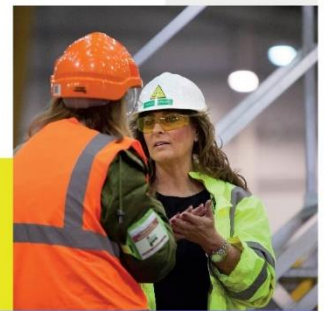
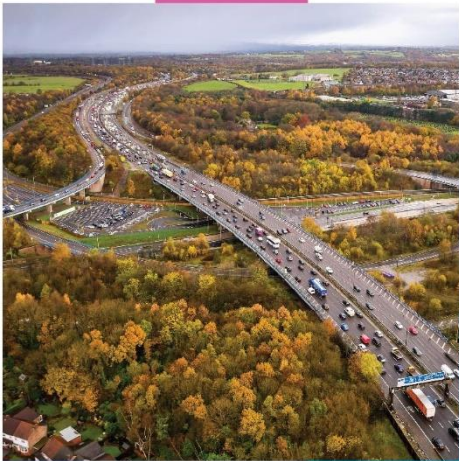


# SECURITY OF EMPLOYMENT (REDUNDANCY POLICY)



*The purpose of this policy is to detail the way in which Transport for the North (TfN) aims to maintain and enhance the efficiency and financial sustainability of TfN which will as far as possible safeguard the current and future employment of TfN employees.*

## **1. Introduction**

It is the agreed aim of TfN to maintain and enhance the efficiency and financial sustainability of TfN which will, as far as possible, safeguard the current and future employment of TfN employees.

However, it is recognised that there may be changes in organisational requirements and technological developments which may affect staffing needs. In such circumstances TfN will seek to minimise the effect of redundancies through the provisions made in this agreement.

TfN is committed to ensuring that this agreement does not discriminate directly or indirectly on grounds of age, disability, gender reassignment, marriage or civil partnership, pregnancy and maternity, race, religion or belief, sex, sexual orientation, trade union membership and activity.

## **2. Preventative Measures**

Should circumstances arise where redundancy may be a possibility because fewer employees are needed to perform TfN's work, we will, prior to engaging in consultation, make the following considerations in the first instance:

- Consideration will be given to restrict recruitment;
- Consideration will be given to the feasibility of measures such as short-time working and/or lay-offs;
- Considerations will be given in search of opportunities for redeployment to other departments within TfN;
- Consideration will be given to a salary freeze for a specified period of time;
- Consideration will be given to the likely effects of natural wastage;
- Consideration will be given to existing workloads and hours of work;
- Consideration will be given to the exploration of other methods by which desired cost cuts could be achieved;
- Consideration will be given to the exploration of whether there are any other options available in order to avoid redundancy;
- Consideration will be given to job-sharing, part-time employment and/or other flexible arrangements.

If redundancies cannot be avoided, TfN will give consideration to terminating freelance contract workers and asking for volunteers. Whilst we will aim to keep the number of compulsory redundancies to a minimum, the overriding consideration will always be the future needs of the business.

If the need for compulsory redundancies arises, the selection of roles identified at risk of redundancy will be the responsibility of the Operating Board.

### **Collective Consultation**

#### *Selection Criteria*

Where there is a need to reduce the number of employees undertaking the same role, TfN will prepare and build a fair and measurable "selection criteria" which will be based on agreed role profiles, which the employee or a nominated representative will have had the opportunity to input into and be consulted upon. Each of the measurable criteria will be scored in advance of any redundancy selection being made in order that the employee who came out with the least score will be placed at risk of redundancy and continue through consultation, whilst the other employees will not be made aware of their potential involvement.

The chosen selection criteria will be fairly and consistently applied and will be supported with evidence and/or data.

Relevant employees will be notified at the earliest possible opportunity of the reasons for the potential redundancy situation and of TfN's proposals. This is level 1 - At Risk.

Note: If TfN believes it necessary to deviate from the above selection criteria for any reason in any given case, we will consult with affected employees in relation to any other selection criteria, which we are proposing to use.

#### *Redundancy Stages:*

- Stage 1 – At Risk
- Stage 2 – Selected for Redundancy
- Stage 3 – Final Notice

## **4. Consultation Process**

TfN will carry out consultations over the following time periods: A minimum of 30 days' consultation where 20 or more jobs are proposed to be made redundant. As much consultation as is reasonably practicable where fewer than 20 employees are proposed to be made redundant.

During the consultation exercise, full information will be provided to employees and/or their representatives about TfN's proposals and there will be adequate opportunity for employees or their representatives to respond. Information provided may include: the reasons for the proposed redundancies; the numbers and categories of employees who may be made redundant; the proposed method of selecting employees for redundancy; the proposed method of carrying out the redundancies, including the time period over which the dismissals may take effect.

TfN will also enter into individual consultation with each employee provisionally selected for redundancy. Each employee will have the right to be informed of the basis for their selection and be invited to put forward any representations, which TfN will fully consider before making a final decision on which employees are to be made redundant.

If TfN does ask for volunteers for redundancy, invitations will be offered to all employees whose jobs are at risk of redundancy. The opportunity to volunteer for redundancy will be available for a defined period only. Employees who choose to apply for voluntary redundancy are not guaranteed to have their application accepted. TfN has the absolute discretion to decide whether or not to accept an employee's application for voluntary redundancy.

Where an employee's application is provisionally accepted, they will be notified of this in writing. Employees who volunteer and are accepted for redundancy will be entitled to redundancy pay in the same way as employees who are made compulsorily redundant. Once provisional redundancy selections have been made, TfN will seek to identify any alternative vacancies that may be suitable.

## **5. Trial Period**

As an alternative to redundancy, TfN will try to find available suitable positions where applicable.

If a decision is made to offer a suitable alternative position, the offer will be made in writing. Where alternative employment is offered and accepted, it is TfN's policy to operate a trial period of four weeks in the new post. This is a statutory requirement. If it is established that the post is not objectively suitable for the employee, their employment will be terminated at the end of the trial period and the employee will still receive a statutory redundancy payment based on their original employment as at the date of termination of that employment. An employee who unreasonably refuses an offer of suitable alternative employment (whether before, during or after the trial period) may forfeit their right to a statutory redundancy payment.

It is TfN's policy to pay in excess of the statutory redundancy payments. Statutory payments are based on age and number of years' service to work out the total number of week's redundancy pay an employee is entitled to. TfN will use the number of years' service and the employees

age at the date of calculation (as set-out ready reckoner for calculating statutory payments in terms of the number of weeks' pay) and apply the following multipliers when calculating redundancy payment entitlements:

	<b>Compulsory Redundancy Multiplier</b>
All employees who transferred to TfN from Transport for Greater Manchester on 1 July 2018	x2
All employees who transferred to TfN from Mersey Travel on 1 July 2018	x1.866
All other TfN employees including new starters from 1 July 2018 onwards	x1

All such redundancy (including pension) payments made by TfN are capped to a total amount of £95,000.

Where an employee decides to accept the offer of alternative employment, the 4 week trial period will start from the date at which the new job was taken up. Should the alternative employment prove unsatisfactory, either party may terminate or give notice. On termination the employee shall be treated as though she/he has been made redundant on the date the old job ended.

The trial period may be extended for up to 3 months for the purpose of training for the new post, provided that the trial period and terms and conditions of appointment applying after training are agreed in writing prior to the commencement of the new job.

## **6. Appeals**

All employees that are made redundant are entitled to appeal against this decision if they feel that the selection criteria have been unfairly applied in their case.

Employees that have not been offered suitable alternative employment following the interview process outlined in above, are also entitled to appeal against this decision as are those who have been re-deployed.

Employees wishing to appeal are entitled to be accompanied at the appeal hearing by a work colleague or a Trade Union Representative.

Appeals must be submitted within five working days of the decision in any of the above being communicated to the employee.

TfN will set up an appeal hearing. The chairperson hearing the appeal will decide on the outcome, and this decision will be final and shall be communicated to the employee, normally within five working days of the appeal hearing.

This redundancy policy has no contractual force and should be regarded as providing guidelines only.

## 7. Notice Period

The notice periods to be given by TfN to employees on standard contracts are as follows, or the statutory minimum if this is greater:

Salary Band	Notice Period
Up to £30,000	One Month
From £30,000 to £53,000	Two Months
£53,000 to £99,999	Three Months
£100,000 upwards	Six Months
Statutory minimum notice periods are as follows:	
Four weeks or more but less than two years continuous employment	One week
Two years or more but less than 12 years continuous employment	One week for each completed year
12 years or more continuous employment	Twelve weeks

## 8. Re-training and Redeployment Options

Active efforts will be made to protect employment by offering suitable alternative employment at the equivalent level or opportunities to re-train and redeploy employees that are displaced.

Retraining and redeployment options suitable to the individual will be investigated and discussed as part of the consultation process when an employee is at Stage 2 – Selected for Redundancy. In doing this we will take into account an individual's specific circumstances and consider reasonable adjustments and any caring responsibilities for example.

*Retraining and redeployment options may include:*

Redeployment Assistance Programme (RAP) – containing:

- Mentoring, coaching and shadowing;
- Training courses and Continuous Professional Development;
- Secondments – internal or external (where possible);
- Personal career management and planning.

## 9. Alternative Employment

Where a proposal results in potential redundancies then TfN will consider whether alternative posts are vacant and available. If so, TfN will inform employees who are affected of the vacancies and invite applications from those who are interested in the vacancies as an alternative post.

Applicants who are interested in a vacancy will be interviewed for the job and assessed against the essential criteria to ensure that they either meet the criteria, or are able to do so after an appropriate training period of not more than six months. Where more than one employee applies for alternative post, TfN will select the most appropriate applicant for the role who meets the essential criteria. An employee, who accepts an alternative post, will be appointed on the terms and conditions of the new post. Again doing this we will take into account employees specific circumstances and consider reasonable adjustments.

Where vacancies exist, those at Stage 3 "Final Notice", Stage 2 "Selected for Redundancy" and, thereafter, Stage 1 "At Risk" employees will be considered first in the recruitment process, prior to external advertisement. Vacancies will not be recruited to, until all Stage 3 "Final Notice", Stage 2 "Selected for Redundancy" and Stage 1 "At Risk" employees have been considered for such vacancies.

An appropriate settling in period ("the Settlement Period") of not less than three months, in addition to any agreed period of training required for the alternative post, will be permitted. At the end of the Settlement Period, a joint review will take place between the manager and the employee. If both parties are satisfied, the employee will be confirmed in the post. If not successful (either because of performance issues or either party's dissatisfaction), the employee will be returned to the displaced (supernumerary) list and potentially made compulsorily redundant.

Where a colleague unreasonably refuses an offer of suitable alternative employment they may lose their entitlement to a redundancy payment.

Where TfN exercised their right to re-deploy 'at risk employees' to an alternative role, employees' salary will be protected for two consecutive years service. In addition, where the salary differential is reduced by more than 10% compared to previously received pay grading, employees' salary will be frozen for three consecutive years service.

The employee's salary will be protected (according to the above timescale) from the date they begin a new post.

## 10. Voluntary Redundancy

In circumstances where a proposal results in the likelihood of redundancies, applications for voluntary redundancy will be invited as a means to avoid compulsory redundancies if possible.

Where an employee exercised their right to apply for voluntary redundancy and should this be accepted, employees will be paid as follows:

	<b>Voluntary Redundancy Multiplier</b>
All employees who transferred to TfN from Transport for Greater Manchester on 1 July 2018	x2
All employees who transferred to TfN from Mersey Travel on 1 July 2018	x1.866
All other TfN employees including new starters from 1 July 2018 onwards	x1.5

All such redundancy (including pension) payments made by TfN are capped to a total amount of £95,000.

Applications for voluntary redundancy must be approved by the Operating Board in advance of any communication with an individual that their application has been successful. Applications need to set out the full circumstances and financial consequences.

## **11. Security of Employment and Safeguarding Employees**

TfN aims by careful forward planning, to ensure as far as possible security of employment for its employees. However, it is recognised that there may be changes in business requirement, competitive conditions, organisational requirements, changes in legislation, customer requirements, technological advances, etc. that may affect staffing needs.

When changes to the organisation are proposed, in line with best practice and current legislation, meaningful consultation with the relevant employees and their representatives will be undertaken by TfN, thus ensuring anyone involved in the process to properly understand the requirements and to ensure fair implementation. Whilst TfN recognises there is a legitimate role of Unions to challenge and question business cases for organisational change or proposals intended to improve efficient and effective operation of TfN, we must ensure we maintain a balanced, scaled and experienced workforce for the longevity of the organisations success.

## **12. Non-renewal of Fixed Term Contract**

Prior to the expiry of a Fixed Term Contract (approximately 1 month) an employee will receive a written invitation inviting them to attend a meeting to discuss the potential of their fixed term contract coming to an



end. At this meeting, TfN will provide the right to be accompanied and will consider, with the employee, any other vacancies available in the organisation. Should a decision be taken to terminate the employee's employment due to the expiry of the fixed term contract, the employee will have the right to appeal against that decision via the appeals process detailed within TfN's Grievance Policy.

### **13. Fixed Term to Permanent**

Where a fixed term post is to be made permanent, and the current job holder is performing to a satisfactory level and has a minimum of 12 months' service in the post, such a job holder will be offered priority of the post. If the current job holder does not meet this criteria, the role will be advertised and the current job holder will be able to apply for the position. Where a fixed term post is to be made permanent and there are more than one employee carrying out the role on a fixed term contract (and they all have more than 1 years' service) TfN will carry out a selection process of those job holders to ensure the person with the most appropriate skills is placed into the permanent position.



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