

## Redundancy Policy

### Introduction

This policy sets out Church Army's approach to dealing with potential redundancies. It does not form part of employees' terms and conditions of employment and may be subject to change at the discretion of management.

Although the organisation's policy is to avoid redundancies wherever possible, the needs of the business may from time to time require a reduction in the overall number of staff employed or organisational changes that result in some employees being made redundant. Church Army will always consider alternatives to redundancy however there may be occasions where the possibility of redundancies are unavoidable and this policy sets out what the process will be in these circumstances.

According to the Employment Rights Act 1996, an employee is dismissed by reason of redundancy if the dismissal is wholly or mainly attributable to the fact that:

- the employer **ceases to carry on the business** in which the employee was employed;
- the employer **ceases to carry on that business in the place** where the employee was employed;
- the needs of the business for employees to carry out work of **a particular kind cease or diminish**; or
- the needs of the business for employees to **carry out work of a particular kind in the place** where the employee was employed **cease or diminish**

Therefore, a redundancy situation may arise in Church Army in the following circumstances:

- Financial circumstances may result in a reduction in the number of jobs or there may be a reduction or loss of funding for a particular post or project and as a direct result it is no longer financially viable for Church Army to maintain the post holder's employment.
- The particular kind of work for which an employee or employees was/were originally recruited has stopped or is expected to stop or reduce.
- Changes in working methods or service provision mean that a job or jobs no longer exist.

Where redundancies are necessary, Church Army will ensure that:

- the total number of redundancies made is kept to a minimum;
- employees are fully consulted on any proposals and their implementation;
- selection for redundancy is based on clear criteria that will, as far as possible, be objectively and fairly applied;
- every effort is made to redeploy or find alternative work for employees selected for redundancy; and
- support and advice is provided to employees selected for redundancy to help them find suitable work when their employment has come to an end.

## **Redundancy selection**

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

## **Consultations**

Consultations will be carried out with individual employees as appropriate and as soon as possible by the employee's line manager or senior and/or a member of HR.

Where it is proposed that 20 or more redundancies are required at one establishment over a 90-day period, arrangements will be made for the election of employee representatives who will be consulted over the proposals and the general process to be followed. Individual employees will still be consulted in respect of their own particular circumstances.

The consultation process will be as follows:

1. To hold an initial information meeting with the employee to inform that the employee's post is at risk of redundancy, the reasons for this, the outlook on any alternative employment, and the fact that a formal consultation process will now take place. If a face to face meeting is not possible, the line manager will have this first informal conversation with the employee over the phone. This will then be followed up with a letter inviting him/her to a full consultation meeting not less than 2 days away. The letter should advise the employee of his/her right to be accompanied by a trade union representative or workplace colleague.
2. At the first consultation meeting, explain the reason for the possible redundancy and invite the employee to put forward suggestions and considerations as a way of avoiding redundancy. The employee will be informed of any suitable alternative employment opportunities, and the selection criteria if there are others in the redundancy pool. **At this stage all decisions, including the abolition of the role should only be provisional.**
3. At the end of the consultation period, if the post is still at risk of redundancy, hold a final meeting having considered all matters the employee may wish to make. The employee should be invited to this meeting in writing and has the right to be accompanied by a trade union representative or workplace colleague. If no suitable alternative can be found, issue notice of termination of contract on grounds of redundancy after this meeting. Set out the amount of redundancy payment and whether notice is to be worked. State the date of termination. Give a right of appeal.

## **Fixed Term Contracts**

Although most appointments are made on an open-ended basis, Church Army does offer fixed term or temporary contracts in certain circumstances. Where an employee's fixed-term contract is due to expire within three months, the employee will be considered "at risk" of redundancy, and the consultation process set out here will be followed. In addition, "at risk" staff will be considered for any Church Army vacancy on a ring-fenced basis, i.e. before permanent staff or external competition. Where the employee and

Church Army agree that a vacancy is a suitable alternative to redundancy, it will be offered. Note, this right is for staff at risk to be considered first for a vacancy, not to be offered it by right.

### **Appeals**

Any employee who has been notified of redundancy has the right of appeal against this decision. The employee will be given in writing details of how to appeal. Appeals must be submitted within 10 working days of the written notice of redundancy, clearly stating the reasons for the appeal. The appeal will normally be heard within 10 working days of receipt of the appeal request.

### **Redundancy pay**

This is based on the statutory entitlement of half a week's pay for each year completed age 18 to 21, one week's pay for each completed year of service up to age 40 and one and a half weeks' pay for each completed year of service from age 41. The employee has to have completed two years continuous service to be eligible for redundancy pay.

Church Army's organisational redundancy payment is above statutory, as the maximum weekly pay used for the calculations and the maximum number of years' service taken into account is removed.

The redundancy payment is a tax free payment (if under £30,000) and will be paid on the normal payment date at the end of the employee's employment.

### **Voluntary redundancy**

In order to minimise the need for compulsory redundancies, Church Army may consider requests from employees for voluntary redundancies. Whether or not additional payments will be offered in relation to voluntary redundancies will be a matter for consultation and will depend on the circumstances. Church Army reserves the right at its absolute discretion to decline requests for voluntary redundancy.

### **Alternative work**

Church Army will make every effort to redeploy to suitable alternative work any employee who is selected for redundancy. Such employees will be informed of all the available vacancies in the organisation at the time of their selection and will be given an opportunity to discuss with their line manager which vacancies are likely to be suitable for them. While priority will be given wherever possible to employees under threat of redundancy, the organisation reserves the right to select the best available candidate in relation to any given vacancy.

You may lose your right to any redundancy pay if you unreasonably turn down our offer of suitable alternative employment.

Where an offer of suitable alternative employment is made, this must start within 4 weeks of your original post coming to an end and you have the right to trial this new post on a 4 week period. The 4 week period could be extended if you need training. Any extension must be agreed in writing before the trial period starts.

Employees have a separate legal entitlement to be offered any suitable alternative work that is available if they are made redundant while on maternity leave.

**Time off work**

An employee under notice of redundancy will be entitled to a reasonable amount of paid time off to look for alternative work, attend interviews, etc. Employees wishing to take advantage of this right should make the appropriate arrangements with their line manager.

**Termination of employment**

Depending on the circumstances, Church Army may waive its right to insist on employees working their notice and instead give a payment in lieu of notice, which will be subject to deductions for tax and NI.