

POLICY NAME	Redundancy Policy
PURPOSE	To ensure that in the instance that a redundancy situation arises, a fair procedure is followed in line with statutory legislation.
APPLIES TO	All Staff
DATE IMPLEMENTED	January 2015

1 Introduction

- 1.1 Whilst it is the intention of Arctics Limited (trading as Igloo and referred to as the 'Company') to continually develop and expand its business activities, and thus provide a stable work environment and reasonable security of employment for its employees, it must ensure its economic viability. In this respect, circumstances may arise where changes in the market, technology, organisational requirements and the like, necessitate the need for redundancies.
- 1.2 In order to minimise the impact of such reductions, the following procedure will be adopted wherever possible, ensuring provision of the appropriate statutory procedure. It must, however, be recognised that where the needs of the business so dictate, the procedure will be adapted to the particular circumstances which prevail.

2 Avoiding Redundancy

- 2.1 The Company will use every means available to avoid the need for redundancy dismissals. The following options will be explored in full before any redundancy dismissals are discussed:
- Natural turnover
 - Restriction of recruitment
 - Redeployment and retraining
 - Review of overtime and other working arrangements
 - Dismissal of any casual employees within the employee category at risk
 - Voluntary redundancies

3 Procedure

- 3.1 Where the possibility of a reduction in the size of the work force arises, the Company will enter into a form of consultation, either by group or by individual, with a view to establishing whether the proposed job losses can be achieved by means other than compulsory redundancy.
- 3.2 During consultation, whilst considering other alternatives, the Company will communicate to employees the details of their proposals. Any preliminary view on redundancy will only be provisional and will be made in consultation with the employees affected, based on the specific business situation, subject always to the Company's need to retain specific knowledge and skills and a balanced workforce. In the course of consultation, employees will be informed

of the basis of their provisional selection and invited to make representations on their proposed dismissals.

- 3.3 The Company will take due note of, and will fully consider, any such representations before a confirmed selection for redundancy is made.
- 3.4 Where selection has been confirmed, those selected for redundancy will be given notice of termination in accordance with contractual entitlements.
- 3.5 The Company will make efforts to seek alternative employment within the company and, where this exists, to consider redundant employees for suitable vacancies. In the course of individual consultation, employees will also be informed of any entitlements they may have to redundancy compensation in accordance with the statutory redundancy payments scheme.
- 3.6 Where a suitable alternative vacancy is identified, the employee will be given sufficient details on the position and an offer of employment will be made. The terms and conditions that will apply will be in accordance with the standard terms for the job in question. The employee will be obliged to accept a position if it is deemed to be a suitable alternative. Failure to accept will result in the forfeit of redundancy payment. The suitability of alternative work is established on the following grounds:
 - Similarity of terms and conditions, including pay
 - Similarity of status
 - Whether travelling distance is reasonable
 - Similarity of working environment
 - Similarity of hours of work
- 3.7 Where an employee accepts an alternative position with the Company, they will be entitled to a trial period in accordance with prevailing legislation. During this time, the employee will be given appropriate training and support to enable them to perform the duties of the new role. If the position is found to be unsuitable during the trial period, the employee will be entitled to leave due to redundancy and receive the appropriate redundancy payment.
- 3.8 Subject to the Company's operational needs, employees will be given permission to take time off work during their notice period to look for work or seek retraining opportunities in accordance with current legislation. Requests for time off should be made in the first instance to the employee's immediate Manager, giving at least seven days' notice.
- 3.9 Compensation for loss of employment due to redundancy will be in accordance with statutory entitlement laid down in existing legislation. Currently, statutory redundancy payments are based on an employee's age and length of service. All employees who receive redundancy payments will be given a written notification of the way in which their redundancy pay has been calculated.