeavour to:

- Keep the number of redundancies to a minimum
- Consult with staff and their representatives on proposals and their implementation
- Ensure selection for redundancy is based on clear criteria which are applied objectively and fairly and agreed with trade unions at a local secretary level.
- Support staff, utilising the Redeployment Procedure

It is the policy of the Trust to ensure, as far as possible, the security of employment for its employees and to actively develop the capacity and capability of the workforce. It is recognised, however, that service redesign and local, regional and national developments may have a significant impact on our staff. The aim of the Trust and its recognised Trade Unions is to safeguard the current and future employment of staff through careful workforce planning and jointly agreed change management processes, wherever possible. The Trust, in consultation with its Trade Union partners, will seek to minimise the effect of change and measures for avoiding or minimising compulsory redundancies may include the following:

- Natural wastage
- Restrictions on recruitment
- Reduction of overtime
- Seeking applicants for voluntary redundancy
- Retraining and redeployment to other parts of the organisation
- Termination of contract staff
- Reduction in the use of casual staff
- Non-renewal/extension of fixed-term contracts

- Other relevant measures

In circumstances where compulsory redundancy must be considered, the Trust will handle the situation in a fair, consistent and sympathetic manner in order to minimise as far as possible any hardship that may be suffered by the employees concerned.

## 1. SCOPE

This procedure applies to all staff employed by the Trust, although apprentices will not normally be treated as employees for the purposes of redundancy selection.

## 2. ROLES AND RESPONSIBILITIES

The **Board of Trustees** is responsible for monitoring the effectiveness of this policy, ensuring that a fair and consistent approach is applied across the Trust.

The **CEO** is responsible for ensuring that redundancy situations across the Trust are managed effectively and that staff and managers adhere to this policy and procedure.

The **Heads of School** and **Local Governing Bodies** are responsible for ensuring adherence to this policy within their respective schools.

The **Human Resources Department** is responsible for reviewing, applying, monitoring and evaluating this policy and procedure in line with legal and statutory requirements.

**Managers** and staff with supervisory or leadership responsibilities must ensure they implement this policy fairly and equitably, seeking guidance, clarification and support as and when required. They will consult with trade unions at a local secretary level throughout a redundancy process.

## 3. EQUALITY AND DIVERSITY

The Education Alliance is committed to:

- Promoting equality and diversity in its policies, procedures and guidelines
- Delivering high quality teaching and services that meet the diverse needs of its student population and its workforce, ensuring that no individual or group is disadvantaged

## 4. DEFINITION

Under the Employment Rights Act 1996, redundancy arises when employees are dismissed because:

- 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.

## **5. ORGANISATIONAL CHANGE**

Organisational change may sometimes result in a redundancy situation and organisational changes may include:

- The closure, transfer or restructuring of a specific service or group of services
- A specific programme designed to achieve efficiency savings or increased performance and effectiveness through the transformation of current methods of working practice
- A response to statutory, local, regional or national requirements

Where organisational changes affecting staff are proposed the Head of School, senior managers and the Human Resources Department will work with Trade Unions and staff to ensure that organisational change is managed appropriately. Wherever possible, consultation will commence at a formative stage of development and staff will be encouraged to share their views, ideas and solutions, minimising the potential negative impact change can have on staff and services.

## **6. CONSULTATION AND EMPLOYEE SUPPORT**

Consultation will be carried out as early as possible and the Trust will allow for longer periods of consultation than the statutory minimum period wherever practicable. The Trust will agree timescales with trade union local secretaries and consult with the Trust trade union forum at the formative stage. (See Appendix 1) It is recognised that meaningful consultation allows for all concerned to share the problem and explore options. It can stimulate co-operation and can also reduce uncertainty, which in turn can lead to better decision making and reduced risk.

Legally, where there is a proposal to dismiss on the grounds of redundancy 20 or more employees at one establishment over a period of 90 days or less, the employer must consult representatives or recognised trade unions. Employers must also consult with individual employees. The Trust is committed to meaningful consultation wherever possible, with an aim of reaching agreement with appropriate representatives and staff on issues such as ways of avoiding dismissals or reducing the number of employees affected. As a minimum, where between 20-99 employees are to be made redundant over a period of 90 days or less at one establishment, consultation must commence at least 30 days before the first dismissal takes effect. This increases to 45 days where 100 or more employees are to be made redundant from one establishment over a period of 90 days or less. The Local Government Association (LGA) recommend that where there are redundancies involving less than 20 employees, a minimum consultation period of 30 days should take place before dismissal takes effect.

The Trust is legally required to disclose the following information in writing to its trade union partners regarding redundancy proposals to enable trade union colleagues to play a constructive part in the consultation process:

- The reasons for the proposals
- The numbers and descriptions of employees it is proposing to dismiss as redundant
- The total number of employees of any such description employed at the establishment in question
- The way in which employees will be selected for redundancy
- How dismissals are to be carried out, including the period over which they will take effect
- The method of calculating the amount of redundancy payments to be made to those nominated for redundancy

The Trust aims to balance transparency, discretion and confidentiality and will share this information on a need to know basis, sharing all of the above with each affected member of staff in relation to their own particular circumstances. Teams of affected staff will be informed of the above as appropriate and the whole school will be informed of proposals for change as appropriate without breaching confidentiality.

Consultation can take many forms, including collective consultation with trade union representatives, staff briefings, forums for questions and feedback, and individual consultation in the form of individual meetings, emails and letters. Consultation should consider the following:

- The effect on earnings where transfer or down-grading is accepted in preference to redundancy
- How the selection of employees for redundancy will be applied
- Whether a redundant employee may leave during the notice period, or postpone the date of expiry of notice, without losing any entitlement they may have to a redundancy payment
- Any extension of the length of the trial period in a new role

When the Trust Board has approved a proposal to restructure that may result in redundancy, the HR Department will ensure all affected staff have access to support via the Redeployment Procedure. At the latter stages of a redundancy process, staff issued with notification of redundancy will be offered additional support via the Redeployment Procedure.

Employees under notice of redundancy will be offered support which may include:

- Time off to attend interviews
- Contact with the local Job Centre
- External advice (e.g. via the Employee Assistance Package, which includes legal, financial and counselling services)
- Support via the Human Resources Department in the completion of application forms, CV writing and interview skills and techniques
- Learning and development opportunities (to be discussed with the Human Resources Department)

All staff have access to the Employee Assistance Programme which is a 24 hour, 7 days a week package, inclusive of services such as family matters, financial, legal, personal, work and stress.

It is the Trust's intention that staff facing redundancy are supported appropriately to enable them to plan for the future and to assist staff in accessing internal and external opportunities. The Trust encourages staff to seek support via their trade unions at all stages of the redundancy process.

## **7. VOLUNTARY REDUNDANCY**

In order to minimise the need for compulsory redundancies, the Trust may consider requests from employees for voluntary redundancy or redeployment. The Trust reserves the right at its absolute discretion to decline requests for voluntary redundancy/redeployment.

## **8. REDUNDANCY SELECTION**

The criteria used for selecting employees for redundancy will depend on the existing circumstances and the particular needs of the organisation at that time. However, every effort will be made to construct a fair and robust set of criteria following appropriate consultations. Individual employees who are nominated for redundancy will be invited to a meeting with a

manager and a member of the Human Resources Department, where the rationale for the nomination will be shared with them, alongside an estimate for redundancy pay. The employee will be offered additional support via the Trust's health provider and they may wish to access further support via the Redeployment Procedure. A Redundancy Selection Committee meeting will be arranged and the employee will be invited to attend to make representations regarding the unfairness of the criteria or the unfair application of the criteria. If a Redundancy Selection Committee agrees to the redundancy and the employee believes their selection to be unfair, the employee can appeal against the decision to a panel made up of Trustees that were uninvolved in the initial Redundancy Selection Committee meeting. The composition of a Redundancy Selection Committee will be as specified in the Scheme of Delegation.

Where there is a risk of redundancy the school will determine a pool from which employees will be selected for redundancy and will ensure that the pool for selection has been fairly defined. The pool will normally consist of employees who carry out the same, or similar, work and perform jobs that are interchangeable, whether or not in the same department or location. When determining the redundancy pool the school will take into account circumstances such as:

- The work that employees carry out on a day-to-day basis
- Where employees carry out their work on a regular basis

In some circumstances it will not be appropriate to determine a pool for selection (e.g. where only one role/employee is affected or where the entire organisation is being shut down).

Objective selection based on skills or qualifications should enable the Trust to retain a balanced workforce appropriate to its future needs, however, formal qualifications and advanced skills should be considered alongside other aptitudes. Depending on the circumstances the selection criteria may include the following:

- Attendance (not including absences due to pregnancy, maternity, other family-friendly leave, disability or any other protected characteristic)
- Disciplinary records that are live
- Performance
- Qualifications and training
- Knowledge, skills, competencies and experience
- Aptitude for work

Where selection criteria is used, the Trust will score employees against the selection criteria that has been agreed with trade unions at local secretary level in a reasonable, fair and consistent manner, with at least two managers applying the criteria, utilising appropriate evidence (e.g. appraisal documentation) that has been verified. Their scores will be added up and applied. A redundancy selection matrix will be used and managers must ensure that they understand how they should apply and score the criteria.

The Trust will ensure that the application of the selection criteria is not discriminatory and where employees within the redundancy pool are disabled, the school will make reasonable adjustments to the selection criteria to remove any disadvantage the disabled employee might face.

Where organisational change occurs, a redundancy pool for selection may not be appropriate (e.g. where employees hold unique roles). In such circumstances, the proposed structure will be shared with affected staff and individuals will be consulted with regarding the impact for them and the opportunities they may face (e.g. alternative positions that they may be slotted into or encouraged to apply for depending on the circumstances). The Trust aims to retain staff wherever possible and consideration will be given to the possibilities of slotting, ring-fencing and redeployment.

## **9. TRIAL PERIODS**

Where the new post is different from the previous role the employee is entitled to a statutory four week trial period. The purpose of the trial period is for the employee and the employer to assess the suitability of the post. However, if the provisions of the new contract are the same as the original contract there is no statutory requirement for a trial period to be undertaken. If a trial period takes place and it is agreed that the position cannot be viewed as suitable alternative employment (e.g. the trial period is not successful) the position will revert back to the original position (e.g. at risk due to organisational change, redundancy or capability). If it is a redundancy situation the termination date for the purposes of calculating statutory redundancy pay will be the date on which the original post ceased, not the end of the trial period.

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 four week trial period can be extended by mutual written agreement (e.g. due to school holidays or for retraining purposes), specifying the date on which the trial period ends, detailing the employee's terms and conditions after it ceases. If the employee works beyond the end of the four week period or the jointly agreed extended period, any redundancy entitlement will be lost because the employee will be deemed to have accepted the new employment.

Should the Trust wish to terminate the new contract within the four week period for a reason connected with the new job, the employee retains their right to a redundancy payment as per their old contract (where they meet the criteria for a redundancy payment). However, if dismissal is unconnected to redundancy (e.g. for misconduct) the employee may lose any entitlement they had to a redundancy payment.

## **10. NOTICE PERIODS**

The minimum periods of notice to be given to an employee facing redundancy will be in line with their contractual notice periods. Employees selected for redundancy will receive written confirmation of their notice period, alongside details of any redundancy payment they are entitled to.

## **11. REDUNDANCY MODIFICATION ORDER**

Under the Employment Rights Act 1996 (ERA), an employee can count service with an 'associated employer' towards the two year service requirement for a redundancy payment and, if appropriate, for calculating that payment. Local authorities are not associated employers under the definition in the Act, however, the effect of the Redundancy Payments (Continuity of Employment in Local Government, etc.) (Modification) Order 1999 (referred to as the Order) is to make local authorities associated employers for the purposes of the redundancy provisions of the ERA.

An employee must have at least two years' continuous service with the employer in order to qualify for a redundancy payment. The effect of the Order is that continuous service with bodies on the Order will also count when calculating the entitlement to, and the amount of, a redundancy payment. Section 162 of the ERA provides that a redundancy payment will be calculated on the basis of the period of continuous employment. The effect of the Order is that this will include continuous employment with bodies on the Order. Employees are therefore advised to notify the Human Resources Department if they are offered an alternative post with another Order body.



If the employee is given notice of redundancy and before the dismissal takes effect the employee accepts an offer of employment from another body specified in Part II of Schedule 2 of the Redundancy Payments (Continuity of Employment in Local Government, etc.) (Modification) Order 1999, the employee 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 4 weeks after the date of redundancy.

Where an employee unreasonably refuses a suitable alternative offer of employment the provisions of s.141 ERA also apply. If an employee unreasonably refuses an offer of suitable alternative employment from an Order body, then s/he will not be entitled to a redundancy payment. In practice this is unlikely to happen as it is likely that the employee would have actually applied for the job with another body and already made an assessment before interview as to whether the job was suitable.

It is important to note that, if an employee does take up a job with another Order body, the dismissal 'disappears' only for the purposes of determining whether there is an entitlement to a redundancy payment.

Therefore, there is no effect for unfair dismissal rights, and:

- an employee can still claim unfair dismissal in relation to the redundancy

An employee will need two years' continuous service in the new job before s/he has the right to claim unfair dismissal (or one year's service if employment commenced before 6 April 2012)

## 12. REDUNDANCY PAY

A payment is due only if an employee has at least two years' continuous service. Apprentices who are not employees at the end of their training don't qualify for a redundancy payment. The Trust applies the statutory redundancy pay using the actual weeks' pay rather than a capped figure. For each complete year of service up to a maximum of 20 years, employees are entitled to:

Each complete year of service	Pay
For each completed year of service where employee was aged less than 22	Half a week's pay
For each completed year of service where employee was aged 22 or above, but less than 41	One week's pay
For each completed year of service where employee was aged 41 or over	One and a half week's pay

A week's pay is that which the employee is entitled to under their contract at the calculation date (which is the date on which the Trust gives the employee their notice). If the employee's pay varies (e.g. there is no contractual amount due to a variable working pattern) the amount of the week's pay is averaged over the 12 week period prior to the calculation date. For term time staff, redundancy pay should be calculated on the basis of weeks actually worked rather than a notional 52 week calculation which takes into account weeks they are not paid to work.

A statutory redundancy payment is not taxable up to £30,000.

## 13. APPEALS

If the Trust dismisses an employee on the grounds of redundancy, the employee may wish to appeal against the decision of the Redundancy Selection Committee on the following grounds:

- The selection criteria have been unfairly applied or not applied at all
- Proper consideration was not given to alternatives

- There was a failure in the consultation process that breaches the legal obligation placed on the employer to consult

The appeal must be lodged in writing, detailing the grounds for appeal, to the Director of Human Resources, within 5 working days of the date of written confirmation of redundancy.

#### **14. MONITORING COMPLIANCE WITH AND EFFECTIVENESS OF THE POLICY**

Compliance and effectiveness of this policy will be monitored by the Human Resources Department with trade union local secretaries.

#### **15. REVIEW**

This Policy and Procedure will be reviewed within two years of the date of implementation.

**Redundancy Timeframe**  
**Summary of Key Stages**

<b>Stage</b>	<b>Action</b>	<b>Lead</b>	<b>Deadline</b>
1	Brief Trust Board on the outline proposal for an organisational change.		
2	Commence consultation (collective and individual) with trade union local secretaries on the proposal for change, detailing the reasons, the potential workforce impact, the timeframe and the consultation process. See Appendix 2 for trade union consultation.		
3	Commence consultation with staff which may be collective and individual, detailing the proposal, the reasons for the proposal, the potential workforce impact, the timeframe and the consultation process.		
4	Close consultation feedback period and review feedback, ensuring queries/concerns are addressed on an individual basis. Review proposal and amend as necessary and appropriate.		
5	Brief Trust Board including feedback/queries and concerns and provide Board with a final version of the proposal with recommendations.		
6	Brief trade union local secretaries on final proposal and next steps and arrange to meet with them to discuss information pack, process, selection criteria and timeline. Discuss ways of minimising redundancies.		
7	Meet with affected staff and their trade union representatives to share the information pack. Consider potential for voluntary redundancies/voluntary redeployment.		
8	If redeployment is an option, consider with employees and their trade unions as per the Redeployment Procedure, explore those options with them and confirm any trial periods, training and development and confirmation of new roles.		
9	If voluntary redundancy is an option, seek volunteers and consider the feasibility of requests. If the Executive Principal and CEO support volunteer requests, a redundancy selection committee will be arranged.		
10	If the voluntary redundancies are agreed by the redundancy selection committee, notify		

	the employees and their trade unions, providing appropriate documentation, support and confirmation, detailing next steps.		
11	If suitable alternative employment is not agreed and there are no agreed volunteers for redundancy, review selection criteria with trade union local secretaries and share with affected staff (which may be pools of staff depending on the circumstances).		
12	Arrange a redundancy selection committee to consider nominations for redundancy.		
13	Notify employees of redundancy selection committee outcomes and next steps, including appeals. If an appeal is received, arrange appeal meeting.		

## Trade Union Information

In notifying the trade union local secretaries of an organisational change that may result in redundancy, the following information must be detailed as a minimum:

<p><b>Rationale for Organisational Change</b></p> <p>Ensure this includes the following information:</p> <ul style="list-style-type: none"> <li>• Key drivers for the change</li> <li>• The intended outcome in relation to school performance and development plans</li> <li>• Alignment to the vision and values of the school</li> <li>• Associated costs (school finances/financial forecasts/workforce cost comparisons/redundancy estimates)</li> <li>• Associated risks (e.g. service/performance/reputation/workforce)</li> </ul>
<p><b>Number and Descriptions of Employees Affected</b></p> <p>Include teams, job titles, hours, grades</p>
<p><b>The Total Number of Employees of That Description Employed at the School and the Trust</b></p>
<p><b>Proposals to Minimise Potential Redundancies</b></p> <p>Examples:</p> <ul style="list-style-type: none"> <li>• Natural wastage</li> <li>• Redeployment</li> <li>• Reduction in overtime/casual usage/temporary staff</li> <li>• Recruitment review/reduction</li> <li>• Voluntary changes to working patterns (e.g. reduction in hours)</li> </ul>

Potential impact of proposals to minimise redundancies (e.g. will the proposals remove/reduce the risk of redundancy?)

**Proposed Method of Selecting Employees for Redundancy**

**Detail Proposed Timeframe**

Include proposed date of change and rationale for that date (Appendix 1)

**Proposed Method for Calculating Redundancy Payments**

**Detail the Number of Agency Workers Working Temporarily For and Under the Supervision and Direction of the Trust, Including the Parts of the Organisation They Work and the Type of Work They Undertake**