

REDUNDANCY POLICY

This policy document applies to *organisation name and address* organisation sites that you manage.

1. Policy statement

1.1 The employer's policy is to *organisation name and address* regarding redundancy rights. *organisation name and address* document.

1.2 In the event that the policy *organisation name and address* take precedence. If employees *organisation name and address* are they should discuss matters *organisation name and address*.

1.3 Should this policy change *organisation name and address* the changes will be notified to *organisation name and address* board.

2. Definitions

2.1 'Dismissal by reason of redundancy' means dismissal wholly or mainly attributable to the fact that

a) The fact that the employer *organisation name and address* on the business for the purposes of *organisation name and address* employed, or

b) The fact that the employer *organisation name and address* the business in the place where *organisation name and address*

c) The fact that the requirements *organisation name and address* carry out work of a particular kind *organisation name and address* expected to cease or diminish. *organisation name and address* workforce regardless of whether *organisation name and address* that employees job, or

d) The fact that the requirements *organisation name and address* carry out work of a particular kind *organisation name and address*

employed has ceased or diminished. This includes a need to diminish. This includes a need to diminish regardless of whether a remainder of the employee's job.

2.2 'Statutory redundancy pay' – a payment based on length of service, capped at a maximum amount dependent on the employee's age.

2.3 'Qualifying period' – the period an employee must have in order to claim a statutory redundancy payment. This is a period of 2 years of continuous employment with the employer from the age of 18.

2.4 'Voluntary redundancy' – the employer invites volunteers to nominate themselves for a discretionary payment to supplement a statutory redundancy payment.

2.5 'Remuneration' – wages or salary.

2.6 'A week's pay' – This is the amount an employee is entitled to under their contract of employment. However, this amount is capped and set by the government and so does not include overtime, which was not part of the employee's normal working hours. For those employees on a variable or irregular working pattern, to week, the average hourly earnings over 12 complete weeks ending on the date.

3. Redundancy Rights – Relief from Tax

3.1 An employee who has been made redundant can claim a statutory redundancy payment if the employee meets the following conditions:

a) The employee has been dismissed.

b) The employee has two years of continuous service from the date of termination of the contract of service before the age of 18.

c) The employee has not reached the age of 18 as identified by the employer in the contract of service and is not within an excluded category under the Act 1996 (Sections 155-161).

d) The employee has not been employed by the same employer or an associate employer for more than 12 months over the current employer's business period when the employment expires.

4. Statutory Redundancy Payment

4.1 The statutory redundancy payment is calculated as follows:

i) Half a week's pay for each complete year of service between the ages of 18 and 21

ii) One week's pay for each complete year of service between the ages of 22 and 40

iii) One and a half week's pay for each complete year of service between the ages of 41 and 64

iv) Where an employee is 64, the statutory redundancy payment will be reduced to one month that the employee is over 64.

4.2 The maximum number of years of service that can be counted for statutory redundancy payment is 12 years as at the relevant date (the date on which the employee is dismissed).

4.3 The employer may at its discretion reduce the statutory redundancy payment to a minimum of one week's pay.

5. Consultation on Redundancies

5.1 Where it is proposed to make 20 or more employees redundant within a 90-day period, a recognised trade union representative will be consulted before such redundancies take effect.

place in good time but at least
due to take effect.

5.2 Where it is proposed to make
within 90 days or less, consult
employee representative will be
the dismissals take effect.

5.3 Where it is proposed to make
the employer will inform and consult
be dismissed. Such consultation
before the dismissal takes effect
notice of redundancy is served

6. Selection for Redundancy

6.1 Before the employer makes
employees to be selected for redundancy
all available alternative options
redundancy scheme can be reviewed

6.2 Such alternative options shall be
following:

i) Whether there are any voluntary

ii) Whether employees nearing

iii) Whether staff can be retrained
employment within the organisation

iv) Whether new work could be

v) Whether transfers of staff could
whole.

vi) Whether the contracts of staff
terminated or reduced.

6.3 Having examined all available
will then set a timetable for effect

6.4 Selection of employees for
of objective criteria, which will

i) The pool of employees to wh
clearly defined.

ii) The chosen selection criteri
by evidence and data.

iii) There will be a full investig
has been met and to what deg
chosen pool of employees.

6.5 All employees affected by
reasons for the redundancy an
prevent it and the selection pr
determining those employees
also be advised of the timetab

6.6 An employee who has bee
interviewed by [*his/her line m
personnel department*]. The e
why he/she has been selected
the redundancy. This informat
the employee. The employee
his/her concerns regarding the
appeal procedure as outlined i

7. Notice of Dismissal for R

7.1 An employee who is to be
writing from the employer. Su
announcement of the redunda
paragraph 6.6 has taken place
details:

a) The reason for the dismissa

b) The date when the employr

c) Any entitlements to statuto
the entitlement has been calcu

d) Details of any ex gratia pay

e) Details of any additional costs such as details of any payments for unused holiday entitlement.

f) Details of how and when the employer's grievance procedure and redundancy.

7.2 The notice period for dismissal and the employee's contractual notice period of employment.

7.3 An employee who has been dismissed early by agreement with the employer will receive redundancy payments as long as they wish to leave.

8. Reasonable time off to look for new work
An employee who has been seen to be on continuous employment will be entitled to take time off work during working hours to look for new work or arrangements for training.

9. Alternative Employment

9.1 On selection of an employee for redundancy, the employer will make enquiries within the organisation to see if any suitable alternative work can be offered to redundant employees. If no suitable alternative work is available, these will be offered to those employees who have been made redundant. If insufficient numbers of vacancies are available, each affected employee will be offered a choice of vacancies and the employer will select the most appropriate employee for those vacancies.

9.2 If an employee accepts an offer of alternative employment with the organisation, he/she will be given a probationary period to assess the suitability of such employment. If during the probationary period the employee decides to leave, any redundancy payments for

unsuitable. The employer and
extend the one-month trial pe

10. Voluntary Redundancy

10.1 Following consultation an
employer may invite employee
before any compulsory redund

10.2 The employer will pay an
statutory redundancy pay on s
volunteer for redundancy.

10.3 The amount of the ex gra
employees who volunteer for r
under an obligation to make e
at all should compulsory redun

10.4 An employee who volunt
to payment if dismissal of that

11. Employees who are laid

11.1 Employees who are laid o
on short time and receive less
consecutive weeks or six out o
redundancy to the employer.

11.2 Such a claim must be ma

11.3 The employer may refuse
working is likely to resume wit

12. Appeals

12.1 If the employee is dissat
feels that he or she has been u
and after the first stage of the
name of person to hear appea
days, e.g. 7-21] working days
action complained of.

12.2 *[Insert name of person to whom appeal will be referred]* usually within *[Insert number of days]* of receiving the employee's grounds of appeal.

12.3 The employee will be invited to attend the appeal and must take all reasonable steps to attend.

12.4 The decision of *[Insert name of person to hear appeal]* will be final. The form of the appeal will be *[Insert name of person to hear appeal]* and that is the subject of the appeal.

12.5 At the appeal any disciplinary action will be suspended. The outcome of the appeal will be final as soon as possible after the appeal. The appeal will be final.

13. Date of Implementation

This policy is effective from *[Insert date]* and applies to actions that occurred prior to that date.

14. Questions

If you have any questions regarding this policy that applies to you, please consult *[Insert name of person to contact]*.

15. Alteration of this Policy

These guidelines will be subject to change. Any alterations will be communicated to all employees.

EXAMPLE DOCUMENT

REDUNDANCY POLICY

This policy document applies to **Partners, 45 Dover Street, L** and all other organisation sites time to time.

1. Policy statement

1.1 The employer's policy is to regarding redundancy rights. document.

1.2 In the event that the polic take precedence. If employee are they should discuss matter

1.3 Should this policy change the changes will be notified to board.

2. Definitions

2.1 'Dismissal by reason of rec attributable wholly or mainly to

a) The fact that the employer on the business for the purpos employed, or

b) The fact that the employer the business in the place wher

c) The fact that the requireme carry out work of a particular k expected to cease or diminish. workforce regardless of wheth that employees job, or

d) The fact that the requirements for the employee to carry out work of a particular kind have ceased or diminished or are unlikely to cease or diminish. This includes a need for a particular skill or qualification, regardless of whether a remaining employee has the skill or qualification for the employee's job.

2.2 'Statutory redundancy pay' – a payment based on length of service, capped at a maximum amount dependent on the employee's age.

2.3 'Qualifying period' – the period of continuous employment an employee must have in order to be eligible for a statutory redundancy payment. This is a period of 2 years of continuous employment with the employer from the age of 18.

2.4 'Voluntary redundancy' – an employer who invites volunteers to nominate themselves for redundancy is obliged to offer a discretionary payment to such employees in addition to a statutory redundancy payment.

2.5 'Remuneration' – wages or salary.

2.6 'A week's pay' – This is the amount of money an employee is entitled to under their contract of employment. However, this amount is not set by the government and so is not a fixed amount. It is the weekly pay received by the employee, which may include overtime, which was not worked during normal working hours. For those employees who are paid monthly, to work out a week's pay, the average hourly earnings over 12 complete weeks, divided by the number of weekly hours over 12 complete weeks, is used to calculate the amount of a week's pay.

3. Redundancy Rights – Redundancy Payments

3.1 An employee who has been dismissed and who is eligible to claim a statutory redundancy payment must first show that the employee meets the following conditions:

a) The employee has been dismissed.

b) The employee has two years of continuous service before the date of termination of the employment or before the age of 18.

c) The employee has not reached the age of 18 and is not within an excluded category under the Act 1996 (Sections 155-161).

d) The employee has not been employed by the same employer or an associate employer for more than 12 months over the current employer's business period or until the employment expires.

4. Statutory Redundancy Payment

4.1 The statutory redundancy payment is calculated as follows:

i) Half a week's pay for each complete year of service between the ages of 18 and 21.

ii) One week's pay for each complete year of service between the ages of 22 and 40.

iii) One and a half week's pay for each complete year of service between the ages of 41 and 64.

iv) Where an employee is 64, the statutory redundancy payment will be reduced to one month that the employee is over 64.

4.2 The maximum number of years of service counted for statutory redundancy payment is 12 years as at the relevant date (the date on which the employee is dismissed).

4.3 The employer may at its discretion withhold the statutory redundancy payment if the employee is dismissed for cause.

5. Consultation on Redundancies

5.1 Where it is proposed to make 20 or more employees redundant within a 90-day period, a recognised trade union or employee representative will be consulted before such redundancies take place in good time but at least 30 days before they are due to take effect.

5.2 Where it is proposed to make 20 or more employees redundant within 90 days or less, consultation with an employee representative will be required before the dismissals take effect.

5.3 Where it is proposed to make 20 or more employees redundant, the employer will inform and consult the employee representative before the dismissal takes effect. Such consultation before the dismissal takes effect must be done before notice of redundancy is served.

6. Selection for Redundancy

6.1 Before the employer makes any selection of employees to be selected for redundancy, the employer must consider all available alternative options. Any selection for redundancy scheme can be reviewed.

6.2 Such alternative options shall be considered in the following:

i) Whether there are any voluntary redundancies.

ii) Whether employees nearing retirement age can be encouraged to retire.

iii) Whether staff can be retrained for other work or employment within the organisation.

iv) Whether new work could be created for the employees.

v) Whether transfers of staff could be made to other parts of the organisation.

vi) Whether the contracts of employees could be terminated or reduced.

6.3 Having examined all available information, the employer will then set a timetable for effecting the redundancy.

6.4 Selection of employees for redundancy will be based on a range of objective criteria, which will include:

i) The pool of employees to which the redundancy will apply will be clearly defined.

ii) The chosen selection criteria will be based on objective criteria supported by evidence and data.

iii) There will be a full investigation into the reasons for the redundancy and it will be determined whether the redundancy has been met and to what degree. The chosen pool of employees will be based on the results of this investigation.

6.5 All employees affected by the redundancy will be advised of the reasons for the redundancy and the selection process. The employer will do all that is reasonably practicable to prevent it and the selection process will be based on determining those employees who are most at risk. All employees who are affected will also be advised of the timetable for the redundancy.

6.6 An employee who has been selected for redundancy will be interviewed by a senior member of the employer. The employee will be advised of the reasons for the redundancy and if selected, their termination date. The employer will ensure that the employee will be given every opportunity to appeal. The employee will be given every opportunity to appeal regarding the redundancy and the selection process as outlined in Clause 12.

7. Notice of Dismissal for Redundancy

7.1 An employee who is to be dismissed for redundancy will be given written notice from the employer. Such notice will be given at the time of the announcement of the redundancy. The notice will be given after paragraph 6.6 has taken place and will include the following details:

a) The reason for the dismissal.

b) The date when the employee will be dismissed.

c) Any entitlements to statutory redundancy pay and how the entitlement has been calculated.

d) Details of any ex gratia payments.

e) Details of any additional compensation such as details of any payments in lieu of notice and unused holiday entitlement.

f) Details of how and when the employee's grievance procedure and redundancy procedure will be applied.

7.2 The notice period for dismissal shall be the employee's contractual notice period or the period of employment, whichever is longer.

7.3 An employee who has been dismissed early by agreement with the employer shall be entitled to redundancy payments as long as they wish to leave.

8. Reasonable time off to look for new employment

An employee who has been selected for redundancy after continuous employment will be entitled to reasonable time off work during working hours to make arrangements for training.

9. Alternative Employment

9.1 On selection of an employee for redundancy, the employer shall make enquiries within the organization to see if any other vacancies can be offered to redundant employees. If these will be offered to those employees, these will be offered to those employees in order of seniority. If insufficient numbers of vacancies can be offered, each affected employee shall be offered a vacancy and the employer will select the most appropriate employee for those vacancies.

9.2 If an employee accepts an offer of employment with the organisation, he/she will be required to undergo a one-month trial period to assess the suitability of such employment. During the trial period the employee decides whether to accept any redundancy payments for being made redundant. If the employee is found to be unsuitable. The employer and employee may agree to extend the one-month trial period.

10. Voluntary Redundancy

10.1 Following consultation and agreement with the employee, the employer may invite employees to volunteer for redundancy before any compulsory redundancy.

10.2 The employer will pay an employee who volunteers for redundancy the statutory redundancy pay on the same basis as if the employee had been made redundant.

10.3 The amount of the ex gratia redundancy payment for employees who volunteer for redundancy will be determined by the employer under an obligation to make ex gratia payments. Employees who are made redundant at all should compulsory redundancy.

10.4 An employee who volunteers for redundancy will be entitled to payment if dismissal of that employee is not a redundancy.

11. Employees who are laid off

11.1 Employees who are laid off for a period of four or more consecutive weeks or six out of a period of 13 consecutive weeks are entitled to claim redundancy to the employer.

11.2 Such a claim must be made within six months of the date of the last day of lay-off.

11.3 The employer may refuse to pay redundancy if the employee's working is likely to resume within 13 weeks.

12. Appeals

12.1 If the employee is dissatisfied with the decision and feels that he or she has been unfairly treated and after the first stage of the appeal process, **Peter Jones** in writing within **twenty** working days of receiving the decision, may request another disciplinary action completed.

12.2 Peter Jones will hear all appeals within **ten** working days of receiving the appeal.

12.3 The employee will be invited to attend the appeal and must take all reasonable steps to attend.

12.4 The decision of **Peter Jones** will be at the discretion of **Peter Jones** and may be a disciplinary penalty that is the same as or more severe than the original disciplinary penalty.

12.5 At the appeal any disciplinary penalty will be the same as or more severe than the original disciplinary penalty. The outcome of the appeal will be decided as soon as possible after the appeal. The appeal will be final.

13. Date of Implementation

This policy is effective from **2nd** January 2018. It applies to actions that occurred prior to the date of implementation.

14. Questions

If you have any questions regarding this policy, it applies to you, please consult your **Line Manager**.

15. Alteration of this Policy

These guidelines will be subject to change. Any alterations will be communicated to you by your **Line Manager**.

Redundancy Letter Offering

[Insert letter date]

[Insert name and address of employee]

Dear *[Insert name of employee]*

Re: Redundancy & Offer of

I am writing to you to confirm *[insert details of*
redundancy interview].

As I advised you on that date, *[insert details of*
consider certain organisational
organisation / our branch office
location].

In the circumstances, I confirm *[insert details of*
organisation will terminate by
date which must be the notice

I am pleased to inform you how *[insert details of*
you alternative employment will
located at *[Insert branch office*

We propose to offer you the post *[insert details of*
[Insert start date which must be
termination date] after your notice

We will require you to enter into *[insert details of*
of the contract for your consideration
possible whether you wish to take

Should you decide to accept the offer, you will have a period of 4 weeks in which to terminate the offer. If you decide that the job is unsuitable, you will be entitled to a redundancy payment and will be entitled to a period of 4 weeks on the termination date outlined above.

If the new job requires specific skills, you may be required to be retrained. If you are retrained it is possible to agree a period of 4 weeks on the termination date outlined above.

If you unreasonably decline the offer, you will be terminated for redundancy and you will be entitled to receive a redundancy payment.

If you wish to discuss the offer, please do not hesitate to contact me.

Yours sincerely

[Insert full name and department]

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Redundancy termination notice
To an individual employee whose
employment is made.

[Insert letter date]

[Insert name and address of employee]

Dear *[Insert name of employee]*

Re: Redundancy

I am writing to you to confirm
[redundancy interview].

As I advised you on that date,
consider certain organisational
organisation / our branch office
[location].

As a result of these proposed
decision:

[Select one of the following]

a) To cease to carry on business
[or type of business].

b) To cease to carry on business

c) To reduce the number of *[/]*
across the organisation as a w

the same number of staff to carry out the same work as before/ the number of staff is diminished/ is expected to cease or diminish [Delete which do not apply]

d) To reduce the number of staff to carry out the same work as before/ the number of staff is diminished/ is expected to cease or diminish at [Insert branch address] due to [Insert reason] number of staff to carry out [Insert reason] [Insert reason] is expected to cease or diminish

Unfortunately, this means that

Whilst we have considered all possible options, it has not been possible to avoid instituting redundancies. Staff who have been selected for redundancy are listed in [Insert selection criteria] [Insert selection criteria]. The selection criteria are fully explained to you.

If you have a complaint or query about the reasons for the redundancy and criteria used or you wish to appeal, you may do so by writing to [Insert name of person responsible for the organisation] [Insert name of person responsible for the organisation] setting out your reasons. The decision will not be implemented and your complaint will not be considered until you have been advised in writing of the organisation's handbook for details.

We have attempted to identify the person who can confirm that your employment is being terminated on the reason of redundancy on [Insert date] [Insert date] under the employee's contract.

We do/do not [Delete which do not apply] your full notice period.

Upon termination we will pay you

1. Statutory redundancy pay
2. Ex gratia payment (delete if not applicable)

3. Compensation for loss of notice

4. Accrued holiday pay

It is possible to make the payment net of income tax or national insurance contributions.

We require you to enter into the agreement given that an ex gratia payment *no ex gratia payment is being made*.

Arrangements will be made to ensure the payment and P45 on termination thereafter.

If you have any queries with regard to your redundancy generally please contact us.

In the meantime please let us know your way in finding future employment.

We wish you all the success in your new venture.

Yours sincerely

[Insert full name and department]

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