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Policy & Procedure for Dealing with Redundancies

This policy applies to all Employees.

January 2026

This is an East Lothian Council Policy which has been subject to consultation with the Joint Trades Unions. Any review of amendment by the council will be following consultation with the Trades Unions.

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Policy Lead	Team Manager, HR Operations

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1. Introduction

- 1.1 This procedure has been established by the council following consultation with the recognised trade unions.
- 1.2 The aim of this policy document is to provide the principles and procedures to apply where reductions in staffing levels, including compulsory redundancies, are required.
- 1.3 It is recognised that a redundancy situation may arise from reviews of service provision and organisational restructuring.
- 1.4 It is recognised that discretionary elements of redundancy rights e.g., premature retirement conditions, will be subject to the terms of the occupational pension employees are a member of i.e., Lothian Pension Fund or SPPA and ELC discretion.
- 1.5 As redundancy is a form of dismissal, employees may be eligible to certain rights including redeployment to suitable alternative posts where available or an appropriate notice period of termination of contract with redundancy pay, where eligible.

2. Policy

- 2.1 The council fully recognises the impact of redundancy on individual employees and undertakes to take all steps to attempt to avoid the need for compulsory redundancies for all council employees.
- 2.2 It shall be the responsibility of the Deputy Chief Executive or Head of Service, in conjunction with the Head of Corporate Support and with due regard to current council policy frameworks, e.g., Service Review Protocol to determine any requirement to reduce employee numbers within a Department, Service or at a particular work location within the council.
- 2.3 In addition to its legal obligations to advise recognised trade unions when a redundancy situation arises, the council will undertake to consult fully with its employees and their representatives at the earliest opportunity.
- 2.4 Employees of the council who are members of Trade Unions may wish to seek advice / representation from relevant Shop Stewards/Local Representatives at any point during the application of this procedure.
- 2.5 The council undertakes to use compulsory redundancy as the last option in securing employee reduction. Prior to compulsory redundancy the council will initiate the measures detailed in Section 7.0 of this procedure. However, if any, or all these activities, fail to achieve the required reductions in employee numbers, compulsory redundancies may become necessary.

- 2.6 In the event of service provision being transferred from being provided directly by the council to another organisation, due regard will be given to the requirements of the Transfer of Undertakings (Protection of Employment) Regulations 2006.
- 2.7 Due regard will also be given to all other relevant National and Local Conditions of Service and appropriate legislative requirements for all employee groups.

3. Definitions

- 3.1 In accordance with employment legislation and for the purposes of this policy and procedure, an employee shall be taken to be dismissed by reason of redundancy if the dismissal is attributable wholly or mainly to:
 - (i) The fact that the council has ceased, or intends to cease, the 'function/service' for the purposes of which the employee was employed, or has ceased, or intends to cease, that 'function/service' in the place where the employee was so employed; **or**
 - (ii) The fact that the requirements of that 'function/service' for employees to carry out work of a particular kind, or for employees to carry out work of a particular kind in the place where they were so employed have ceased or diminished or are expected to cease or diminish.

- 3.2 The council has determined that for the purposes of statutory notification and consultation an establishment may be a specific workplace location. There may be circumstances however where more than one workplace may be considered to constitute an establishment, e.g. a discrete service provision as a function in its own right.

4. Procedure

- 4.1 The following procedure will be observed in the implementation of redundancy arrangements:
 - (i) The Deputy Chief Executive or Head of Service will formally notify the Head of Corporate Support of the requirement for a reduction in employee numbers, reasons, timescales and detailing specific numbers. This would be done using the process outlined within the relevant council Service Review Protocol.
 - (ii) The Service Manager, People & Council Support will give the statutory notice of the council's intentions to the appropriate Government Office, simultaneously informing the council's recognised trade unions, of the detailed proposals.

5. Notification and Consultation

5.1 Should it be proposed to dismiss as redundant 20 or more employees at one establishment over a 45-day period or less a collective consultation will be required, and the council will notify and consult with the recognised trade union (s) for the group of employees in question.

5.2 Collective consultations must cover:

- the changes that are needed, what is proposed, and why.
- ways to avoid or make fewer redundancies.
- the skills and experience needed for the future.
- the criteria for selecting employees for redundancy.
- any concerns employees may have.
- arrangements for how employees will be supported for example to update their CVs, attend interviews and get training.

5.3 Where fewer than 20 redundancies are proposed, managers will consult individually with each affected employee.

5.4 Consultation does not have to end in mutual agreement, but it must be conducted with a view to reaching it, including ways of avoiding or reducing any redundancies.

5.5 Notification and Consultation will take place at the earliest opportunity and in accordance with the following minimum time limits; where 20-99 employees are to be made redundant at least 30 days before the first redundancy, where 100 or more employees are to be made redundant at least 45 days before the first redundancy.

5.6 In addition to the consultation with the recognised trade union(s) there will be appropriate consultation and discussion with individual affected employees.

6. Support for Employees

6.1 Displaced employees or those subject to receiving notice of redundancy will have access to:

- Employee Assistance Programme to access for example, counselling, financial advice, stress management, to support planning for the future.
- ELC training to support internal redeployment opportunities.
- additional face-to-face meetings with manager and HR as required.
- help to complete personal profile forms.
- time off for those selected for redundancy to look for new jobs, attend interview or arrange training.

6.2 Help for employees to find another job or training:

- Employees being made redundant must be supported able to request a reasonable amount of time off during their notice period to look for another job or to arrange training.
- This normally applies where the employee has worked for the council and/or local government continuously for 2 years or more, including the notice period.
- Requests can only be refused if managers have reasonable grounds. These might include:
 - how difficult it will be for the employee to find work.
 - the length of their notice period

6.3 Paid time off during notice period for training or to look for another job:

- Pay for time off to look for work or training is limited to 40% of a week's pay unless an employee's contract states otherwise. This applies even if the employee takes more time off for this during their notice period.

7 Measures to Avoid Compulsory Redundancies

7.1 With a view to reduce, mitigate and avoid the need for compulsory redundancies the following activities will be considered as appropriate:

(i) **Freezing Vacancies:** Vacancies will be frozen or temporarily filled in the same discipline as the redundant posts or in alternative disciplines where there is the possibility or suitable cross transfer of skills and responsibility.

Taking account of the exigencies of the service, vacancies should remain frozen or filled temporarily until the redundancy exercise is complete or until directly affected employees are redeployed, relocated, or promoted.

(ii) **Curtailing or Eliminating Overtime Working.**

(iii) **Vacant Promoted Posts:** Consideration will be given to the filling of vacant promoted posts by open internal competition for the duration of the redundancy exercise where this will release suitable posts as alternatives for redeployment/relocation.

Consideration will be given to the requirements of the service in terms of the skills, qualifications and experience required for the promoted post.

(iv) **Redeployment:** Applicable to all employees who are on statutory notice of redundancy or who have more than 2 years continuous service with the

council and/or local government and in accordance with the council's procedure on redundancy as detailed in Appendix A to this procedure.

The terms and conditions which apply to all redeployed employees are detailed in Appendix A. Additionally, where a suitable post is available for which the employee is qualified but not appropriately experienced, suitable orientation and training will be provided.

- (v) Ending Agency Worker Placements: Ending arrangements with a view to making available redeployment opportunities for displaced employees.
- (vi) Temporary/Fixed-Term Contracts: Terminating contracts of employment held by relevant temporary employees may be another alternative to compulsory redundancies.
- (vii) Termination of Early Retirement/Redundancy for Local Government employees: Indirectly affected Local Government employees who are eligible for enhancement and payment of Superannuation, by virtue of age (50+) and relevant qualifying Superannuation Service, may be given the opportunity to retire in the efficient exercise of the council's services/functions or avoidance of compulsory redundancies. Directly affected employees may additionally be entitled to statutory redundancy pay.
- (viii) Premature Retirement for Teachers: Premature retirement may be an option if teachers are being made redundant or retire in the interests of efficiency. Teachers must have reached minimum pension age (55) and have at least two years' continuous service. Premature retirement must be offered and agreed by the employer as the employer must agree to pay the remaining pension up to the full pension amount. However, where premature retirement is supported, redundancy pay would not be applicable.
- (ix) Voluntary Early Redundancy for employees paying in to the Pension Scheme: Where this is offered at the council's discretion, directly affected employees not entitled to payments as in (vii) above may be given the opportunity to volunteer for redundancy and to receive redundancy payments under the Local Government (Compensation for Redundancy) Scheme 1994 if eligible.

8. The Selection Process

- 8.1 The Deputy Chief Executive or Head of Service, shall arrange for the individual employee, in conjunction with their line manager and HR, to complete a Personal Profile form. This form will contribute to the information required when identifying selection criteria throughout this procedure. A copy of the completed Personal Profile form will be given to affected employees.

- 8.2 Selection for Voluntary Early Retirement/Redundancy: This will be based on seeking voluntary applications by the Deputy Chief Executive/Head of Service and the Head of Corporate Support. Account will be taken when assessing the applications about the type of posts to be made redundant, the number of redeployment posts available, and the need to retain scarce and/or specialist skills.
- 8.3 Selection for Redeployment/Relocation: In accordance with the council's procedure on dealing with redundancies as detailed in Appendix A.

9. Compulsory Redundancies

- 9.1 If any of the above measures, either in part or in combination, do not acquire the required reductions, compulsory redundancies should apply. In cases of compulsory redundancy this Policy should be read in conjunction with the council's Policy on Enhanced Compensation for Early Retirement on the Grounds of Redundancy and Efficiency.
- 9.2 The council will always seek to establish fair criteria for selection as decided with recognised Trade Unions input (see Appendix B) which so far as possible do not depend solely upon the opinion of the person making the selection, but can be objectively verified, e.g. efficiency at the job, experience, length of service and attendance/disciplinary record.
- 9.3 Where following the use of the 'measures' outlined in Section 7.0 above, there are still surplus employees, the Deputy Chief Executive, or Head of Service, with the Head of Corporate Support, will identify the posts that require to be deleted and therefore the employees who may be required to be dismissed on the grounds of compulsory redundancy.

10. Compulsory Redundancies - Preliminary Procedure

- 10.1 The criteria for selection and the weighting of such, shall be decided with recognised Trade Unions input and may include:
 - (i) The knowledge, experience, and skills of the individual employee(s) in relation to the requirements of the employee's current Department or Service area of the council.
 - (ii) An employee's disciplinary record over the last two years.
 - (iii) An employee's sickness absence record over the last two years, although sickness absence related to disability, maternity, pregnancy, or work-related violence cannot be taken into consideration.
 - (iv) The length of continuous council and/or local government service of the individual employee(s).

11. Special Circumstances - Pregnancy, Maternity, Adoption Leave and Shared Parental Leave

- 11.1 In line with the Protection from Redundancy (Pregnancy and Family Leave) Act 2023 and Maternity Leave, Adoption Leave and Shared Parental Leave (Amendment) Regulations 2024, where an employee's statutory maternity/adoption/shared parental leave period ends on or after 6th April 2024 employees will have enhanced protection in relation to redundancy rights.
- 11.2 If there is a prospect of redundancy, then a suitable alternative job must be offered. Failure to do so could be automatic unfair dismissal and discriminatory.
- 11.3 During the redundancy protection period protection applies from the point that an employee informs their employer that they are pregnant (whether this is done orally or in writing) and for 6 months after they return to work.
- 11.4 The length of the protected period depends on the type of leave an employee is taking:
 - **Pregnancy and maternity leave** - The redundancy protected period starts when an employee tells their employer they are pregnant and ends 18 months from the exact date the baby is born.
 - **Adoption leave** - The redundancy protected period starts on the day someone's adoption leave begins and ends 18 months from either the date the adoption placement starts or the date the child enters the UK.
 - **Shared parental leave** - The redundancy protected period lasts 18 months, where more than 6 consecutive weeks of SPL has been taken, from the start of SPL until 18 months from date of childbirth.
- 11.5 The relevant senior manager and HR Adviser shall, arrange for a Selection Assessment form to be completed, a copy of which will be given to the individual employee.
- 11.6 In addition the relevant senior manager and HR Adviser, shall then arrange to meet individually with the affected employee(s) and their representative to discuss appropriate matters and to hear any other issues they would wish to raise.
- 11.7 An employee dismissed on the grounds of compulsory redundancy shall be given notice of termination by the Head of Corporate Support and may be entitled to receive payments under either the 1994 Local Government (Compensation for Redundancy) Scheme or the equivalent for members of the Teachers' (SPPA) pension scheme.

12. Appeals

- 12.1 Where it has been decided to dismiss an employee on the grounds of redundancy the employee shall have the right to appeal against that decision.
- 12.2 All appeals against a compulsory redundancy shall be heard by the Employee Appeal Sub-Committee of the council.

13. Policy Review

- 13.1 The application of this procedure may be varied in accordance with prior notification to the relevant Trade Union(s).

Head of Corporate Support

January 2026

East Lothian Council
Procedure for Dealing with Redundancies

1. The Deputy Chief Executive or Head of Service must notify The Head of Corporate Support of all employees affected by a redundancy situation. HR and the appropriate senior manager shall have arranged for employees to complete the Personal Profile forms detailing the experience, qualifications, etc. of employees affected.
 - 1.1 The Head of Corporate Support shall ensure that all council vacancies that arise are scrutinised, with due reference to the Vacancy Monitoring Procedure, so that detailed consideration can be given to the posts being filled by the redeployment of any potentially redundant employees identified within the council. No post shall be advertised internally or externally until this process has been completed. Where a post is the subject of the Vacancy Monitoring Procedure the request to fill the post will include reference to this fact.
 - 1.2 The HR Adviser will provide employees with information relating to the posts available elsewhere in the council, but the employee will not be required to apply at this stage.
 - 1.3 The selection criteria, decided with Trade Union input, to be considered by the relevant senior manager and HR Adviser will be derived from the Personal Profile form based on the general principle of establishing the skills, qualifications and experience of the employee for assessment against the requirements of a post.
 - 1.4 Prior to an offer of alternative employment being made the senior manager and/or HR Adviser, shall meet individually with the affected employee(s) to discuss appropriate matters with them and to hear any representations they would wish to make.
 - 1.5 Thereafter, the employee will meet the relevant senior manager and HR Adviser and their representative when the alternative post to be offered will be discussed.
 - 1.6 The Head of Corporate Support will subsequently offer the post in writing to the employee as an alternative to compulsory redundancy, although the employees will be entitled to a four-week trial period in the new post. If at the end of the trial period the employee does not consider the alternative post acceptable they should inform the appropriate senior manager within five working days of the end of the four-week trial period. The senior manager, in consultation with the HR Adviser shall review the position following which it will be decided that:
 - (i) the decision to consider the employee redundant and the offer of redeployment of the employee was, in all the circumstances, reasonable; **or**

- (ii) the decision to consider the employee redundant was reasonable but the employee should be redeployed to a different post; **or**
- (iii) an extension to the statutory four-week trial period should be considered.

The decision shall be communicated to the employee within five working days by the Head of Corporate Support.

2. Refusal to Accept Alternative Employment

- 2.1 Where following the above considerations the employee refuses to accept the offer of suitable alternative employment they will then be dismissed by 'reason of redundancy'. The letter of dismissal will be issued by the Head of Corporate Support who may exercise the statutory right to withhold statutory redundancy payments.
- 2.2 Where following the above considerations and the employee is under notice of redundancy, should they unreasonably refuse to accept the offer of suitable alternative employment they will then be dismissed by 'reason of redundancy'. The letter of dismissal will be issued by the Head of Corporate Support who may exercise the statutory right to withhold statutory redundancy payments.
- 2.3 Where the employee is displaced but not under notice of redundancy, or does not have a redundancy entitlement, and they unreasonably refuse to accept suitable alternative employment they may then be dismissed for some other substantial reason.

3. Terms and Conditions of Employment

- 3.1 Similar alternative posts will not always be available, and it may be necessary to offer employees posts which are graded at a lower hourly rate/ salary grade or involve fewer/more hours than their original post. In these circumstances, where the employee accepts the alternative post, it will be on the terms and conditions applicable to the new post.

To assist the employee in adjusting to the changed circumstances, a compensatory payment will be made in relation to hourly rate, but not regarding any reduction in hours, or hourly enhancements (i.e. for night working), where these no longer apply.

The compensatory payment will be calculated on the difference between the original hourly rate and the hourly rate applicable in the new grade. If the new role is less hours there would be no protection for this reduction, and if the new role is more hours, only the original contractual hours would have the compensation payment applied.

This cash conservation payment will be made for a period of up to three years from the date of the reduction, or in accordance with the relevant National

Conditions of Service for SNCT employees (in relation to conservation). After this period, the employee will be paid the hourly rate and salary applicable to the new post at that time. Conservation will end early if the substantive salary overtakes the amount protected.

- 3.2 Where the employee is in receipt of payments, such as standby payments, and overtime payments (whether conditional or contractual) etc., and the conditions justifying such payments do not pertain in the post to which the employee is redeployed, such payments will cease and will not be considered in the calculation of any compensatory payment.
- 3.3 Where an employee is redeployed the provisions of the appropriate Conditions of Service in force at the time shall apply in respect of travelling expenses and removal expenses; but a redeployed employee is eligible to receive additional excess home to work travel payments as defined in the council's Travel Guidance.

4. Training

- 4.1 Reasonable and necessary training required because of redeployment will be provided.

5. Return to Original Employment Field

- 5.1 It may be necessary to redeploy employees outwith their recognised employment field. In these circumstances these employee(s) will be given priority consideration for any subsequent vacancy which arises in that field for a period of one year from the date of taking up the alternative employment. Such priority consideration shall not however apply where the employee concerned has, in the intervening period, moved to another post at his or her own request and or application.

**Head of Corporate Support
January 2026**

Example Redundancy Selection Matrix

Appendix B

Service xx - Redundancy Selection Matrix	
Name of employee:	Job title:
Date of continuous local government service:	Date of ELC continuous service:
Name(s) of manager(s) making assessment:	
Name of HR Adviser supporting:	
Date of assessment:	
Skills:	Score
Requires monitoring, supervision, guidance, or support beyond what would normally be expected for their level.	1
Has some of the technical and practical skills required for the role that is to be performed in the future, but not all, and requires some support to undertake role.	2
Has all the technical and practical skills required for the role that is to be performed in the future.	3
Manager's justification (evidence):	
Timekeeping: Assessment period is 12 months prior to date of matching. For this purpose, "late" means starting work 15 minutes or more after contractual start time without prior authorisation, or notifying management	Score
Has been late more than twice during the assessment period.	1
Has not been late in the assessment period.	2
Manager's justification:	
Disciplinary record: Assessed at date of matching	Score

Live final written warning.	1
Live written warning.	2
Live verbal warning.	3
Counselling meeting	4
No live disciplinary record.	5

Manager's justification: (Insert details of warning(s) considered.)

Sickness Absence: Assessment period is 2 years prior to date of matching. Absences exclude those related to pregnancy and disability.	Score
10 calendar days or more	1
6-9 calendar days	2
2-5 calendar days	3
0-1 calendar day	4

Manager's comments: (Include any absence that has not been taken into account - see [Notes](#) below for more information on the types of absence that should be excluded.)

Length of Service	Score
2 - 5 years continuous local government service at end of academic year	1
Between 5 and 10 years continuous local government service at end of academic year	2
Over 10 years continuous local government service at end of academic year	3

Manager's justification: continuous local government service date

Weightings			
Criterion	Score	Weighting	Weighted score
Skills			
Job performance			
Timekeeping			
Disciplinary record			
Absence			
Length of Service			
Total score:			
In the event of a tied score “last in first out” will be considered based on service with ELC			
Notes for managers undertaking the scoring exercise.			
<i>Skills</i>			
Any arrangements relating to monitoring, supervision and guidance that are in place due to an employee's disability must be disregarded.			
<i>Relevant qualifications, training, and experience</i>			
Bear in mind that qualifications gained recently may have previously been called something else. You should also take account of equivalent qualifications or experience gained outside the UK.			
<i>Job performance</i>			
You should consider whether performance [and the ability to meet targets] may have been affected by a disability, long-term absence from work due to a disability or family-friendly leave (such as ordinary parental, adoption, maternity, or shared parental leave). In such cases, a different period of performance may need to be assessed. Where the employee is disabled, it may, depending on the circumstances, be a reasonable adjustment to award a different score.			
<i>Timekeeping</i>			
Any lateness that is a due to disability, pregnancy or dependants' leave must be disregarded.			
<i>Disciplinary record</i>			

Any warnings for poor performance should not be considered as this may result in the employee being scored twice for the same issue.

Sickness Absence

Any absence relating to the following must be disregarded: disability, pregnancy, or absence due to an injury at work for which the employer may have liability.

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