



REDUNDANCY POLICY

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Author	Issue Date	Version	Document Ref	Approved By	Approval Date	Next Review	Page i
HR Department	Jan 2023	V5.4	HR-32	Exec	Dec 2022	Jan 2026	

Contents

- 1 INTRODUCTION..... 1
- 2 CONSULTATION..... 1
- 3 SELECTION FOR REDUNDANCY 1
- 4 ALTERNATIVE EMPLOYMENT 2
- 5 TIME OFF FROM WORK TO SEEK NEW EMPLOYMENT 2
- 6 PERIOD OF REDUNDANCY NOTICE..... 2
- 7 REDUNDANCY PAYMENTS 2
- 8 SALARY PROTECTION 3
- 9 REDUNDANCY AVOIDANCE..... 3
- 10 VOLUNTARY REDUNDANCY 4
- 11 TERMINATION OF EMPLOYMENT 4

DOCUMENT CONTROL

Document Storage

Location: p:\ops team\central policies & procedures - development - word docs\hr - human resources policies & procedure\hr-32 redundancy policy v5.4.docx

Version Control Log (Only last 3 versions, earlier versions can be found in the appropriate archive directory for the document)

Version	Date	Author	Description of Changes
V5.1	Feb 2019	S Parmar	Reviewed, no change
V5.2	Mar 2022	A Shiels	Under review, no changes currently
V5.3	June 2022	HR Department	Under review, no changes currently
V5.4	Dec 2022	HR Department	Reviewed – no change

Approval

Version	Name	Position	Signature	Approved Date
V3.0	Exec	Executive Team		
V4.0	Exec	Executive Team		Nov 2015
V5.0	Exec	Executive Team		May 2018

Glossary

Term	Description
PILON	Payment in Lieu of Notice

1 INTRODUCTION

It is Badger's intention to manage its business in such a way that redundancies are unlikely to become necessary. Although Badger will take all possible steps to avoid redundancies, in the event that Badger's circumstances change, and for unavoidable business reasons, the outcome is that fewer employees are needed to perform the work available, then it may be necessary to make redundancies.

In such circumstances Badger will take appropriate steps to keep the numbers of redundancies to a minimum whilst also taking into account the needs and demands of the business.

Courses of action will be reviewed to identify alternatives to redundancy such as:

- An employee may wish to volunteer for redundancy
- Whether the number of temporary or casual staff can be reduced
- Whether to impose a temporary ban on recruitment
- An employee who may wish to retire early
- Whether an employee whose job is at risk can be retrained for other types of work
- Whether an employee whose job is at risk can move to another part of the organisation

This policy sets out the organisation's approach to dealing with potential redundancies. It does not form part of employees' terms and conditions of employment and may be subject to change at the discretion of management.

2 CONSULTATION

Consultations will be carried out with individual employees as appropriate. Where it is proposed that 20 or more redundancies are required (at the same location) over a 90-day period, arrangements will be made for the election of employee representatives who will be consulted over the proposals and the general process to be followed. Individual employees will still be consulted in respect of their own particular circumstances.

Where a redundancy situation becomes apparent, Badger will notify staff at the earliest opportunity of the reasons for the potential redundancy situation and of their proposal. This will be done by consulting directly with employees.

Where fewer than 20 jobs are affected, under the Employment Rights Act 1996, no stipulated consultation time is required. However, Badger will endeavour to carry out consultation giving as much time as is reasonably practical in each situation.

During the consultation period Badger will provide information about the proposed redundancies and give employees time to respond. The information will include:

- Reasons for the redundancies
- Numbers and categories of staff who may be affected
- The time period over which redundancies will occur
- The proposed method for calculating redundancy payments
- The criteria to be used for selection of staff to be made redundant

3 SELECTION FOR REDUNDANCY

The criteria used in selecting employees for redundancy will depend on the existing circumstances and the particular needs of the organisation at the time. However, every effort will be made to construct a fair and robust set of criteria following appropriate consultations.

The pool of staff to which the selection criteria will apply will be fairly and clearly defined along with the process for decision-making which may include competitive interviews.

Under the Equality Act 2010, where an employee in the pool is disabled, Badger will ensure that the employee is not put at any disadvantage on account of the application of selection criteria and will accordingly make reasonable adjustments to the selection procedure to remove any disadvantage that the disabled employee would otherwise suffer.

Individual employees who are provisionally selected for redundancy following the application of the criteria will be informed of the fact and invited to a meeting, at which they will be given an opportunity to make representations that the application of the criteria results in unfairness to them or if they feel that there has been a mistake in the application of the criteria.

4 ALTERNATIVE EMPLOYMENT

The organisation will make every effort to redeploy to suitable alternative work any employee who is selected for redundancy. Such employees will be informed of all the available vacancies in the organisation at the time of their selection and will be given an opportunity to discuss with their line manager or HR department which vacancies are likely to be suitable for them. While priority will be given wherever possible to employees under threat of redundancy, the organisation reserves the right to select the best available candidate in relation to any given vacancy.

Employees have a separate legal entitlement to be offered any suitable alternative work that is available if they are made redundant while on maternity leave.

Where an employee is offered another post and they do not wish to accept that post as they deem it to be suitable and Badger accept their refusal then the redundancy process will proceed.

5 TIME OFF FROM WORK TO SEEK NEW EMPLOYMENT

An employee under notice of redundancy will be entitled to a reasonable amount of paid time off to look for alternative work, attend interviews, etc. Employees wishing to take advantage of this right should make the appropriate arrangements with their line manager.

This option is available to staff who have completed two years continuous service calculated to the date of termination. Badger may however at its absolute discretion consider allowing time off for staff with less than two years service.

6 PERIOD OF REDUNDANCY NOTICE

An employee who is made redundant is entitled to a period of paid notice, provided they have completed at least one complete month's service with Badger. The notice period entitlement is as follows:

- One week's notice if you have been employed continuously for more than one month, but less than 2 years.
- Two weeks' notice if you have been continuously employed for two years.
- An additional week's notice for each additional complete year you have been employed, up to a maximum of 12 weeks.

Under certain circumstances such as inclusion in contracts of employment Badger may pay an employee in lieu of their notice period.

7 REDUNDANCY PAYMENTS

Badger's policy is to pay redundancy payments in line with statutory requirements. These state that redundancy payments will only be made to employees who have accrued two or more complete years of continuous service. The number of hours an employee works per week does not affect their eligibility to receive a redundancy payment,

providing they satisfy the two year period of continuous employment as stated. Employees who have completed less than two years continuous service will not be entitled to any redundancy payment.

When an employee is entitled to a redundancy payment, the calculation will be based upon the following criteria:

- The number of years of continuous service the employee has completed with Badger.
- The employee's age at the time of being made redundant.
- The employee's weekly gross pay (what they would normally earn per week, up to a maximum statutory limit set by the Government).

For staff who work flexible hours (and whose pay will therefore vary from week to week), a week's pay will be determined by calculating their average earnings per week during the preceding 12 weeks – again up to a maximum statutory limit set by the Government.

The number of weeks' pay that an employee will receive for their redundancy payment is outlined in the table below.

Employees up to the age of 21 years old.	Half a week's pay per whole year of continuous service.
Employees aged between 22 and 40 years.	One week's pay per whole year of continuous service.
Employees aged 41 years and over.	One and a half weeks' pay per whole year of continuous service.

Where an employee's continuous service spans more than one of the above age 'brackets', the calculation will be made according to their age during each individual year of their continuous service.

For example: John Smith is made redundant after 10 years continuous service, and he is 42 years old at the time of his redundancy. His redundancy payment will therefore consist of:

- one "unit" of one and a half weeks' pay; and
- nine "units" of one week's pay

The maximum statutory redundancy payment that will be made is the equivalent of 30 weeks pay. The maximum number of years of continuous service that will be taken into consideration in the above calculations is 20 years service.

8 SALARY PROTECTION

In the event that an employee is offered and accepts an alternative post, salary protection if applicable will normally only apply during the notice period set within the individual's contract.

9 REDUNDANCY AVOIDANCE

Although the organisation's policy is to avoid redundancies wherever possible, where the business is put at either financial or operational risk, the needs of the business may from time to time require a reduction in the overall number of staff employed or organisational changes that result in some posts and subsequently employees being made redundant.

Where this is necessary, the organisation will ensure that:

- the total number of redundancies made is kept to a minimum;
- employees and, where appropriate, their representatives are fully consulted on any proposals and their implementation;
- selection for redundancy is based on clear objective criteria that will, as far as possible, be objectively and fairly applied;

- every effort is made to redeploy or find alternative work for employees selected for redundancy; and
- support and advice is provided to employees selected for redundancy to help them find suitable work when their employment has come to an end.

10 VOLUNTARY REDUNDANCY

In order to minimise the need for compulsory redundancies, the organisation may consider requests from employees for voluntary redundancies.

The organisation reserves the right at its absolute discretion to decline requests for voluntary redundancy.

11. TERMINATION OF EMPLOYMENT

Badger will normally expect employees who have been served notice of dismissal on grounds of redundancy to work out their full notice which may require them to work on alternative reasonable duties.

However, depending on the circumstances, the organisation may waive its right to insist on employees working their notice and instead give a payment in lieu of notice.

Employees with two or more years' service may be entitled to a statutory redundancy payment. The amount of this payment will be confirmed when the employee is selected for redundancy and the sum will be paid along with the employee's final salary payment or payment in lieu of notice.

With effect from 1st May 2018, payments in lieu of notice will be taxable and subject to Class 1 National Insurance contributions.