## **Ryedale District Council**

#### REDEPLOYMENT AND REDUNDANCY POLICY AND PROCEDURES

- 1. The following statement is Ryedale District Council's policy on redeployment and redundancy and the exercise of discretions under the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006.
- 2. This new policy is effective from 17 May 2012 and replaces any previous redeployment and redundancy policy or procedures.
- 3. The policy forms no contractual rights and the Council retains the right to amend the policy at any time, subject to consultation with any recongnised Trade Union. At the time of publication Ryedale District Council recognise Unison for the purposes of collective consultation.

#### **Policy**

- 4. It is the aim of Ryedale District Council, through careful forward planning, to maintain and enhance efficiency in order to safeguard the current and future employment of employees.
- 5. However, it is recognised that there may be changes in funding, organisational requirements and technological developments, which may affect staffing needs. The Council, in consultation with individuals and Unison, will seek to minimise the effect of redundancies through the provision of sufficient time and effort to finding alternative employment for surplus staff.
- 6. Where compulsory redundancy is inevitable the Council will handle the redundancy in the most fair, consistent and sympathetic manner possible and minimise as far as possible any hardship that may be suffered by the employees concerned.
- 7. The law allows for a statutory minimum compensation requirement based on a maximum weekly amount and capped at 20 years service. The statutory calculation uses the formula of 0.5x the capped weekly amount for all years service accrued up to the age of 22 years; x1 the capped weekly amount for all years service accrued between 22 and 40 years and x1.5 for those accrued from 41 years +. See Appendix B.
- 8. The Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 enables Ryedale District Council to exercise discretion over and above the statutory minimum. Ryedale District Council's policy on the application of the 2006 Discretionary Compensation Regulations is:-

Discretionary Power	Ryedale District Council's Policy
Regulation 5:	Actual weekly pay will be used to
This allows the discretion for	
redundancy payments to be based on	for all Ryedale District Council
an actual week's pay rather than	employees.
statutory maximum week's pay.	
Regulation 6:	Lump sum compensation payments

This allows the discretion to award a lump sum payment of up to 104 weeks' pay (inclusive of any statutory or discretionary redudancy payment).

will be made to all employees. Severance payments will be calculated by applying a multiplier of 1.5 to each completed year of service, up to a maximum of 20 years service (30 weeks). See Appendix A.

## The Local Government Pension Scheme Regulations (LGPS)1997

### **Discretionary Power**

Regulation 52:

Facility for employer to augment (increase) an employee's LGPS membership.

# **Ryedale District Council's Policy**

The Council will not augment membership under regulation 52 unless an employee who would otherwise be eligible for a 'lump sum compensation payment' under the Discretionary Compensation policy requests, before leaving, that he/she be awarded a period of augmented membership under regulation 52 which is actuarially equivalent in value to the 'lump sum compensation payment' (in excess of the redundancy payment) that would otherwise have been paid under the Discretionary Compensation Policy.

Augmentation by conversion will be applied should a member request it under the following guidelines:

If you are a Local Government Pension Scheme member and have been for at least 3 months and you are awarded a discretionary lump sum compensation payment, you may ask for the lump sum to be converted into additional LGPS membership.

The amount that may be augmented (converted) is actuarially equivalent to the lump sum and cannot exceed:

- The excess above the statutory and discretionary redundancy payment; or
- 10 years membership

You cannot receive a lump sum payment and augmented membership. You therefore cannot augment part of your lump sum and receive the remainder.

- 9. The Council aims to provide an appropriate level of support, through regular communication, the provision of training and Ryedale Counselling Services.
- 10. The aim of our policy is to ensure that no employee receives less favourable treatment or is disadvantaged on the grounds of disability, race, colour, nationality or ethnic origin, sex, marital status, age, sexual orientation, religious belief or any other unjustifiable cause not specified.
- 11. This policy and associated guidance will be reviewed from time to time to ensure it reflects changing organisational needs and legal requirements. Unison will be consulted about any proposed revisions.

### Who is covered by the policy and associated procedures?

The Redeployment and Redundancy policy and procedures apply to all employees except those described below.

#### 12. The provisions *do not* cover:

- The transfer or sale of a function(s) of the Council, where Transfer of an Undertaking, Protection of Employment (TUPE) provisions apply. In these circumstances you should refer to [Transfer of Work to Another Organisation];
- Anyone who is not an employee for example, an independent contractor or freelance agent.