

LISTER HOUSING CO-OPERATIVE LTD

REDUNDANCY, SEVERANCE AND SETTLEMENTS POLICY - DRAFT

These policies are based on the Employers in Voluntary Housing (EVH) model guides/policies.

A. REDUNDANCY POLICY

- A1. Lister will comply with all relevant legislation should redundancy become necessary. The key elements are: consultation, redundancy payments, and following a proper procedure. The EVH Guide gives all the details and redundancy procedures are embedded in the EVH conditions of service. As an employer with a very small number of staff some aspects may not apply but Lister will aim to follow good practice in any situation. There should be liaison with any trade union representatives. There must be no discrimination in any redundancy process.
- A2. Clearly a redundancy situation is one that is best avoided if possible and there should be the evaluation of alternatives and consultation on these if at all possible. There is advice in the EVH Guide on alternatives to redundancy
- A3. The EVH Guide gives advice about running a consultation process. It also has advice about selection for redundancy, voluntary redundancy, early retirement and also considerations of any impact upon pension liabilities that may arise from early retirement. The Guide also lists other organisations that can provide advice.

B. SEVERANCE

- B1. Severance packages are pay and benefits made when an employee leaves employment unwillingly. It could include items contractually required, e.g. outstanding holiday pay or payment in lieu of notice. These should be paid as set out in the normal contract of employment / EVH's conditions of service.
- B2.. It could include other items which are not included in the contract. In all of these cases, such pay or benefits would be treated as exceptional items and would require to be notified to and approved by the Office Bearer's Sub Group or Management Committee. Tax and NI should be applied as required by law.

C. SETTLEMENT AGREEMENTS / PRE-TERMINATION DISCUSSIONS

- C1. Lister expects that our current employment policies and EVH's conditions of service can resolve the huge majority of workplace issues. However we acknowledge there may be rare occasions when a Settlement Agreement (SA) could be considered for unique situations. Our aim is to resolve disputes sensibly and minimise any use of SAs. Where they are used we will ensure that conditions contained within them are restricted to those necessary to deal with the industrial relations, business challenge and employment law issues.
- C2. Lister expects that any SAs drafted would not compromise the Whistle-blowing policy and the individual involved.

- C3. Lister accepts that any SA struck must be entered into voluntarily by the employee(s) and that they must also have received suitable advice from an appropriately qualified and indemnified person/organisation. To this end Lister will pay up to £250 + VAT towards any such advice costs. The Employee would have to pay any balance above this cost direct to the agency/person concerned.
- C4. If Lister is considering a SA then this must be approved in principle at an early stage by the Office Bearers Sub Group or Management Committee. External advice from EVH or other legal or employment advisers should be sought in every case.
- C5. Pre-terminations discussions can be held - to have a protected and confidential conversation to discuss possible terms of any SA without these matters being able to be cited at an Industrial Tribunal. See the EVH Information Note on this topic.
- C6. There is a detailed EVH Guide to SAs as well as the Information Note mentioned above. Both should be consulted and their general advice followed. There is also an ACAS Guide on this topic.
- C7. Lister will seek to obtain value for money in any possible SA, bearing in mind possible costs were such a SA not be achieved and the dispute continues. Sums payable under a SA should not exceed the maximum payment which an employee would receive should they be made redundant.
- C8. In summary conclusion, Lister confirms that it sees SA as the exception rather than the rule; that external advice must be sought; and that no 'standard' terms or policy on such terms are agreed in advance - each case is different.

EQUALITY AND HUMAN RIGHTS IMPACT ASSESSMENT

Carried out by Alistair Cant Director 15 October 2019

- A. In itself this policy should have no direct impact upon those protected by the Equality Act 2010 however Lister must be mindful in the way any cases/employees are selected to route through a SA process.
- B. Lister must be mindful of the use of language and in describing any assumptions when discussing a SA with an employee.

The Management Committee is recommended to consider and approve this policy.

Alistair Cant
DIRECTOR
15 October 2019
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