

## Live Active Leisure

### REDUNDANCY POLICY

#### FOREWORD

Live Active Leisure [the Company] by careful forward planning will ensure as far as possible the security of employment for **Our People**. However, it is recognised that there may be changes in competitive conditions, organisational requirements and technological developments which may affect staffing needs. It is the agreed aim of the Company to maintain and enhance the efficiency and sustainability of the Company in order to safeguard the current and future employment of **Our People**. The Company, in consultation with the Trade Union(s), will seek to minimise the effect of redundancies through the provision of sufficient time and effort to finding alternative employment for surplus staff. Where compulsory redundancy is inevitable the Company 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.

This policy applies to all **Our People** and is intended for cases involving redundancy and will not be used for any other purpose.

#### INTRODUCTION

Redundancy is never taken lightly particularly as we recognise the effect this has on both the employee(s) subject to redundancy and those who remain in our employment. As such, prior to any redundancy process we undertake to carry out a thorough analysis before making any announcement.

In addition, we will ensure we minimise any adverse effect to the business by effectively managing our human resources.

The overall needs of our clients and the high quality of the service we provide are paramount to us, as such we will do all we can to avoid terminating any person's contract of employment by way of redundancy.

#### SCOPE AND GENERAL PURPOSE

To set out the procedure we intend to enact should we find ourselves in a position whereupon we need to reduce headcount.

We will follow the principles of the Employment Rights Act 1996 and in so doing a 'redundancy' dismissal will only be enacted if we satisfy the 'terms of reference' as set out in the Employment Rights Act 1996.

#### DEFINITION OF REDUNDANCY

The Employment Rights Act 1996 defines 'Redundancy' as an employee who is being dismissed from his or her employment if the dismissal is 'attributable wholly or mainly to:

The fact that the employer has ceased, or intends to cease the business for the purposes of which the employee was or is employed or has ceased or intends to cease to carry on that business in the place where the employee is or was employed (e.g. closure of the Company).

The fact that the requirements of that for the employees to carry out the work of a particular kind in the place where he or she is or was employed has ceased or diminished or is expected to cease or diminish.

## CLASSIFICATIONS

In order to simplify the Employment Rights Act 1996, a redundancy dismissal may be occasioned by the following:

- **TECHNOLOGICAL**  
Computerisation and enhanced technological systems can often result in the diminishment of work, resulting in the need to reduce the workforce
- **ECONOMICAL**  
This is when a business experiences a serious loss of income or revenue resulting in the need to cut costs
- **RE-STRUCTURING OR RE-ORGANISATION**  
From time to time organisations find it necessary to re-structure the business. This can often be occasioned when businesses or companies merge

## PROCEDURE

The fair application of procedure is of up most importance to the Company, as such the following actions will be carried out should it be necessary for the Company to make an employee or a number of employees redundant.

## NOTICE

A letter will be sent to the employee or employees subject to potential redundancy and in so doing a statutory consultation process. This will set out the following:

- Length of the consultation period
- Why the position is subject to a statutory consultation process and in so doing a redundancy dismissal
- A scheduled appointment
- The right to representation
- The proposed method of selection for redundancy
- The timeframe proposed for the redundancy dismissal(s)

## CONSULTATION

The following periods of consultation will apply to any employee subject to a potential redundancy dismissal:

<b>NUMBER OF EMPLOYEES</b>	<b>PERIOD OF CONSULTATION</b>	<b>STATUS</b>
1 to 10	7 working days consultation	N/A
10 to 19	10 working days consultation	N/A
20 to 99	30 days consultation	Employment Rights Act 1996
100+	45 days consultation	Employment Rights Act 1996

A redundancy dismissal will not be enacted until the cessation of the said consultation period.

## RIGHT TO REPRESENTATION DURING CONSULTATION MEETINGS

Any employee subject to a redundancy consultation process is permitted to be accompanied by an employee representative. The following personnel are permitted to accompany the person to the meeting:

- Trade Union Representative if the employee subject to consultation is a fully paid up Trade Union Member
- Fellow employee of the Company

## CONDUCTING THE CONSULTATION MEETING

The HR and Administration Manager will be present at consultation meeting(s) and will be accompanied by a member(s) of the Senior Management team where appropriate.

## THE PURPOSE OF A CONSULTATION MEETING

The purpose of a consultation meeting is to identify amongst other:

- Any ways in which the dismissal(s) can be avoided
- Discuss the selection criteria
- Look at alternative options such as redeployment

## OTHER MATTERS TAKEN INTO CONSIDERATION

- Natural labour turnover
- Voluntary redundancy
- Early retirement
- Voluntary transfer to another area of the business
- Training
- Limiting overtime
- Limiting number of relief hours

## SELECTION CRITERIA

In selecting employees for redundancy, the Company needs to ensure that it retains a balanced workforce to help achieve strategic and operational objectives. The Company does not believe it is possible or appropriate in such a diverse situation to lay down authority wide criteria to be used in all redundancy situations. Rather the criteria to be used in each case will be based on the Company's current and anticipated operational needs with a view to ensuring the retention of a sufficiently skilled and knowledgeable workforce. The weighting and criteria used will therefore reflect these requirements and the method chosen to apply them will need to be tailored to each situation.

Selection criteria will be objective, fair and consistent. The introduction of Fixed Term Employees Regulations (Provision of Less Favourable Treatment) Regulations 2002 will now in most cases preclude last in first out being a fair selection for redundancy criteria.

## RIGHT OF APPEAL

In accordance with due process any employee subject to a redundancy dismissal has the right to appeal. The right of appeal is set out in our Disciplinary Procedure and the same rules apply.

## VOLUNTARY REDUNDANCY

We will accept applications from those employees who wish to be considered for redundancy. However the following terms apply:

- We do not guarantee to accept a voluntary application. We only agree to receive and review it
- We reserve the right to reject any voluntary application put forward to us
- To review the financial implications of a voluntary application
- To review the skill set of the applicant together with the future need of the business

## PAYMENT TERMS

Any employee with less than two years qualifying service will not be entitled to a redundancy payment.

We comply with the statutory provisions as set out in the law governing redundancy dismissals. Redundancy pay will be based on individual's weekly contractual salary.

## AGE AND SERVICE TERMS

The following sets out an individual's entitlement in accordance with their age and longevity of service.

<b>AGE</b>	<b>ENTITLEMENT</b>
Up to 22	½ weeks pay for every year worked
22 to 40	1 weeks pay for every year worked
41 or older	1½ weeks pay for every year worked to a maximum of 20 years service

The maximum payment is for 20 years service and a payment of 30 weeks regardless of an employee's length of service.

## NOTICE ENTITLEMENT

We will comply with the Employment Rights Act 1996 for the purpose of calculating notice periods. The only exception to this ruling is where an individual contract of employment has a greater notice period than that which is required by law.

## EMPLOYMENT RIGHTS ACT 1996 STATUTORY NOTICE PERIODS

<b>LENGTH OF SERVICE</b>	<b>NUMBER OF WEEKS NOTICE</b>
To 2 years employment	1 week
2 years to 12 years	1 week for every complete year worked*
13 years plus	Capped at 12 weeks

\* For the purposes of calculating exact years the anniversary of the employees start date will be used.

## CONFIRMATION OF REDUNDANCY DISMISSAL

A letter will be sent within 5 working days of the redundancy dismissal, which will detail amongst other:

- Effective termination date
- Payment terms
- Amount due insofar as:
  - Redundancy pay
  - Notice pay and whether you are required to work the notice period or not (PILON)
  - Any outstanding holiday accrual (where applicable)
- The support we can provide (where relevant)
- The right of appeal

*(PILON Pay in lieu of notice)*

## ASSISTANCE TO STAFF WHO ARE AT RISK OF REDUNDANCY

Staff at risk of redundancy will be permitted to use our IT systems, albeit at specific times, which must be agreed with their line manager, for the purposes of:

- Accessing information on website recruitment pages
- General job search
- Obtaining information such as:
  - Inland revenue details
  - DSS
  - Job Centre Plus

The rules pertaining to the use of our systems are those which are set out in our IT Security Policy.

In addition we will provide guidance, advice and support with job applications, curriculum vitas and any other job related matters in order to assist the employee in finding suitable alternative employment.

## EQUAL OPPORTUNITIES

All persons involved in the operation of this Redundancy Policy, Process and Procedure shall ensure the application of such in accordance with our Equality and Diversity Policy.