

PAY PROTECTION (REDUNDANCY)

1. INTRODUCTION

- 1.1 The Council's policy on Pay Protection is not to protect an individual's pay. If they are redeployed they are paid according to the job evaluated grade, the same as anybody else in the redeployed role.
- 1.2 The Employee Side asked the Council to consider a Pay Protection Policy in redundancy cases.

2. BACKGROUND

- 2.1 If an individual is at risk of redundancy they are placed on the Council's redeployment register. Detailed below is the Council's current process/procedure for redeployment:
 - The employee is asked to detail their skills, knowledge and experience. The pro forma will be kept in Human Resources and will be used to job match.
 - The next step is for Human Resources to compare vacancies with details of employees seeking redeployment to seek a "match".
 - If the individual is matched to the job, the individual and manager will meet to discuss further. The job can then be trialled for a period of four weeks; during the trial no adjustments to pay are made.
 - If the trial period is successful, the individual is confirmed in the role. If the redeployment position is of a lower band, then the individual is placed on the top scp (spinal point) of the new job. For example, if an individual is on Band 5 and the redeployment is at Band 4, the individual will be placed on scp 22 (top of Band) rather than lower down the Band.
 - If the trial is not successful the individual still retains their right to redundancy. Additional external support is also offered to help individuals to prepare for the external job market.
- 2.2 The Council's current policy does consider ways of minimising the impact on an individual's pay. The policy ensures that employees who are redeployed to lower banded positions are placed at the top of the Band which helps to minimise the impact on their pay. The Council would not regard a lower paid redeployment as a reasonable redeployment therefore individuals have a choice of whether if offered they accept the lower paid redeployment or redundancy. During the redundancy notice period individuals would remain on the redeployment register and therefore further opportunities for redeployment may arise.

- 2.3 It is recommended that the Council consider offering some pay protection in redundancy redeployment situations. If the individual's post is at risk of redundancy, and the individual is offered a redeployment which is one or more bands lower than the employee's current Band, it is proposed that the Council protects to one Band only above the suitable post for a period of 6 months. If the individual accepts the lower paid redeployment with the 6 months pay protection, the individual loses their right to redundancy and the redeployment register.

Examples:

Employee A's post is evaluated at Band 6. Due to rationalisation the employee's post becomes redundant and they are offered suitable alternative work on a post evaluated at Band 4/5. Their salary will, therefore, be protected to Band 6 for a period of 6 months after which they will be paid at the top of Band 5.

Employee B's post is evaluated at Band 9. Due to rationalisation the employee's post becomes redundant and they are offered alternative work on a post evaluated at Band 7 or redundancy. In this situation the employee would have the option of accepting this post on a trial basis, before confirming acceptance, or having their employment terminated on the grounds of redundancy. If they choose to accept the lower Banded post their salary will be protected to the top of Band 8 for a period 6 months, then reducing to the top of Band 7.

3. Financial Implications

- 3.1 The proposed pay protection policy will increase future costs of pay for a 6 month period, but this will be offset by redundancy compensation that has been saved.

4. Environmental Implications

- 4.1 There are no direct environmental implications to this report.

5. Equality and diversity implications

- 5.1 There are no direct equality and diversity implications, the proposed changes to pay protection will affect potential redundant employees equally regardless of age and length of service.

6. Employee Side comments

- 6.1 Employee Side notes and approves the contents of the report.

7. Recommendations

- 7.1 That the Pay Protection Policy for redundancy be approved to take effect from 1 November 2013.

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Background Papers:

A review of Organisational Change Policies and
Procedures - GP&L – 5th July 2013