Procedure: Redundancy and severance

Purpose
To outline the procedure for managing redundancy processes and severance payments for staff.

Procedure
1. Redundancy and Severance processes and payments are provided for under the ANU Enterprise Agreement and this procedure.
2. A delegate must exercise their delegation in accordance with the conditions and approval arrangements specified in this procedure.
3. Approval of arrangement beyond those provided for through this procedure requires approval of the Director –Human Resources or the Vice–Chancellor.

Redundancy
4. This procedure applies to staff on continuing employment, including Research Academic Staff Career Employment (RASCE).
5. This procedure does not apply to:
   - Fixed term (refer to Severance below);
   - Continuing (contingent funded) employment (refer to Severance below);
   - Casual employment;
   - Staff on Senior Management Contracts;
   - Employment schemes listed in the ANU Enterprise Agreement; or
   - Terminations due to disciplinary action.

Grounds for redundancy
6. The University may decide that the duties performed by a staff member are no longer required for reasons of an economic, structural or similar nature. Such reasons may include:
   a. for professional staff, financial and staffing constraints leading to the rearrangement of functions and classifications, reduced demand or other
workload factors, technological change and development, or legislative change.

b. for academic staff, a decrease in student load or a decision to cease offering, or variation of the academic content in any academic program or course or combination or mix of courses or subjects conducted on one or more campuses, financial exigency within an organisational unit or cost centre, and/or changes in technology or work methods.

c. for Research Academic Staff Career Employment, organisational productivity improvement or a restructure within a work area, that result in the loss of 6 or more academic staff positions.

Redeployment

7. The University will seek to redeploy a staff member whose position is declared surplus into a suitable alternative position within twelve weeks of the staff member being declared surplus.

8. The procedure for redeployment is provided for under the redeployment procedure.

Notification of redundancy

9. Following the 12 week redeployment period, where the staff member cannot be redeployed, the University will notify the affected staff member(s) in writing that their position is to be declared redundant and their employment may be terminated; the reason for the redundancy; and the time line for this action.

10. This notification advice will also provide the staff member with at least six (6) weeks formal notice that their employment is to be terminated due to redundancy from a specified date. At the discretion of the University payment in lieu of notice may be provided.

11. A staff member who disagrees with the reasons given for his or her position being declared redundant may seek a Review of Decision in accordance with the relevant provision of the ANU Enterprise Agreement.

Redundancy Payment

12. The following termination payments will apply to staff made redundant:

- For academic staff a redundancy payment of 3 weeks’ salary for each year of service with a minimum payment of 5 weeks’ pay and maximum of 68 weeks’ pay; and
- In recognition of the longer lead time for academic recruitment and
engagement, an Academic Employment Transition Payment of up to 16 weeks’ salary for academic staff, provided that the total of the redundancy payment for academic staff does not exceed 78 weeks (excluding accrued annual and long service leave).

- For professional staff a redundancy payment of 3 weeks’ salary for each year of service with a minimum payment of 5 weeks’ pay and maximum of 64 weeks’ pay.
- All staff – payment of accrued annual leave and long service leave.

Enhanced Early Termination

13. In return for voluntary agreement on an early ceasing date from their position, a staff member may seek to waive the redeployment period and/or notice period for an enhanced early termination payment comprising:

- The unused balance of the 12 week redeployment period in accordance with clause 9 above.
- The unused balance of the notice period in accordance with clause 13;
- The termination payments calculated under clause 15; and
- In recognition of the longer lead time for academic recruitment and engagement, an Academic Employment Transition Payment of up to 16 weeks’ salary for academic staff.
- Provided that the total of an Enhanced Termination Payment does not exceed 78 weeks (excluding accrued annual and long service leave).

14. All payments specified in clauses 15 and 16 will be calculated on the staff member’s salary at the date of cessation of employment. A staff member who has converted from full time to part time employment will receive payment based on the full time salary for his or her service up to the conversion to part time employment, and his or her payment from then on will be based on his or her part time salary for the remaining period.

15. For the purposes of clauses 15 and 16, ‘salary’ means the amount paid to a staff member, including any salary supplementation, market loading, clinical loading or responsibility allowance paid at the time that the staff member is given formal notice of redundancy.

16. A staff member may apply to have the notice and/or redeployment period extended if he or she has taken personal/sick leave on account of illness taken during any of these periods. The Director – Human Resources will not unreasonably reject such applications. Where accepted, the notice will be extended.
by the period of leave covered by a medical certificate (up to a maximum of six (6) weeks).

17. A staff member may seek review of any decision concerning the level and nature of redundancy payments, salary maintenance and other entitlements arising from redundancy through the grievance resolution provisions of the [Enterprise Agreement](#).

- Eligibility for severance payments – fixed term staff

18. Subject to clause 22 below, a fixed term staff member is entitled to severance pay if:

- the staff member is on a second or subsequent fixed term appointment and the same or substantially similar duties are no longer required by the University; or

- the work continues to be required but another person has been or will be appointed to the same or substantially similar duties.

19. Severance pay will not apply where the staff member has:

- been employed under a senior management contract or an employment scheme;

- resigned or declined the offer of further employment;

- been employed on a single fixed term contract;

- has obtained further employment within the University without the loss of accrued entitlements; or

- the University has assisted the staff member in securing the same or similar employment with another employer, with a transfer of all accrued entitlements.

Severance payments

20. Severance pay will be paid in accordance with the following table:

<table>
<thead>
<tr>
<th>Period of continuous service</th>
<th>Severance pay</th>
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<tbody>
<tr>
<td>Less than 1 year</td>
<td>Nil</td>
</tr>
<tr>
<td>2 years and less than 3 years</td>
<td>4 weeks' pay</td>
</tr>
<tr>
<td>1 year and less than 2 years</td>
<td>6 weeks' pay</td>
</tr>
<tr>
<td>3 years and less than 4 years</td>
<td>7 weeks' pay</td>
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<tr>
<td>4 years and less than 7 years</td>
<td>8 weeks' pay</td>
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<td>7 years and less than 9 years</td>
<td>9 weeks' pay</td>
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<td>9 years and less than 10 years</td>
<td>10 weeks' pay</td>
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<tr>
<td>10 years and less than 11 years</td>
<td>11 weeks' pay</td>
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<tr>
<td>11 years and less than 12 years</td>
<td>12 weeks' pay</td>
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<td>12 years and less than 13 years</td>
<td>13 weeks' pay</td>
</tr>
<tr>
<td>13 years and less than 14 years</td>
<td>14 weeks' pay</td>
</tr>
<tr>
<td>14 years and over</td>
<td>15 weeks' pay</td>
</tr>
</tbody>
</table>

2. For the purposes of this clause, ‘week’s pay’ means the ordinary time rate of pay for the staff member concerned.

Continuing (contingent funded) appointments – notice periods and severance payments

3. Where the funding that supports a staff member’s continuing (contingent funded) employment ceases, and a transfer opportunity to an equivalent position does not exist the following notice and severance provisions apply.

4. The staff member will be provided with a minimum of four (4) weeks’ notice of termination, or five (5) weeks if the staff member is over 45 years of age. The University may at its discretion provide payment in lieu of notice.

5. The staff member will be eligible for severance payments when they are on their second or subsequent appointment and the same or similar duties are no longer required by the University. Severance pay will be paid in accordance with the table below; OR

6. A staff member who was initially or directly appointed to a continuing
(contingent funded) position, and whose employment ceases in accordance with clause 13.6, will be eligible for severance payments if they have continuous service with the University of at least four (4) years.

7. A staff member who, having been informed in writing that no further employment is available, and who seeks and finds alternative work outside the University will be entitled to receive severance payment in accordance with clause 23 (Severance payment table).

Delay of payment

8. Payment of severance may be delayed for up to nine weeks to facilitate continuation of service, but will be paid on termination if it is agreed the staff member is not likely to be offered further employment by the University.

9. By agreement, payment of outstanding leave may also be delayed for nine weeks to facilitate continuation of service. Leave balances will be reduced accordingly when payment is made.