

Human Resources

DRAFT VOLUNTARY REDUNDANCY PROCEDURE

Policy History	
Version History	No version history available. The current procedure is dated September 2011.
Summary of Change	<ul style="list-style-type: none"> • The role of the Workforce Programme Board is clarified. • The Approval Panel is the AD Human Resources and the Section 151 Officer. • Employees are asked to calculate their compensation payment and to discuss their VR request with their manager, prior to submission. • Confirmation that requests may be deferred. • The opportunity to request a redundancy via a 'bump' is now included • Added in a criterion to reject the VR (e) – this gives the panel the power to refuse a request if unanticipated circumstances justifying a refusal apply. • Strengthened the comment regarding the discretion of the panel to approve the request if there are significant benefits that would flow from the termination.
Contact (job title)	Head of Workforce Development
Implementation date	1 July 2015
Review Date	June 2017
EqIA Date	June 2015
Decision making body & date of approval	Staffing and Remuneration Committee 29 June 2015
Classification	Official
Links and Dependencies to other policies	
Redeployment Policy	
Restructure Policy	
Related Forms	

1. Purpose

Human Resources

This procedure sets out the steps to be followed to manage Voluntary Redundancy within the Council.

2. Scope

This procedure applies to all Council employees, except all staff appointed by schools operating under the Local Management of Schools, who have their own procedure.

The procedure will be varied for certain senior staff to ensure compliance with local government law and JNC conditions of service for Chief Executives and Chief Officers.

3. Policy Statement and Principles

In a situation where there are job losses the Council will look at ways to minimise the number of compulsory redundancies. The council may seek volunteers to apply for redundancy. The Voluntary Redundancy Procedure enables individuals to consider if the time is right for them to move on and explore new opportunities if doing so meets their personal circumstances and the ongoing need of the organisation.

The following procedure sets out Haringey Council's approach to dealing with voluntary redundancies.

A key principle is that employees will need to confirm that they wish to be considered for voluntary redundancy. There is no commitment by the Council to accept any request.

4. Procedure

4.1 To apply for voluntary redundancy employees should first obtain a Redundancy Compensation estimate. If they will be 55 or older by the date of redundancy a pension estimate can also be obtained by using the calculators available on the Intranet at the following link [calculators](#). The employee should discuss the application with their line manager. Following taking these steps the employee must complete a VR1 form and email this to vr@haringey.gov.uk For employees who do not have access to email they should return their form to HR, Alexandra House, 10 Station Road, Human Resources, Level 4, Wood Green, N22 7TR.

4.2 Any monies owing to the Council in lieu of car/personal/travel loans, overpaid salary, outstanding pension contributions or any other monies will be deducted from the redundancy compensation payment.

Human Resources

- 4.3** HR will provide the relevant Director / Assistant Director with indicative costs concerning the request. The Director / Assistant Director will be required to provide to HR a business case containing a recommendation for each request. Where the Director / Assistant Director considers the employee should not be allowed to leave under the scheme, or that the application should be deferred, the business case will if applicable make reference to the criteria for refusing a request (see point 4.7) or for deferring an application (see point 4.8).
- 4.4** HR will calculate the full costs including capital costs of the employee's request being granted and will forward that information and the business case to the Workforce Board. The Workforce Board will make a recommendation for each request. Where the Workforce Board considers the employee should not be allowed to leave under the scheme, or that the application should be deferred, the recommendation will if applicable make reference to the criteria for refusing a request (see paragraph 4.7) or for deferring an application (see paragraph 4.8)
- 4.5** The decision to accept, defer or reject a request will be made by a panel of senior officers including the S.151 Finance Officer. The decision of this panel is final. The panel will be provided by HR with the VR1, the Assistant Director's business case and recommendation, the full costs of the request being granted and the Workforce Board's recommendation.
- 4.6** Where a request has been approved by the panel, Human Resources will send a letter to the employee terminating their employment. The termination will be effective following the contractual period of notice to which the employee is entitled or from some date mutually agreed between the employee and the Council. Where a request has not been approved by the panel, or the panel has decided to defer the request, Human Resources will send a letter to the employee notifying him/her of that decision.
- 4.7** The panel will have the discretion to refuse a request on one or more of the following grounds :-
- a) The employment of the employee is due to terminate on the grounds of retirement or through dismissal on the basis of conduct/capability/sickness/probation/ end of a fixed term contract or is due to terminate for some other reason.
 - b) The removal of the key skills, knowledge or experience of the employee would impact substantially upon business performance.

Human Resources

- c) The employee concerned has skills or capabilities known to be in short supply or that are known or are expected to be required within the near future for the organisation.
- d) The ratio of the sum of redundancy costs (redundancy payment, enhanced redundancy payment and capital cost of early release of pension) exceeds 70% of the sum of the costs of the retention of the employee (annual salary, other contractual allowances or payments, on costs).
- e) There are circumstances other than set out in (a) to (d) above that in the panel's opinion would justify the refusal of the request.

Even if one or more of the above grounds applies the panel will have the discretion to approve the request e.g. should there be significant benefits which would flow from the early termination of employment.

4.8 The panel will have the power to defer a request on one or more of the following grounds :-

- (a) The post cannot yet be deleted from establishment and is subject to further planning and consultation.
- (b) The request can be accepted if the employee is replaced by a suitable surplus employee and such an employee has not been identified.

4.9 If the panel decides to defer a request the maximum length of the deferral will be 18 months. By the end of the deferral period the panel will reconsider the request, having regard to an updated business case and recommendation from the Assistant Director, updated full costs of granting the request from HR and an updated recommendation from the Workforce Board. The panel has the power to defer a request on no more than two occasions.

4.10 An employee will be entitled to withdraw their request for voluntary redundancy on giving written notification to Human Resources at any time prior to being sent a letter by Human Resources terminating their employment.