**Redundancy and Early Release Procedure**

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| Version Control | Changes Made | Author |
| Version 1 – April 2023 |  | HR |

Introduction

This procedure applies in situations where Cumberland Council finds it necessary to make structural or organisational changes affecting either an individual or a group of employees. It should be read in conjunction with the Managing Change and the Redundancy and Early Release Policy.

The procedure is intended to support managers and employees through the relevant schemes and to ensure that they are dealt with in a fair and consistent way.

A summary table of the above schemes, the eligibility criteria and potential benefits is available in the Redundancy and Early Release Guidance. These schemes may give employees access to pension benefits and/or severance payments depending on the individual circumstances of the release.

It is recommended by the Director of Children’s Services that this procedure is adopted by schools. Where adopted by a school, for “Director” read “Headteacher/Chair of Governors” and for HR/OD read HR provider.

[Process](http://www.intouch.ccc/elibrary/Content/Intranet/536/671/5053/6001/41410105256.doc)

1. The first stage in the process is to identify which scheme is to be applied:
* Voluntary Redundancy
* Early Retirement in the interest of efficiency/Rule of 85
* Compulsory Redundancy

Voluntary Redundancy, Early Retirement in the Interest of the Efficiency of the Service, and Early Retirement - Rule of 85 are all Schemes by which employees who are adversely affected (in contractual terms) by change and who would wish to leave can be released from the employment of the Council. Compulsory Redundancy should only apply where the numbers of posts are definitely being reduced or where all other avenues (outlined above) have been fully explored.

1. The process to be followed will be determined according to the details of the scheme.
2. Before any application for early retirement or voluntary redundancy is approved, the full additional estimated cost of the termination must be shown to be recoverable within three years of the employee’s termination date.
3. Managers must not enter into any commitment on behalf of the Council in informal discussions with employees about the possibility of early retirement/ voluntary redundancy.
4. The Director of HR/OD will make the final decision on any recommendations for early retirement or voluntary redundancy made to them by the relevant Director.
5. In the event that the costs of a proposed early retirement or voluntary redundancy cannot be met from the appropriate cost centre(s), or cannot be met from reduced salary costs without an unacceptable effect on the delivery of the service, the employee’s respective Director, or Assistant Director may (with support from the Council’s Section 151 Officer), if it is considered that the early retirement or voluntary redundancy, is in the best interests of the Council as a whole, request that Corporate Management Team make additional finance available to help fund the early retirement/ voluntary redundancy.
6. Certain termination payments may not be subject to tax if, in aggregate, they do not exceed £30,000. The taxable status of all termination payments will be determined by the Corporate Director of Resources in accordance with Inland Revenue guidelines, on a case-by-case basis.
7. Where the need to reduce employee numbers has been identified, the Director of HR/OD may seek volunteers for early retirement and/or voluntary redundancy.

**Redundancy and early release procedure – Responsibilities**

Directors (in conjunction with line Manager as necessary) are expected to:

* Provide to the Director of HR/OD, a detailed report outlining the cost and service implications to consider when determining an early retirement or voluntary redundancy application.
* Prior to completion of the report, it is expected that the Director will discuss the possible alternative of re-deployment into suitable employment with the relevant HR Manager.

HR/OD Team are expected to:

* Train HR Service Centre and HR Advisory colleagues on all relevant aspects of this policy
* Review and revise the policy
* Ensure the policy is widely communicated, understood and published
* Maintain records of all Compulsory Redundancy, Voluntary Redundancy and Early Release provisions (including ill health and retirements under the 85 Year Rule) to identify whether forecasted savings have been achieved and will report exceptions to the Management Team.

HR Advisory Team are expected to:

* Advise Directors and managers on all aspects of this policy
* Provide employees with contact details for the Council’s Pension Administrators
* Provide details of all Compulsory Redundancy, Voluntary Redundancy and Early Release provisions to HR/OD Team for recording purposes.

Service Centre are expected to:

* Complete and process in a timely manner any termination instructions using the appropriate forms and procedures.
* Keep up to date with amendments to the policy.

Director of HR/OD:

* The Director of HR/OD will adjust the Council’s budgets as necessary to reflect the financial effect of approved early releases.

Should further clarification be required in relation to this procedure please contact the HR/OD Team via the portal [PPL Home - People Management Portal (service-now.com)](https://servicecumbria.service-now.com/peoplemanagementportal)

For Schools:

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| Name of School: |  |
| Date by which School have adopted procedure: |  |

**September 2013**