

Redundancy, Layoff and Short-Time Policy**1. Policy Statement**

Keltech wishes to avoid instances of redundancy, lay-off and short-time wherever possible, however, the company does recognise that there may be changes in service or organisational requirements which will affect normal working and staffing needs. In such circumstances Keltech will fulfill its obligations under the Redundancy Payments Act 1967 – 2007 and ensure that all employees are treated fairly.

2. Purpose

To outline the procedure which will be followed in the event of a redundancy, lay off or short-time situation.

3. Scope

This policy covers all employees of Keltech

4. Responsibilities

- 4.1. It is the responsibility of the management of Keltech to adhere to this policy and procedure.
- 4.2. It is the responsibility of the management of Keltech to keep redundancy procedures under review to ensure that no direct or indirect discrimination on any of the nine grounds exists.

5. Short-Time**5.1. Definition**

- 5.1.1. Short-time working is defined under the Redundancy Payments Acts as where an employee's working week decreases to less than half of their normal weekly hours or their pay is less than half of their normal take home pay.
- 5.1.2. The situation is not considered to be permanent.

5.2. Notice

- 5.2.1. Where there is a real risk of short-time being necessary, protective notice will be given to employees in writing using Part A of the RP9 Form. As much notice as reasonably possible will be given.
- 5.2.2. The length of protective notice will be dependent on whether or not the cause and the appropriate date of the interruption of normal working is known in advance.

5.3. Public Holiday Entitlement

- 5.3.1. Employees who are working short-time for less than 13 weeks may retain the benefit of any public holidays which occur during periods of interrupted working. However, they must have worked 40 hours in the previous 5 weeks.

5.4. Entitlement to a Redundancy Payment

- 5.4.1. Short-time is viewed as being a temporary situation. Therefore, if short-time working lasts for a certain period of time, an employee may be entitled to claim a redundancy payment.
- 5.4.2. This occurs when an employee has been kept on short-time for either:
 - 5.4.2.1. At least 4 consecutive weeks, or

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5.4.2.2. Within a 13 week period for a series of at least 6 weeks of which not more than 3 were consecutive.

6. Lay-off

6.1. Definition

6.1.1. A lay-off is a temporary suspension of a contract during which an employee receives no work or payment from an employer. Lay-off occurs when there has been a decrease in the available work and the employer is unable to retain employees in their normal capacity. Employees are laid off for a specified period of time, until trading conditions improve, or until the reasons behind the lay-off no longer exist.

6.2. Notice

6.2.1. Where there is a real risk of lay-off being necessary, protective notice will be given to employees in writing. As much notice as reasonably possible will be given.

6.2.2. The length of protective notice will be dependent on whether or not the cause and the appropriate date of the interruption of normal working is known in advance.

6.3. Public Holiday Entitlement

6.3.1. Employees who have been laid off for less than 13 weeks may retain the benefit of any public holidays which occur during periods of interrupted working. However, they must have worked 40 hours in the previous 5 weeks.

6.4. Entitlement to a Redundancy Payment

6.4.1. Lay-off is viewed as being a temporary situation. Therefore, if the lay-off lasts for a certain period of time, an employee may be entitled to claim a redundancy payment.

6.4.2. This occurs when an employee has been laid off for either:

6.4.2.1. At least 4 consecutive weeks, or

6.4.2.2. Within a 13 week period for a series of at least 6 weeks of which not more than 3 were consecutive.

7. Redundancy

7.1. Definition

7.1.1. A redundancy situation arises when 1) an employer ceases to carry on business; 2) an employer's requirements for employees has ceased or diminished; 3) an employer has decided to carry on the business with fewer or no employees; 4) an employer has decided that the work is to be done differently in the future, and the employee is not sufficiently qualified or trained to do the work in the required manner.

7.2. Considerations prior to Redundancy

7.2.1. Keltech reserves the right to implement any of the following in relation to work practices where it is deemed necessary prior to any compulsory redundancies being implemented.

7.2.1.1. Voluntary Career Breaks

7.2.1.2. Reduced Working Hours

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- 7.2.1.3. Term time working
- 7.2.1.4. Voluntary Unpaid Holidays
- 7.2.1.5. Pay Cuts
- 7.2.1.6. Layoffs
- 7.2.1.7. Retraining Employees
- 7.2.1.8. Early Retirement
- 7.2.1.9. Voluntary Redundancies

7.3. Qualifying for Redundancy

- 7.3.1. Employees are eligible for a Redundancy Payment under the Redundancy Payments Acts 1967 – 2003, provided;
 - 7.3.1.1. They work or worked under a contract of service or apprenticeship
 - 7.3.1.2. They are over 16 years of age and in employment which was insurable for all benefits under the Social Welfare (Consolidation) Act 2005
 - 7.3.1.3. They have been continuously employed for 104 weeks with Keltech

7.4. Redundancy Notice Requirements

- 7.4.1. Statutory notice of redundancy will be given to the employee in writing by completion of Part A of the RP50 form.
- 7.4.2. Employees will be given proper written notice of redundancy as per the Redundancy Payments Act. In some instances, employees may be entitled to a longer period of notice under his/her contract of employment or under the Minimum Notice and Terms of Employment Acts as outlined below:

Between two and five years continuous service	Two weeks
Between five and ten years continuous service	Four weeks
Between ten and fifteen years continuous service	Six weeks
Fifteen years continuous service or more	Eight weeks

- 7.4.3. The company and the employee may voluntarily waive their right to notice and the employee may accept payment in lieu of notice.

7.5. Collective Redundancies and Notice

- 7.5.1. An exchange of information and consultation between Keltech, employee representatives and the Minister for Jobs, Enterprise and Innovation may be required if the company proposes to make a number of employees redundant within a given period.
- 7.5.2. This applies where the proportion of employees to be made redundant is at least;
 - 7.5.2.1. 5 out of a total of 21- 49 employees
 - 7.5.2.2. 10 out of a total of 50 - 99 employees
 - 7.5.2.3. 10% out of a total of 100 - 299 employees
 - 7.5.2.4. 30 out of a total of 300 + employees

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- 7.5.3. Consultation must take place a full 30 days before the first notice is served in a collective redundancy situation.
- 7.5.4. The Minister for Enterprise, Trade and Employment must also receive formal notice 30 days before the first redundancy notice is served.
- 7.5.5. This notice may run concurrently with the 30 day information and consultation process.
- 7.5.6. The Company or an employee may voluntarily waive the right to notice and the employee may accept payment in lieu.

7.6. Selection Criteria

- 7.6.1. Keltech may seek voluntary means to achieve reductions in staff numbers or working hours. However, Keltech must ensure the maintenance of the most efficient and economic running of the organisation. Therefore, selection criteria may vary according to circumstances.
- 7.6.2. The Company will communicate the selection criteria in advance and will be fair, consistent and objective.
- 7.6.3. Each redundancy situation will be treated on its own merits and will not be bound by any selection method used previously by Keltech Ltd such as 'last in, first out'. Selection criteria will be determined by the need to retain skills, experience, knowledge and flexibility.
- 7.6.4. When selecting for redundancy, Keltech will not act in any way that could be seen as discriminatory based on the nine grounds of non discrimination.
- 7.6.5. For the avoidance of all doubt Kel – Tech Engineering shall not, under any circumstances, be obliged to apply the selection criteria of “last in first out” or any variation thereof and all selection criteria applied by Kel – Tech Engineering Limited will be such so as to ensure the maintenance of the most efficient and economic running of the organisation.

7.7. Redundancy Payment

- 7.7.1. The statutory lump sum is calculated by reference to years of service as follows;
 - 7.7.1.1. Two weeks pay for each year of continuous and reckonable service ; and
 - 7.7.1.2. The equivalent of one week’s normal weekly pay.
- 7.7.2. A week’s pay is subject to a statutory ceiling of €600 per week. This ceiling is adjusted from time to time.
- 7.7.3. On the day of termination, the employee must certify receipt of the statutory redundancy payment. This is done on Part B of the RP50 form which is then signed by both employee and employer. A copy of the RP50 form should then be sent to the Minister for Jobs, Enterprise and Innovation.
- 7.7.4. Not all employees are entitled to the statutory redundancy payment even where a redundancy situation exists. Please see clause 7.3 – Qualifying for redundancy. Employees who are not legally entitled to a statutory lump sum redundancy payment will be paid all monies legally owed to them by the company including outstanding salary, annual leave, payment in respect of public holidays, notice period etc.