



TRUST FOR DEVELOPING COMMUNITIES

Redundancy Policy

As amended and approved by the Board on the 27th January 2009

Introduction

The purpose of this document is to clarify the policy of the Trust for Developing Communities (the Trust), in dealing with redundancies as and when they arise. In formulating this policy, the Trustees of the Trust recognise that redundancy is a very sensitive issue that will have an effect on staff morale. The Trustees also recognise that this policy will not necessarily address every circumstance in each individual case and so exceptions may be necessary.

Definition of Redundancy

In legal terms, an employee is dismissed by reason of redundancy when the dismissal is wholly or mainly due to either

- (a) The fact that the employer has ceased, or intends to cease, to carry on the 'business' or activity for which the employee was employed, or has ceased or intends to cease to carry on that business or activity in the place where the employee was employed; or
- (b) The fact that the requirements for employees to carry out work of a particular kind (or for employees to carry out work of a particular kind in the place where they were so employed), have ceased or diminished or are expected to cease or diminish.

Avoiding a Redundancy Situation

Whilst the necessary staff reductions might, in some cases, be achieved through staff leaving for other reasons, this will not always be the case. Whenever possible the Trustees of the Trust will seek to avoid compulsory redundancies, or to minimise the number of them, and the Trustees will consider other measures as appropriate. If in a particular situation the Trustees decide that redundancies are unavoidable, the policies and practices set out below will be followed in order to ensure that the method of selection for redundancy is clearly established and fairly applied and that those affected are properly consulted.

REDUNDANCY POLICY

If after considering other options, the Trustees conclude that a redundancy situation exists, as much warning as practicable in the circumstances will be given to all those who might possibly be involved or affected.

Before selecting staff for compulsory redundancy, the following procedure will normally apply (provided the situation allows time for this full procedure to be followed):

1. Voluntary Redundancy

- 1.1 Where practicable, staff will be invited to volunteer for redundancy. Volunteers will not necessarily be accepted for redundancy, as the Trustees must maintain a balanced staff group to meet the requirements of the Trust. The Trustees will consider all applications for voluntary redundancy.
- 1.2 In some cases it may be possible to invite and consider applications for early retirement (but again on the basis that such applications will not necessarily be accepted). The Trustees will consider all such applications. A person seeking early retirement cannot expect a more favourable package than that available under redundancy.

2. Identification of Redundancy

A review will be undertaken of the immediate future of the Trust and its various activities, services and staffing arrangements having regard to the current and expected demand for those activities and services.

3. Consultation

If the Trustees decide that any compulsory redundancies will be necessary then:

- 3.1 Staff likely to be affected by compulsory redundancy will be consulted before decisions are taken and dismissal notices issued.
- 3.2 Information will be given to staff during the consultation exercise to explain:
 - a) the need for the redundancies;
 - b) the number of posts that will have to be made redundant;
 - c) the number of staff in respect of each redundancy post who may be considered for redundancy;
 - d) the proposed selection method within the group of staff referred to in (c);
 - e) the proposed method of carrying out the dismissals including appeals procedures and timings.

The Trustees of the Trust intend to give staff an opportunity to comment or make representations before a decision on any redundancy is made.

4. Selection for Redundancy

- 4.1 Criteria for redundancy selection will be established in each case. Factors which are likely to be considered relevant in establishing the selection criteria will include:
- a) length of service;
 - b) the future need for the particular skills and experience of the employee.
- 4.2 Alternatively redundancies will be determined by the funding, not by last in first out. i.e. the holders of those posts for which funding had been lost shall be made redundant. If funding for certain areas is lost, but funding for a new area is received, the redundant staff shall be invited to apply for the post in the new area provided they have the skills required, and the new post may therefore be filled by an internal recruitment process.
- 4.3 Where selection for redundancy has been decided, the staff members that have been selected will be given notice of termination of employment in accordance with their individual contractual entitlement.

5. Redundant Employee's Entitlement

Any member of staff who is selected will be entitled to receive a statutory redundancy payment in accordance with current legislation, together with a statement as to how the payment is calculated. They will also be entitled to receive any balance of salary or wages up to the date of termination.

If any payment is due to the Trust from a member of staff who is selected for redundancy, this will be taken into account and specified in the calculation of the amount due to them.

Review

This policy and procedures was approved by the Board of Trustees on

Signature of Chairperson *F. Bates.*

This policy and its associated procedures should be reviewed and updated if there are any changes in legal requirements or every three years from the date when last adopted in order to keep all trustees and staff informed.