



London Sustainability Exchange

London Sustainability Exchange Redundancy Policy

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Set out below is London Sustainability Exchange (LSx)'s policy. It does not form part of the contract but represents LSx's current practice.

1. Purpose and Scope

LSx recognises that change in the world around us will inevitably have an impact on the organisation and its human capital.

- a) The need for change may come as a result of external or internal factors. Some external factors may bring about changes that will be unavoidable and possibly unwelcome. As LSx moves forward endeavouring to achieve its mission, organisational changes may be generated. These may have an impact on the organisation's work force. This policy is intended to help us prepare for and manage change.
- b) LSx shall at all times seek to manage change in the best interest of the organisation to ensure its long term viability and success. However we recognise that these changes can result in compulsory redundancies. For this reason, we will endeavour to treat staff affected by these changes in the best possible way.
 - i.) The Employment Relations Act of 1996 defines redundancy as a dismissal attributable wholly or mainly to:
 - the fact that employer ceased or intends to cease to carry on the business for the purposes of which the employee was employed; or has ceased or intends to cease to carry on that business in the place where the employee was so employed
 - the fact that the requirements of that business for employees to carry out work of a particular kind, or for employees to carry out work of a particular kind in the place they were so employed have ceased or diminished or are expected to cease or diminish.

c) Where change threatens the continuation of posts in the organisation, LSx will always try to maintain employees' continuity of employment and avoid compulsory redundancy and will use compulsory redundancies as a last resort after considering the alternatives as set out in this policy.

2. The Process

- a) LSx will review the causes of change and be creative in considering how the potential impact could be averted, postponed or reduced.
- b) LSx will notify all staff potentially affected by change in writing and by means of personal communication, ideally face-to-face or by telephone. The letter will set out the process for considering change and the timetable in which decisions will be taken.
- c) Staff affected by possible change will be given the opportunity to have a Skills Assessment meeting with the Director to review their skills, experience and abilities. The information generated by that meeting will be used to help LSx and the member of staff respond to change. The documents will assist the employee in preparing for any employment opportunities inside or outside the organisation.
- d) If changes are going to impact on the terms and conditions of particular staff, the following alternatives will be given active consideration by Senior Management and, if necessary, rejected before compulsory redundancies are considered.
- e) *Changes Within A Programme*

If the change to human capital is not financially driven and impacts on a particular job or jobs within a programme, LSx will consider the modification of a number of jobs within that programme to prevent the loss of the particular job or jobs affected.

For example, if the demands on a programme have changed, though not reduced, and the role of one job will no longer be required, LSx will consider reallocating the responsibilities of the programme within the team.

f) *Appropriate Re-deployment*

LSx will consider re-deploying staff facing changes to their terms and conditions to appropriate vacancies as part of managing change.

For individual members of staff to be considered for re-deployment, they must fulfil at least 80% of the essential criteria stated on the person specification of the vacant post. An interview will be held to consider any applicant(s) for re-deployment to a vacant post and the recruitment/matching panel will consider the documents generated by the Skills Assessment Meetings in helping to determine the appropriateness of re-deployment.

LSx will consider the provision of appropriate training to assist staff to attain skill levels required for re-deployment.

Re-deployed staff will have a statutory 4-week trial period in their new post. If retraining is required and this is agreed in writing before the trial period starts, the trial period can be up to three months. A probationary process will be carried out during the trial period. Regular appraisal meetings will be held with the line manager who will write these up. After successful completion of the trial period the employee will forego any possible redundancy pay. If the redeployment is unsuccessful during the trial period, LSx will consider the options available to maintain the continuity of employment for the employee affected by change.

g) *Voluntary Adjustments*

LSx will invite appropriate staff to voluntarily request adjustments to their terms and conditions of employment where this might avert compulsory action, e.g. a team of five people voluntarily agreeing to work a 4-day week. The invitation might be to an employee directly affected by change or a group of people e.g. staff within a programme or team affected by change.

LSx's aim is to be creative in trying to lessen the impact of change and will consider any requests in total confidence though management will not be

obliged to accept any requests. Voluntary adjustments requested by staff may include:

- reduction in hours
- voluntary redundancy
- job sharing

Voluntary adjustments would only be appropriate where the nature of the change was beyond LSx's control, e.g. income falls drastically.

h) Other Adjustments

LSx will consider other adjustments as a means of avoiding compulsory redundancy. This will involve offering changes to the substantive parts of the terms and conditions of employment of staff affected by change as an option to being made compulsorily redundant. These adjustments might include :

- ⇒ a reduction in the hours of work
- ⇒ a temporary reduction in pay
- ⇒ a period of unpaid leave
- ⇒ a period of sabbatical leave

3. Compulsory redundancy

- a) Compulsory redundancy will occur only after all other options have been considered. In the event of compulsory redundancy LSx, will comply with current employment legislation.
- b) In addition to the Skills Assessment Meeting offered at the beginning of the process of change, LSx will :
 - ⇒ provide reasonable time off work to look for alternative employment in line with statutory legislation.
 - ⇒ in exceptional circumstances, negotiate earlier leaving dates with staff not wishing to work their full notice periods.
 - ⇒ offer redundancy counselling.

4. Redundancy Payments

An employee who has been continuously employed for at least two years and is dismissed because of redundancy and has not waived his or her right to redundancy, is entitled to a statutory redundancy payment. The period of service will be rounded up to the nearest six month.

The current statutory rates of payment and limitations are as follows:

- a) half a week's pay for each year of employment in which the employee was aged 18-21 inclusive;
- b) one week's pay for each year when the employee was aged 22-40;
- c) one and a half week's pay for each year when the employee was aged over 40;
- d) pay is calculated at the rate of pay when made redundant
 - ⇒ week = annual salary divided by 52
 - ⇒ month = annual salary divided by 12
 - ⇒ a statutory maximum for weekly pay is currently (February 2001) set at £240

LSx will use actual salary for calculating redundancy payment based on the framework indicated on 4 a, b, c, d.