Redundancy Policy

1. Introduction

It is Ofcom’s policy to avoid declaring compulsory redundancies wherever possible but we recognise that redundancies may be inevitable as a result of organisational change, technology, adverse economic conditions or other unforeseen circumstances. In the event of redundancy, Ofcom will make every effort to avoid compulsory redundancies and will adopt the highest standards of practice.

2. Purpose

The purpose of our redundancy policy is to ensure that any reduction in staff numbers is achieved in an orderly and systematic manner consistent with a fair and equitable treatment of the colleagues involved in such changes.

3. Scope

This policy applies to all Ofcom colleagues except:

3.1 colleagues who opted to remain on the terms and conditions of their previous regulator employer who will receive redundancy terms in accordance with any contractual redundancy policy operated by their previous regulator employer;

3.2 colleagues who leave Ofcom for any reason other than redundancy, for example poor performance or conduct;

3.3 colleagues who are redeployed into another post;

3.4 colleagues who, having been redeployed, leave during the trial period;

3.5 colleagues who unreasonably refuse an offer of suitable alternative employment (the suitability of any alternative position will be determined by Ofcom in its absolute discretion);

3.6 a person who is engaged through an employment agency, is self-employed or is not an “employee” of Ofcom;

3.7 colleagues with less than one year’s employment whose employment terminates during their probationary period and temporary employees engaged for three months or less.

4. Information and Consultation

Ofcom will comply with relevant statutory requirements concerning the provision of information to and consultation with representatives. Where appropriate, Ofcom will consult with the Joint Consultative Group of the Ofcom Colleague Forum and the Union in accordance with the Terms of Reference for the Ofcom Colleague Forum and Joint Consultative Group and the Procedural Agreement between Ofcom and the Union.

5. Avoiding redundancy

Every effort will be made, where possible, to avoid or minimise compulsory redundancies. These measures may include:-

• natural turnover;

• a restriction on recruitment of permanent colleagues;
• reducing the use of existing temporary colleagues;
• retraining where appropriate for another role within Ofcom;
• inviting volunteers (except where there are good business reasons why the affected colleague cannot be released);
• redeploying colleagues to alternative positions within Ofcom which meet both Ofcom’s business needs and the colleague’s personal aspirations.

6. Role elimination and selection for redundancy

• Where the measures outlined above still do not result in the number of colleagues being reduced to the appropriate level, Ofcom will effect redundancies through role elimination, selection from a pool or a combination of both. Role elimination arises where the colleague’s post disappears altogether.

• Selection from a pool may be necessary where Ofcom needs to reduce the number of colleagues performing similar roles.

Selection for redundancy will be based on the business’s need to retain appropriate colleagues to meet current and future organisational requirements and may reflect skills and ability, competency, individual performance, future potential, suitability for retraining and a colleague’s attendance and disciplinary record.

All selection decisions will be based on objective, fair, consistent and non-discriminatory factors and Ofcom may, at its discretion, request colleagues to take part in an assessment procedure. If appropriate, Ofcom will consult the Joint Consultative Group over the proposed selection criteria.

7. Voluntary redundancy

If appropriate, Ofcom may invite volunteers to apply for voluntary redundancy. Ofcom has absolute discretion on whether or not to accept an application for voluntary redundancy.

If an application is accepted:

• the colleague’s employment will be terminated on the grounds of redundancy. The compensation payment will be calculated in accordance with Section 10 (below);
• the colleague may not apply for any other position within Ofcom during the remaining period of their employment or for 12 months thereafter;
• Ofcom accepts no responsibility in relation to the colleague’s eligibility to receive state benefits or benefits under any income protection or similar insurance arrangements made by the individual.

8. Alternatives

Every effort will be made to find a colleague a suitable alternative post where they have the necessary skills and/or potential to acquire the necessary skills within a reasonable timeframe.

The decision on the suitability of an alternative role rests with Ofcom, taking into account the needs of the organisation and the individual concerned. Where there is more than one applicant for a role, Ofcom may in its absolute discretion require the applicant to undertake a competitive selection process.
A colleague who refuses an offer of a suitable alternative role will lose any entitlement to non-statutory redundancy pay.

9. **Trial periods**

A trial period for an alternative role will be no less than four weeks and depending on the role a longer period may be appropriate. After this period the colleague will either be confirmed in the post or if the job is not suitable, be made redundant and receive the appropriate redundancy payment.

Ofcom will use the trial period to assess the colleague’s suitability. If Ofcom wishes to end the trial period the colleague will retain the right to receive a redundancy payment. If a colleague is dismissed during the trial period for a reason unconnected with redundancy, or suitability for the role (for example on grounds of misconduct) then the colleague may lose their entitlement to a redundancy payment depending on the circumstances.

Where Ofcom considers the resignation by a colleague during a trial period to be unreasonable, the colleague will lose any entitlement to a non-statutory redundancy payment.

10. **Ofcom redundancy pay**

10.1 Ofcom redundancy pay will be based on the following terms for colleagues employed on Ofcom terms (and not otherwise excluded from the scope of this policy):

- Four weeks’ pay in total if a colleague has less than one year’s continuous service;
- Four weeks’ pay for each complete year of continuous service with Ofcom or one of its legacy regulators (up to a maximum of 2 x the colleague’s annual pay);

*Note:* The maximum Ofcom redundancy payment is 2 x colleague’s annual pay.

Ofcom Redundancy pay will be calculated using basic salary. For part time colleagues Ofcom redundancy pay will be calculated on their pro-rated basic part time salary.

Ofcom redundancy pay includes any statutory redundancy pay.

10.2 All contractual benefits and, where applicable, membership to any Ofcom Pension Plan will cease with effect from the termination date;

10.3 Ofcom reserve the right to insist that all redundancy terms offered under this policy will be conditional on the colleague entering into a settlement agreement with Ofcom.

10.4 Ofcom redundancy pay will not be paid to a colleague who:

- unreasonably refuses an offer of suitable alternative employment or unreasonably resigns during a trial period (the suitability of any alternative position will be determined by Ofcom in its absolute discretion);
- resigns during the consultation or notice period;
- is dismissed by Ofcom (whether with or without notice) as a result of misconduct, negligence or pursuant to Ofcom’s performance improvement or disciplinary procedures.

11. **Early retirement**

There will be no enhanced early retirement provisions for colleagues who are made redundant.
12. **Outplacement assistance**

Outplacement support will be offered to any colleague who is made redundant. The type and nature of support will be determined by Ofcom at the relevant time, taking into account the circumstances of the situation. This will be a taxable benefit if the colleague has less than two years’ continuous service.

A colleague under notice of redundancy will be granted reasonable paid time off work to look for another job.

13. **Re-employment with Ofcom**

Ofcom will not accept an application for any position from any colleague within 12 months of their employment being terminated by Ofcom on grounds of redundancy.

14. **Appeals**

Colleagues may appeal against a decision to make them redundant and details of the appeals process to follow will be made available at the time of each particular redundancy exercise.

15. **Overview and Review**

The Human Resources Director will maintain an overview of this procedure to ensure that it is being applied in a fair and reasonable manner and will be responsible for reviewing the procedure from time to time in the light of operational experience and the changing needs of Ofcom. This procedure does not form part of your contract of employment and Ofcom has the right to amend it from time to time.