

UNIVERSITY OF MANCHESTER CONFERENCES (UMC) LTD

Catering & Retail Outlets, FoodOnCampus (FOC)

Closures 2019

Frequently asked Questions (FAQ's)

1) Why are these proposed closures necessary?

- a. A number of FOC outlets have become financially unsustainable and are operating with a continuous loss; this is largely as a result of their geographical locations, along with the ever-increasing business competition on campus.

2) What plans are being made to limit the impact to employees?

- Current recruitment to vacant posts within UMC Ltd has been put on hold to enable 'at risk' employees to apply (*as redeployees) for internal positions
- Employees who have been notified of being 'at risk' may also apply as *redeployees for grade-equivalent roles within the University
 - * Redeployees are able to apply exclusively for vacant positions 1 week prior to wider vacancy advertising
- The use of Agency Workers will be reduced to the absolute minimum required for support to the various service outlets
- A Voluntary Severance (VS) both for employees who are 'at risk' of losing their job roles and those FOC employees who are 'in scope' of being eligible to apply.

3) What are the current voluntary severance (VS) terms?

- Up to 5 years' continuous service – 6 months' basic salary
- Between 5 and 10 years' continuous service – 12 months' basic salary
- Beyond 10 years' continuous service – 14 months' basic salary.

4) Will my continuous service for the University of Manchester be considered and not just service for UMC Ltd?

- a. Yes continuous service from The University of Manchester will be considered in conjunction with that for UMC Ltd.

5) Are VS payments tax-free?

- Any amount of the VS payment which may be representing notice pay will be taxable;
- For the remaining balance of the VS payment no deductions will be made for tax or employee national insurance contributions except to the extent that the VS Payment exceeds £30,000, where income tax at the appropriate rate will be deducted in respect of the excess.

6) Can I apply for VS if I am on extended leave, for example on Maternity Leave?

- a. Any 'at risk' or 'in scope' employee may apply for VS within the forthcoming scheme and including those on maternity leave or extended leave; employees will have received a letter to confirm their status and eligibility for VS.

7) When will the VS Scheme open and when will it close?

- a. The scheme opened on Wednesday 15th July and **will close at 4 p.m. on Friday 30th August 2019, by which point any applications for VS must have been submitted. No applications will be accepted after the closing date.**

8) If I am interested, how do I enquire about and apply for voluntary severance?

- a. If you haven't already received a VS Application form you can request a form to be *posted or emailed*, or you can *collect one*, by contacting either:
 - Mandeep Dehel, HR Support Officer, mandeep.dehel@manchester.ac.uk, 0161 306 4777
 - Shelly Khan, HR Project Assistant shelley.khan@manchester.ac.uk, 0161 306 1641

9) If I submit an application am I guaranteed VS?

- a. No, applications will be considered on the basis of business needs and will be considered by the UMC Board of Directors.

10) Can fixed-term employees apply for VS?

- a. No, fixed-term employees won't be able to apply for VS by virtue of their fixed-term contract being for a defined period of time, and thereby expiring on a specified date.

11) Can I apply if I have already resigned, or given notice of intention to leave the University?

- a. No, an employee who have given notice of their intention to leave, and which has been accepted by UMC, will not be accepted for VS.

12) If I take voluntary severance can I work for UMC Ltd or the University in the future?

- Employees who leave through VS will not be eligible to re-join UMC or the University, or an associated employer, in any paid capacity for a period of at least three years from the agreed leaving date, unless they obtain the express written agreement of the HR Director.
- Should any employee this agreement of the HR Director and duly take up such a position, exclusive of any sums attributable to the entitlement to a statutory redundancy payment, the employee would be obliged to pay to UMC/ The University the following:
 - Within the first twelve months after the termination date, the entire amount of the VS Payment.
 - Within the period of 12–24 months after the termination date, 2/3^{rds} of the VS Payment.
 - Within the period of 24-36 months after the Termination Date 1/3rd of the VS Payment

13) How committed am I to taking Voluntary Severance if I apply?

- a. Employees applying for VS will receive an offer letter outlining the terms of the offer which they can then accept or decline within a prescribed timescale; VS will not be finalised until employees formally confirm acceptance of their individual offers and have signed a settlement agreement within the prescribed timescale.

14) What is a Settlement Agreement?

- a. An individual legal agreement setting out the terms of VS which includes details such as the payments due, the agreed leaving date made and, *pending legal guidance that the individual must obtain, requires a signed agreement by the employee, their legal advisor and the employer.

*Employees will need to seek legal advice before signing a Settlement Agreement and the cost for this advice, up to £350 (plus VAT), will be paid directly by UMC once the Agreement has been signed. VS Applicants will be notified of a list of recommended independent solicitors who can be used but individuals may choose an alternative if they prefer.

15) Who will consider my application?

- a. The UMC Board of Directors will ultimately decide either to accept or reject an individual's application, after seeking advice from UMC management and HR.

16) How will applications for the VS be considered?

- a. Applications for VS will be considered on the basis of the skills and experience of the employee and/or whether the loss of an individual would impact on the ability to deliver UMC's intended core activity going forward.

17) How will I find out if my application has been successful?

- a. VS applications will generally be considered as soon as possible after the closing date and employees informed in writing whether their application has been successful or not; however in some cases it may be possible to inform employees of the outcome of their application before this date.

18) How can I find out how my pension will be affected?

- a. Members would need to contact The University Pensions Office directly to discuss their individual Pensions which can be by telephone on 0161 275 2043 or by emailing pensions@manchester.ac.uk

19) How will employees find out about vacancies for other roles if they do not want to apply for VS?

- Current recruitment to vacant posts within UMC Ltd has been put on hold to enable 'at risk' employees to apply (as redeployees) for internal positions; a vacancy list will be collated and updated, as and when vacancies are filled and new vacancies arise, and will be communicated via:
 - the UMC website: <http://www.umd-limited.co.uk/job-vacancies/>
 - email
 - noticeboards
 - team meetings/briefs .

- Also, those employees who have been notified of being 'at risk' may apply as 'redeployees' for grade-equivalent roles within the University, which means that they will be able to apply exclusively for vacant positions 1 week prior to wider vacancy advertising.

20) How can we apply for jobs within the University?

- Go to the Jobs page on StaffNet:
- <https://www.staffnet.manchester.ac.uk/human-resources/jobs/>, where there are links for job vacancy searches and also signing up for 'Job Alerts which, if you sign up, will generate emails informing you about opportunities as and when they arise.

21) I can't use a barista style coffee machine due to health reasons, will I automatically be selected for redundancy if it comes to a decision about compulsory?

- a. No, selection for compulsory redundancy would be based upon a number of relative performance and ability criteria related to employees' roles as a whole, not just one aspect (such as barista duties).

22) If it comes to a decision about compulsory redundancy, will the people who need chairs be targeted as there are now no units with them? How will they be treated?

- a. Employees who need chairs as a reasonable adjustment to enable them to do their roles would not be 'targeted' for compulsory redundancy for this reason.

23) If I don't put in for VS and stay, could I be forced to change my contracted hours?

- a. If your role is 'at risk' and you do not apply for VS you might be offered a role with different hours of work (whether more or less) and may be required to accept if we believe that it is suitable alternative employment.

24) How can I find out what my length of service is?

- a. You can either check your contract of employment or ask your manager or an HR colleague to check and confirm this for you.

25) I think I am nearing 10 years, how close do I have to be to qualify for the 10 year payment if I took VS

- a. You must have 10 full years' service by the date of leaving in order to qualify for 14 months' VS.

26) How is nil-hours severance pay and redundancy pay worked out?

- a. Nil-hours payments are calculated by averaging the hours of the most recent 12 weeks works *(times) the rate of pay; any un-taken accrued Annual Leave would also be paid in lieu based upon the same 12 weeks' hours average.

27) If it comes to compulsory redundancies will employees with nil-hours contracts be selected first?

- a. No, compulsory redundancy would be based upon a number of relative performance and ability criteria related to employees' roles.

28) If I applied for VS and my application is declined, if this process happens again we end up with compulsory redundancy only?

- a. Firstly, although nothing about the future can be guaranteed, UMC is committed to making its business profitable, which should minimise the need to reduce the number of roles further; secondly, if we needed to make further reductions in employee numbers in the future it is very likely we would, once again, utilise VS in order to help minimise the risk of compulsory redundancy.

29) I'm half way through the hospitality apprenticeship course, if I take severance and get accepted can I finish the course?

- a. This would need to be discussed with your manager and the apprenticeship provider, but, within reason, UMC would be as supportive as possible towards employees completing any on-going vocational courses.

30) If I get accepted for VS when would I leave?

- a. Leaving dates will be decided on a case-by-case basis, based upon business requirements; however, if you leave earlier than your agreed termination date, you will not be eligible to receive VS or a statutory redundancy payment.

31) What will happen to the units that are proposed for closure?

- a. A decision has not yet been taken about how these areas will be used.

32) How many employees need to take VS?

- a. 36 full-time equivalent roles, but the total could be made up of a higher number of individuals, some of whom would be on part-time hour contracts.

33) Have I got less of chance of severance if you are looking to increase the number of supervisors?

- a. Any employees who are not 'at risk' but are 'in scope' and wish to apply for VS should not be deterred from doing so; once VS applications can be assessed side-by-side, possibilities for achieving the required reduction in roles, whilst retaining other employees' skills and utilising their potential can open up

34) Can someone be promoted to a supervisor?

- a. Yes, but only through an open, fair and transparent internal recruitment process.

35) Is Stores closing? If yes, do we have to go for severance?

- Yes, Central Stores will close under the proposals.
- No-one *has* to apply for VS; it is believed that both retail and catering service skills are interchangeable; 'hospitality' is the key part of these roles and are required for both; specific job role training will always be given for these roles.

36) When will it be done and when will everyone go?

- a. The units which are proposed to be closed are targeted for closure by 6th September; notification of VS offers and, if necessary, of compulsory redundancies will commence from this point.