

## **Redundancy and Redeployment Policy and Procedures**

### **1.0 Introduction**

- 1.1 It is the Council's aim, where possible, to maintain secure employment for its employees. However circumstances may arise where the organisation's requirements may lead to the need for a reduction in the number of staff employed or organisational changes that result in some employees being made redundant. The Redundancy and Redeployment Policy provides a procedure and guidance for managers to follow when the potential need to reduce staffing occurs. It ensures that employees are treated fairly and consistently, and that appropriate employee and trade union consultation takes place throughout the staffing reduction process.
- 1.2 This policy applies to all employees with service of 12 months or more, including those with fixed term contracts. To qualify for a redundancy payment an employee must have been continuously employed in local government for two or more years at the effective date of termination. Those employees who have less than 12 months service will be supported appropriately and informed of vacancies that arise.
- 1.3 The Council will be open and fair, and give regard to equality and consistency in treatment for all employees.
- 1.4 Where a post has been identified as being substantially altered, has disappeared or is one of a number of posts which will reduce as a result of organisational change, the employment status of the individual employee will be described as 'at risk'.

### **2.0 Decision making**

- 2.1 Delegations for human resource decisions within Eastbourne Borough Council are as follows:
- Decision on principles of strategic direction or annual budgeting with HR implications lies with Cabinet;
  - Decision to dismiss by reason of Redundancy lies with the Chief Executive and those Officers nominated by him for this purpose.

#### Version Control

Version Number	Date	Review Date	Author	Reason for New Version
	July 2014		Human Resources	

### 3.0 **Consultation**

3.1 When there is a potential restructuring or redundancy situation, the relevant Senior Head of Service/Chief Officer will discuss matters confidentially in the first instance with the Chief Executive and Strategic Organisational Development Manager.

3.2 The Council will ensure that appropriate consultations are carried out with union representatives and individual employees in respect of restructuring and redundancy proposals. Consultation will commence at the earliest opportunity and will continue throughout the process.

### 3.3 **Collective consultation**

Consultation will begin in good time prior to the proposed changes taking place. The statutory minimum consultation periods for proposed redundancies will be observed. These are:

- Begin consultations at the earliest possible opportunity where the number of redundancies proposed is less than 20.
- Begin the consultation process at least 30 days before the first termination of employment takes place, where between 20 and 99 redundancies are proposed.
- Begin the consultation process at least 45 days before the first termination of employment, where the number of redundancies proposed is 100 or more.
- Submit an HR1 Form to the Redundancy Payments Service acting on behalf of the Secretary of State for Business Innovation and Skills where 20 or more redundancies are proposed

3.4 The council will disclose in writing to the trade union representatives the following information:

- The reasons for the proposals;
- The number and descriptions of the posts affected by the changes;
- The total number of posts affected;
- The proposed method of selecting the employees including the period over which termination of employment is to take effect.
- The proposed method of calculating the amount of any redundancy payments to be made.

- 3.5 The consultation will include consideration of any ways of avoiding the dismissals, reducing the number of employees to be dismissed, and mitigating the effects of dismissals.
- 3.6 The council will communicate plans for organisational change through briefings, team meetings, InSite (where appropriate), and Unison.

Corporate Management Team and service managers are responsible for ensuring that individuals and teams are provided with regular briefings and information about how the proposed changes affect them.

- 3.7 Affected employees, who are absent from work due to long term sickness, maternity/additional paternity/adoption leave, or on a secondment, will be included in the process of consultation.

#### 4.0 **Briefing Cabinet**

- 4.1 During operation of the Redundancy and Redeployment Procedure, the Strategic Organisational Development Manager will brief Cabinet regularly on progress to ensure that members are fully briefed.
- 4.2 Briefings will include feedback from consultation, details of where work of the same or similar character is currently undertaken within the Council, information on the payments which could be made to the employees concerned and any other relevant facts.

#### 5.0 **Measures to avoid compulsory redundancies**

- 5.1 The council will, wherever possible, take all reasonable steps to minimise compulsory redundancy including the following decisions or actions:
- Corporate Management Team will authorise all posts to be filled following review of a completed Recruitment Authorisation form.
  - Suspension of external recruitment to jobs of the same or similar character as those occupied by the employees affected, unless an offer has already been made to a 'preferred candidate'. These are roles into which the displaced employees could be deployed and may involve the employee undertaking specific training.
  - Heads of Service must consider those at risk of redundancy for any vacancy in their department prior to its advertisement outside the Council.

- If a Head of Service decides for any reason not to interview or appoint an employee at risk of redundancy to a vacant post, reasons should be provided to the Strategic Organisational Development Manager. They must be satisfied that the individual does not meet the person specification for the post and could not do so even with a reasonable period of training.
- The Corporate Management Team shall:-
  - review any overtime worked in areas where a reduction might create an opportunity for redeployment;
  - retain the displaced member of staff on a supernumerary basis (i.e. not in an established post) where a suitable vacancy is expected to arise within the next three months.
- Heads of Service will take all practicable steps to source appropriate work for the employees concerned by ceasing, wherever possible, to use consultants, contractors and agents engaged to do work of the same or similar character to that being undertaken by employees whose posts may become redundant.

## 6.0 **Individual consultation**

- 6.1 Individual consultation will take place as early as is reasonable in the process with employees placed at risk of redundancy.
- 6.2 The manager of the affected service and a member of the HR team will meet with individual employees to discuss the restructure and how proposed changes will affect the individual. At this point employees may be identified as being at risk of redundancy.
- 6.3 The meeting will provide an opportunity to hear the views of the employee; to answer questions and to discuss/explore alternatives to redundancy. The employee has the right to be accompanied at this meeting by a trade union representative or work colleague.
- 6.4 Any discussions will be confirmed in writing to formally advise the employee that they are at risk and copied to any appropriate Trade Union representative.
- 6.5 Individual employees or staff as a group can request to have further opportunities to meet with their line manager and/or HR to discuss their concerns or questions in relation to the restructure.
- 6.6 The employee will be advised that support will be provided, subject to the individual's needs. This may include:

- Coaching in job application and interview skills
- Being provided with regular copies of the council's current vacancy list
- Information about redundancy figures and, where appropriate, pension estimates
- Counselling

## 7.0 **Voluntary Redundancy**

7.1 The Council may, at its discretion and at times when the organisation is seeking to reduce staff numbers, examine whether there is scope to consider requests for voluntary redundancy.

7.2 The Head of Service or Chief Officer responsible for overseeing the changes will, in consultation with the Strategic Organisational Development Manager, identify the categories of employees from whom it is prepared to accept volunteers and inform these employees, setting out the mechanism for expressing interest and giving timescales.

7.3 In determining which employees are to be granted release on voluntary redundancy the Council will have regard to the following:-

- the need to maintain efficient and effective services;
- the need to retain a balance of key experience and skills within services and across the workforce to meet future needs;
- the financial implications of the release.

The Council reserves the right to refuse individual requests for voluntary redundancy.

7.4 For further information refer to the Voluntary Redundancy Procedure at Appendix B.

## 8.0 **Selection**

8.1 Where there are no alternatives to compulsory redundancy, the council in consultation with the union will consider the criteria to be used for selecting employees for redundancy.

8.2 There may be circumstances where selection will not be relevant such as where there is only one employee or where an entire group of employees are to be declared redundant.

8.3 The selection criteria may include: specific skills; essential qualifications; experience; work performance/standard of work; attendance record and timekeeping, discounting disability related absence; live disciplinary warnings; appraisal assessment against

core and management competencies; ability to undertake the duties and responsibilities of the posts which are retained.

- 8.4 The purpose of the criteria is to ensure that employees are fairly selected for redundancy. The aim of selection criteria will be to ensure the council retains a balanced and appropriately skilled workforce for the future which is able to meet customer and service needs.
- 8.5 Care will be taken to ensure that the selection process is not directly or indirectly discriminatory.

## 9.0 **Redeployment**

- 9.1 Employees have a shared responsibility with the council in seeking redeployment.

A record (Redeployment Register) of all staff, who have been identified as 'at risk', will be held by the HR team who will provide support and advice to individuals and line managers throughout this process. See Appendix A for details of this support.

### **Selection and appointment under the Redeployment Procedure provisions**

- 9.2 A role will be considered same or similar if the new role is the same grade band and there is similarity in the nature of the tasks, level of responsibility and characteristics of the deleted role.
- 9.3 Displaced employees being considered for redeployment to a post of the same or similar character will be covered by the specific provisions of the redeployment procedure. They will be interviewed and considered for redeployment on their own merits, but *not in competition*, for such a vacancy.
- 9.4 Other permanent employees from within the department with the vacancy may apply at the same time but will only be offered the appointment if considered by the head of service to be demonstrably significantly more suitable.
- 9.5 If there are any uncertainties regarding a displaced employee's ability to carry out the duties of the post, trial periods of at least four weeks and no longer than six months should be used to assess the individual's suitability.
- 9.6 Any redeployed employee will be given appropriate training in the responsibilities of his or her new job. A job description for the post must be supplied to the employee. It is not to be expected that

they will be able to perform the full range of duties immediately. The criterion to be considered is whether it can be expected that an acceptable standard would be achieved within three months of appointment.

9.7 There may be occasions where a particular qualification, although normally required, should not be regarded a pre-condition of redeployment if the employee could be reasonably expected, within a minimum period of three months, to undertake the duties of the post to an acceptable standard. It may be reasonable to make it a condition of redeployment that the employee studies for a recognised qualification.

9.8 Any employee offered redeployment will be given a written offer stating:

- the type of work and job description;
- the related training necessary;
- the location and hours of work;
- the salary and other conditions of service,;
- the length of any trial period, (minimum of four weeks) allowing for related training to be undertaken;
- any other terms and conditions of employment relating specifically to the post into which they are being deployed.

9.9 If the offer of redeployment comes after the displaced employee has been given notice of dismissal, the employee must be given a trial period.

#### 10.0 **Pay**

10.1 Redeployment to a 'same or similar' role will mean the new role is at the same grade and therefore the employee's pay will remain the same.

#### 11.0 **Provisions outside the Redeployment Procedure**

11.1 Displaced employees will, at all times, be encouraged to apply for vacancies within Eastbourne Borough Council which interest them. Many of these will not be of the 'same or similar character' as the role from which they are displaced. Where they choose to do so, they will be considered in open competition alongside any other applicants and assessed, on their merits.

Corporate recruitment and selection standards and procedures will apply. If it is mutually agreed by the employer and the employee at risk of redundancy that accepting a role at a lower level is an appropriate way to mitigate the need for compulsory redundancy then pay protection up to a maximum of 2 years may apply. If there is not agreement then the employees pay will reduce to the

grade of the new role.

- 11.2 A displaced individual may choose not to be appointed to a vacancy as offered under paragraph 11.1 above. Where that vacancy is not of the same or similar character to the post from which they have been displaced, this decision will not affect any entitlement to redundancy payment.

## 12.0 **Restructuring process**

- 12.1 The following principles will be followed where service restructuring is taking place:

### **Slotting in**

The council will identify within the new structure any posts which can be deemed as near equivalent posts. Employees will be assimilated where the majority of the job remains unchanged taking account of the level of responsibility, skills, competencies, tasks and terms and conditions of the new post are substantially the same as the current post and there is no other 'at risk' member of staff who qualifies for consideration by holding a broadly similar post. If there is more than one employee affected there will be ring fenced competition to determine who will be slotted in to the post.

Employees who are assimilated will not be served notice of redundancy and will not have a trial period.

## 12.2 **Restricted competition**

The council will identify any posts within the new structure which are open to restricted competition. These posts will be available to those staff affected by the restructuring in the first instance.

These will be posts where:

- It is a post which is new in content – the duties are substantially different from any current post
- A post carries increased responsibility
- Where more than one 'at risk' employee could be regarded as a suitable candidate

If, after following these steps, the posts remain unfilled recruitment will be handled in the normal way.

## 13.0 **Notice of Redundancy**

- 13.1 If no suitable alternative employment has been found then notice of redundancy will be issued in line with the employee's contract of employment. This will confirm the date at which employment with the council will cease.



13.2 No dismissal will take place until the consultation period has been completed.

#### 14.0 **Redundancy Payments**

14.1 Any employee dismissed on the grounds of redundancy will be entitled to:

- a period of notice, depending upon their continuous local Government service; and
- if they have worked in Local Government for two years, a statutory redundancy payment
- and, subject to the signing of an appropriately formed settlement agreement, an additional sum based on the statutory redundancy payment formula. Such a payment will be based on actual week's pay and increased by a factor of 1.75 or a multiple as may be determined and published by the Council from time to time under its discretions.

#### 15.0 **Appeals process**

15.1 An employee may appeal in writing against dismissal on grounds of redundancy to the relevant the Chief Officer/ Senior Head of Service within 10 working days of the letter formally confirming notice of redundancy. The appeal will be heard by the Council's Appeals Panel comprising three selected Members.

On receipt of an appeal the Chief Officer /Senior Head of Service will notify the Strategic Organisational Development Manager who will convene a meeting of the Appeals Panel within 10 working days.

The Panel will consider the case and determine whether or not to confirm the decision to make the employee redundant. The decision will be confirmed in writing to the employee and his or her representative within three working days.

The decision of the Appeals Panel is final.

## **Appendix A - Support available for employees covered by the provisions of the Redeployment Procedure**

### **1.0 Introduction**

1.1 When it is identified that an employee's role is likely to be deleted from the Council's structure this gives rise to a potential redundancy situation. If you are in a role affected as 'at risk' you will have access to a range of support, training and advice.

The support includes:

- Information about redundancy figures and, where appropriate, pension estimates
- Access to counselling
- Advice in finding alternative work including practical assistance with writing CVs and handling interviews
- Reasonable paid time off to find alternative work
- Training for alternative employment outside the Council

1.2 You may choose to be accompanied at meetings by a work colleague or union representative.

### **2.0 Support from the Senior Head of Service and your manager**

2.1 The Senior Head of Service will confirm your admission to the Redeployment Register. He/she will be available to discuss the situation with you and will be working with your manager and the Human Resources team to identify alternative employment opportunities.

### **3.0 Support from the Human Resources Team**

3.1 An HR Adviser will meet with you once you have been admitted to the Redeployment Register. The initial meeting will give you the opportunity to discuss the situation in confidence and talk about any issues or concerns that you have.

3.2 The HR Adviser will discuss any questions you may have about the process and will advise you about the financial implications of the situation. It will also be an opportunity to discuss potential job opportunities, internally or externally.

3.3 The HR Adviser will discuss your qualifications, skills, experience and areas of work in which you are interested. These details and your CV will then be held on record to refer to if internal vacancies occur. HR will review your CV and redeployment profile details against the person specification of any vacancy approved for recruitment, determining whether there is the potential for a redeployment into the vacancy.

- 3.4 The HR team will provide support and advice throughout the period you are on the Redeployment Register. Following the initial meeting, further meetings will be arranged based on individual needs.

The HR Adviser can provide advice on job search, CV presentation and self-marketing.

4.0 **Priority access to internal vacancies similar to your current role**

- 4.1 Where a vacant role is deemed to be “the same or similar” in nature or level to your current role, recruitment will be frozen whilst details of the role are discussed with you.

Where several displaced individuals are interested in the same redeployment opportunity, a selection process will be run against the specification for the post.

5.0 **Information relating to pension**

- 5.1 The Exchequer Manager is available to contact if you have a query related to your Local Government pension. You can request a private meeting if you would like to understand the pension information in more detail.

6.0 **Support from Unison**

- 6.1 As well as the support of the Senior Head of Service, your manager and the HR team, Unison stewards are also a source of information and advice if you are a member.

7.0 **Time off to job search**

- 7.1 You may be granted reasonable time off to look for alternative work. Examples include time off to attend interviews, time at work to undertake online job search or to complete applications for roles. You will need to agree the time with your manager.

8.0 **Counselling support**

- 8.1 If you find that you would like to speak with a counsellor in confidence about your situation at any point then this will be available to you. This is a confidential and independent service accessed through the HR Adviser. The HR team will obtain details of the Counsellor’s appointment availability and confirm the arrangements with you.

9.0 **Communication about other internal vacancies**

- 9.1 When a new vacancy occurs the Job Vacancies Bulletin will be updated by the HR team and circulated to all individuals on the Redeployment Register.

10.0 **Training**

- 10.1 If you identify a skills gap we may be able to provide training or source

a course depending on cost, relevance and timescales. An example is Excel/IT training.

Give some thought to potential training which may assist you in securing a role and let the HR Adviser know.

#### 11.0 **Actions for you to take**

11.1 It is helpful prior to the initial meeting with the HR Adviser if you send through your CV if you already have one prepared. Alternatively, if you don't have a CV then prepare a summary of your career experience, outlining your qualifications and training courses undertaken and a short statement of your particular strengths and skills.

11.2 You are encouraged to look at vacancies arising within the Council on your own initiative.

If you wish to put yourself forward for an internal post that is not considered to be the same or similar to your existing post, then this will fall outside the protection of the Redeployment Procedure. This means that you would be invited to apply for it in the normal way and you would not have priority over other candidates.

11.3 You are also encouraged to look more widely and externally at potential employment opportunities which sit with your skills' set and interests.

Full details of Council vacancies in the area can be found advertised on the East Sussex County Council Website.

#### 12.0 **Trial Period**

12.1 There is a statutory right to a trial period where an offer of redeployment is made during an employee's notice period and the employment is to commence at the end of the notice period. The trial period will be included in the offer letter.

12.2 A trial period may be extended beyond 4 weeks to enable retraining, where appropriate.

12.3 If you are redeployed and should either you or the Council find that the role is not suitable the arrangement can be ended by the giving of one week's notice on either side. If the trial period proves unsuccessful or unsatisfactory, the employee will revert to being 'at risk' of redundancy.

#### 13.0 **Notice**

13.1 If no suitable alternative employment is identified then you will be issued notice. This will confirm the date at which your employment with the Council will cease. The period of notice to which you are entitled is whichever is the greater of either the contractual period in line with your

contract of employment or the statutory period shown below.

<b>Period of continuous employment</b>	<b>Notice period</b>
One month or more but less than two years	1 week
Two years or more but less than twelve years	1 week for each completed year of continuous employment
Twelve years or more	12 weeks

13.2 Throughout the notice period efforts to secure alternative work will continue to try to avoid the redundancy. The HR team will help you to identify any new vacancies or opportunities that may be suitable.

#### 14.0 **Redundancy Payments' Modification Orders**

14.1 It may not be a redundancy if you secure a role with another Local Government employer within four weeks of employment with Eastbourne Borough Council ending.

If you receive an offer of employment from another authority or body covered by the Redundancy Payments' Modification Orders and the new employment will start within four weeks of the current employment finishing, you must inform the Authority as a redundancy payment may not apply in these circumstances. Please note that the four weeks referred to may be extended by a weekend, and if this is relevant to your situation, you are advised to seek further clarification from a member of the HR team.

#### 15.0 **Pension**

15.1 Employees who are made redundant and who are aged 55 and over at the effective date of termination and who have Local Government Pension Scheme membership of at least 3 months, are able to access their pension benefits. Pension benefits will not be actuarially reduced because of early access in these circumstances.

#### 16.0 **Entitlement to a redundancy payment**

16.1 All employees who are dismissed for reasons of redundancy and who have 2 years continuous service or more at the effective date of dismissal are entitled to a statutory redundancy payment.

The statutory redundancy payment is calculated according to age and length of service and is expressed as a number of weeks' pay.

The maximum statutory redundancy payment entitlement is for 30 weeks' pay which is currently paid at a maximum of £464 for 1 week's pay.

The statutory payment is calculated as follows.

- half a week's pay for each full year under age 22
- One week's pay for each full year of service age 22 or older, but under 41
- One and a half week's pay for each full year age 41 or older

The statutory limit on the amount of a week's pay is reviewed annually.

In the absence of a signed settlement agreement statutory redundancy limits apply.

## 17.0 **Settlement agreement**

17.1 If you are given formal notice that your employment is ending due to redundancy and you are not redeployed to an alternative post by the effective date, the Council has discretion to pay an enhanced severance payment, in excess of statute, which is subject to the signing of an appropriately formed settlement agreement. Details of the enhanced payment will be outlined in the severance payment letter you receive.

17.2 A settlement agreement is a legal document that sets out the arrangements for leaving and provides an agreed reference which will be used to respond to enquiries from potential future employers. In signing the settlement agreement you agree not to seek employment with us or other related bodies for 12 months, i.e. Wealden and Eastbourne Lifeline Limited, Eastbourne Homes limited.

17.3 If you are not redeployed into an alternative role during your final week with the organisation we will forward to you two copies of the draft settlement agreement and a proposed template reference. Eastbourne Borough Council will use the template reference as a base to respond to any potential future employer's request for references.

17.4 It is important that you obtain independent legal advice prior to signing the settlement agreement. Your legal adviser also signs the agreement to indicate that you have been briefed and given an opportunity to discuss the content and implications of your signature.

17.5 Employees who are members of a Trade Union are recommended to

seek advice from their Representatives prior to finalising a Settlement Agreement. Trade Unions can make arrangements for the appropriate advice to be provided regarding the signing of Settlement Agreements.

- 17.6 Employees have used local solicitors Stephen Rimmer LLP for independent legal advice in the past.
- 17.5 If you prefer to use a different legal adviser, the Council will fund that advice up to a limit of £250 plus VAT. You will need to take two copies of the settlement agreement with you to the meeting together with a copy of your contract of employment.

## **Appendix B - Voluntary Redundancy**

### **1.0 Introduction**

- 1.1 Where there is a need to reduce the number of employees, the Council may, at its discretion, take expressions of interest from volunteers for redundancy whose jobs could provide employment for employees who are on or may shortly be entering the Redeployment Register.
- 1.2 The Head of Service or Chief Officer responsible for overseeing the changes will, in consultation with the Strategic Organisational Development Manager, identify any such groups and inform these employees, setting out the mechanism for expressing interest in voluntary redundancy and giving timescales. Some posts may be excluded due to the Council's need to retain specific skills, knowledge and experience within a given service area.
- 1.3 Expressions of interest for voluntary redundancy will be invited by the start of the consultation period at the latest. There will be a fixed time period in which applications will be accepted.
- 1.4 The trade union (UNISON) will be advised by Human Resources of the groups of employees approached and of the number of expressions of interest subsequently received.
- 1.5 Employees who volunteer may be awarded the benefits of the Council's enhanced severance payment subject to the signing of an appropriately worded settlement agreement (See Appendix A (paragraph 17)). An individual estimate of benefits will be prepared for them based on an estimated end date. They will then be asked to confirm by a specified date whether they wish to proceed with an application or not.
- 1.6 HR collates all expressions of interest for voluntary redundancy which will be treated in confidence and explored. At this stage, the expression of interest will not form a binding agreement on either side.
- 1.7 In determining which employees are to be granted voluntary redundancy, the Council will have regard to the following:-
- the need to maintain efficient and effective services;
  - the need to retain a balance of key experience and skills across the workforce to meet future needs;
  - the financial implications of the release.



1.8 If the employee requesting redundancy is a member of the Local Government Pension Scheme and is aged 55 or over the Exchequer Manager will obtain an estimate of pension retirement benefits and the cost to the organisation of releasing pension benefits early.

1.9 The Council reserves the right to accept or reject applications for voluntary redundancy.

## 2.0 **Procedure**

### **Expressions of Interest for voluntary redundancy**

2.1 If as an employee you wish to consider expressing interest in voluntary redundancy the first step is to request an estimate of the compensatory benefits which may be paid if voluntary redundancy is approved. Requests for an estimate based on current age and continuous service are made by emailing the human resources inbox in Outlook.

2.2 If, after obtaining an estimate you wish to pursue an expression of interest in voluntary redundancy, you should discuss this with your manager prior to completing section 1 of the request for voluntary redundancy form. After completion of section 1 of the form you should forward the request to your manager for them to complete sections 2 and 3.

2.3 The manager will be required to complete sections 2 and 3 of the request for voluntary redundancy form.

2.4 The manager should request the following from the Exchequer Manager to enable completion of section 3:

- potential severance payment costs
- the capital cost of releasing pension early if the employee is a member of the Local Government Pension Scheme and age 55 or over,
- the on-costs for the current role such as Employer National Insurance Contributions; Employer Pension costs; allowances

2.5 Once the request for voluntary redundancy form is fully completed the manager sends it to the Human Resources Outlook in-box.

The HR team will acknowledge receipt of the form.

2.6 The expression will be reviewed by the relevant Senior Head of

Service in consultation with the Strategic Organisational Development Manager or nominated deputy.

- 2.7 By the end of the consultation period at the latest, the Head of Service will confirm to the volunteer(s), explaining whether they have been accepted or not for voluntary redundancy.
- 2.8 There is no right to appeal if an expression of interest for voluntary redundancy is declined.
- 2.9 If an individual is selected for voluntary redundancy he/she will have a final consultation meeting and a consideration period of no less than 5 working days prior to being issued with a notice of dismissal on grounds of redundancy.
- 2.10 Where an application is accepted, notice of redundancy will be issued confirming the redundancy payment and, if relevant, pension figures based on the confirmed leaving date.
- 2.11 Notice will be issued in line with the employee's contractual or statutory entitlement (whichever is the greater).

An employee will be expected to work their notice period. If the employee wishes to leave early, then it may be possible to agree an early release but he/she will waive the remainder of his/her notice period.

- 2.12 In exceptional circumstances, any offer of payment for voluntary redundancy may be withdrawn where an offer of suitable alternative employment is made and unreasonably refused by the employee prior to the date of termination.

### 3.0 **Severance payments**

#### 3.1 **Statutory redundancy payment**

Statutory redundancy pay is based on an employee's age and length of continuous employment at the date of redundancy and is payable if an individual has worked for the employer for two years or more.

The statutory redundancy payment is calculated according to age and length of service and is expressed as a number of weeks pay.

The maximum statutory redundancy payment entitlement is for 30 weeks' pay which is currently paid at a maximum of £464 for 1 week's pay.

The statutory payment is calculated as follows:

- half a week's pay for each full year under age 22

- One week's pay for each full year of service age 22 or older, but under 41
- One and a half week's pay for each full year age 41 or older

The statutory limit on the amount of a week's pay is reviewed annually.

In the absence of a signed settlement agreement statutory redundancy limits apply.

### 3.2 **Enhanced severance payment**

Eastbourne Borough Council makes an enhanced severance payment conditional upon the signing of an appropriately formed settlement agreement. The sum is based on the statutory redundancy payment formula but is calculated on an actual week's pay and increased by a factor of 1.75 .

The enhanced severance payment is inclusive of the statutory redundancy payment.

3.3 Under the Council's agreed discretions, an individual can choose to put the difference between the 'redundancy calculation at actual week's pay' and the '1.75 times' sum into the Local Government pension scheme to increase pension instead of taking that proportion as a lump sum. If the employee chooses this option he/she must indicate the intention as soon as practicable and, under the regulations, this discretion must be exercised in advance of the final date of employment with us.

3.4 Certain termination payments may not be subject to tax if, in aggregate, they do not exceed £30,000. The taxable status of all termination payments will be determined in accordance with Inland Revenue guidelines.

### 4.0 **Access to Local Government Pension Scheme**

4.1 If the employee is age 55 or over and is member of the Local Government Pension Scheme, they will receive the pension benefits due to them in accordance with the scheme regulations.