

Redundancy Policy

Redundancies may occur for several reasons. The company may, for example, experience a downturn in demand that is not temporary in nature meaning that it cannot sustain the number of current workforces. Alternatively, there may be business related advancements which require a restructure, or enhancements in technology which streamline processes resulting in a reduced need for employees.

Redundancy is where employment terminates because there is a reduction or a complete halt in the need for a role to be carried out by the company. Dependent on the circumstances, a redundancy situation can entail the complete closure of the company; the reduction or halt in the need for an entire department, or alternatively, a need to reduce the number of roles currently performing a particular function whilst still maintaining the function.

Whatever the reason for the identification of a potential redundancy situation, we will follow the processes set out in this policy to ensure a fair procedure. This policy covers:

- The search for alternative measures in order to avoid redundancies;
- Consultation with employees;
- The selection process;
- Voluntary redundancy;
- Rights of an employee when identified for redundancy;
- Redundancy payments.

A) ALTERNATIVE MEASURES

When faced with the prospect of a redundancy situation, the company will consider the following measures in an attempt to avoid compulsory redundancies:

- reduce overtime to a workable minimum;
- restrict recruitment where such recruitment could have a bearing on the outcome of any redundancy situation; and
- investigate whether measures such as short time working and lay off (without pay other than statutory guarantee pay) or a reduction in terms and conditions of employment are appropriate.

B) CONSULTATION

All potentially affected employees will be notified of the company's proposals and there will be a full and meaningful consultation process with the affected groups.

At least four meetings will be held before redundancy dismissals take effect, in both group and individual format. The timing of these meetings will depend on the circumstances of the redundancy, including how many employees are affected. Employees will be informed of the dates and times of meetings.

If large numbers are affected i.e. 20 or more proposed redundancies within a period of 90 days or less, consultation will involve trade unions or employee representatives as appropriate and will last for a minimum of 30 days, or 45 days where the number of proposed redundancies within a period of 90 days or less is 100. Where there are no existing (or an insufficient number of) employee representatives, an election will be held. Those elected as representatives will take part in consultation with the company on behalf of the wider affected workforce.

C) THE SELECTION PROCESS

Where it is necessary to maintain a particular function within the company but with fewer employees, a selection process will take place to identify those employees who are to be made redundant. The criteria to be used will be agreed as part of the consultation process.

Employees will be scored against the agreed criteria by at least two scorers and employees will be able to see their individual scores.

D) VOLUNTARY REDUNDANCY

If redundancies cannot be avoided, consideration will be given to applications for voluntary redundancies, where applicable. Applying for voluntary redundancy does not mean that the employee who has applied will be made redundant. The company reserves the right to refuse an application for voluntary redundancy.

No final decisions will be made without every opportunity having been given to employees concerned to consult with Management and explore possible alternative positions. If the selection of employees for redundancy becomes necessary, the criteria for selection will be discussed with you at the time.

E) RIGHTS OF AN EMPLOYEE WHEN IDENTIFIED FOR REDUNDANCY

Employees with two years' service who are under notice of redundancy are entitled to take a reasonable amount of time off to look for work or undergo training. The maximum amount of paid time off is 2/5th of an employee's normal weekly working hours. Requests for time off should be made to the employee's line manager.

The company will undertake a search for alternative roles within the company for employees who are facing redundancy. Suitable alternative roles, where they can be identified, will be offered and a 4-week trial period will begin. If it transpires that the role is not suitable, employment will terminate, and the employee will receive statutory redundancy pay (where applicable). Unreasonable refusal of a suitable alternative role will mean that the employee's employment is terminated, and no statutory redundancy pay will be payable.

F) REDUNDANCY PAYMENTS

Employees with 2 years' continuous service will be entitled to receive statutory redundancy pay which is calculated in accordance with a statutory formula using the employee's age, length of service and weekly pay (which is capped at the statutory level). Employees will be made aware of the amount of statutory redundancy pay they will receive. The business does not operate an enhanced redundancy pay policy.