



**Munene v Standard Chartered Bank Limited (Cause 1175 of 2018)
[2024] KEELRC 1503 (KLR) (14 June 2024) (Judgment)**

Neutral citation: [2024] KEELRC 1503 (KLR)

**REPUBLIC OF KENYA
IN THE EMPLOYMENT AND LABOUR RELATIONS COURT AT NAIROBI
CAUSE 1175 OF 2018**

**J RIKA, J
JUNE 14, 2024**

BETWEEN

CHRISTINE WAIRIMU MUNENE CLAIMANT

AND

STANDARD CHARTERED BANK LIMITED RESPONDENT

JUDGMENT

1. The Claimant filed her Statement of Claim [not Claims as pleaded], on 10th July 2018.
2. She states that she was employed by the Respondent on 10th February 2015, as a Talent Acquisition Specialist, earning a gross monthly salary of Kshs. 263,088.
3. She received a letter dated 26th April 2017 from the Respondent, declaring her position redundant.
4. She states that the decision was discriminatory.
5. She was compelled to work on lowered salary and bonuses. She was not heard on termination.
6. She was later reassigned to the Respondent's outlet in Uganda, under inferior terms and conditions of service. She was required to shuttle between Kenya and Uganda, for an indefinite period.
7. She prays for: -
 - a. Gross salary at Kshs. 263, 088.
 - b. 12 months' salary at Kshs. 3,157,056.
 - c. 12 months' unpaid bonuses at Kshs. 320,000.
 - d. Accrued pension up to the retirement age at Kshs. 20,281,158.40.
 - e. Unpaid bonuses at Kshs. 160,000.



- f. Compensation for loss of career and discrimination at the workplace.
 - g. Costs damages and interest.
Total...Kshs. 24,182,102.
 - h. Costs of this suit.
 - i. Any other suitable relief.
8. The Respondent filed its Statement of Response, dated 12th October 2018. Its position is that the Claimant was employed by the Respondent, as a Talent Acquisition Specialist Grade 7.
 9. The Respondent restructured its human resource function, to remove duplications and enhance efficiency. The Claimant's position was impacted by the changes.
 10. The Respondent notified the Labour Office about the exercise, on 16th December 2016. The exercise was carried out, between January and June 2017.
 11. The Claimant was notified on 15th December 2016 that her role was at risk of redundancy, and that her contract was likely to be terminated from 15th January 2017 on account of redundancy. She was advised during consultations, that the Respondent would advise on alternative roles within the Respondent business. She was advised to review vacant opportunities in the Job Watch facility.
 12. She was subsequently offered a short-term job in Uganda, from 6th February 2017 to 31st May 2017, which she declined.
 13. On 15th January 2017, the Respondent withdrew its redundancy notice, in light of its new job offer made to the Claimant. The Claimant was adamant that she would not work in Uganda.
 14. The Respondent was compelled to renew its notification of redundancy to the Claimant, through a letter dated 24th March 2017. She was to move to Uganda, in the same position of Talent Acquisition Specialist.
 15. Eventually her contract was terminated on account of redundancy, on 24th March 2017.
 16. She was paid notice, pending annual leave, severance at the rate of 1-month salary for each complete year of service, and given discount of 25% on personal and mortgage loans paid off in full by 30th October 2017. Her medical cover was extended to 31st December 2017, covering self and dependants.
 17. She does not merit the prayers sought. The Respondent urges the Court to dismiss the Claim with costs.
 18. The Claimant gave evidence, and closed her case, on 30th November 2022. Employee Relations Manager, Lorraine Oyombe, gave evidence for the Respondent on 16th November 2023, closing the hearing. The Claim was last mentioned before the Court on 1st March 2024, when the Claimant confirmed filing and service of her Closing Submissions.
 19. She adopted her witness statement and documents [1-7] in her evidence-in-chief. The witness statement is a rerun of her Claim as summarized above.
 20. Cross-examined, she told the Court that she is well-versed in human resource management. She was issued a notice of intended redundancy. It was cancelled and reissued. There was consultation. She was issued the opportunity to serve in the same role in Uganda. It was a full-time job. She rejected the job, necessitating reissuing of the redundancy notice. Termination would have been avoided, if she took up



the position in Uganda. Clause 6 of the Human Resource Policy, required the Respondent to consider alternative roles, for Employees affected by redundancy. The Respondent did this.

21. She was paid redundancy package. She executed acknowledgement of payment and discharge. She filed the Claim a year after she was paid. Kshs. 320,000 was her target annual bonus. She was in a Pension Scheme. She could not recall who the administrator was. The Respondent did not hold pension funds. She is currently employed.
22. Redirected, she clarified that there was offer for a full-time job and a short-time job in Uganda. She rejected the offer because there was no support offered by the Respondent. She had family, and needed support due to other expatriates. She was to be paid in Uganda shillings, and apprehended falling into debts.
23. Lorraine Oyombe adopted her witness statement and documents [1-8] filed by the Respondent, in her evidence-in-chief.
24. On cross-examination, she told the Court that she was not in employment, during the Claimant's employment. There was restructuring of the human resource department, affecting the Claimant's position. She was consulted and offered fresh beginning at Uganda. She declined. She said the offer was not feasible to her. She was moving into the same position, Talent Acquisition. The Respondent followed redundancy law, in terminating the Claimant's contract.
25. Redirected, Lorraine reiterated that the Respondent followed redundancy law, including issuing of notice to the Labour Office. The Claimant rejected alternative employment in Uganda, leaving the Respondent with no option, but to go ahead with termination.
26. The issues are whether termination through redundancy was justified and carried out fairly; and whether the prayers sought are merited.

The Court Finds:

27. The Claimant was employed by the Respondent as a Talent Acquisition Specialist, Grade 7, located in the Respondent's human resource department.
28. The Respondent undertook restructuring of its human resource department, affecting the Claimant's position, an exercise which commenced around December 2016.
29. On 15th December 2016, the Claimant was notified by the Respondent of the intended redundancy, as was the local Labour Office.
30. It is not disputed that redundancy was genuine, and that the Parties consulted. The Claimant was offered a short-term contract and a long-term contract to work in the same position in the Respondent's business in Uganda. It is common evidence that she declined the offer.
31. The Respondent had withdrawn the redundancy notice after consultations and offer made to the Claimant to work in Uganda. Understandably, the Respondent reissued redundancy notice on 24th March 2017, and terminated the Claimant's contract on 24th April 2017, the Claimant having completely rejected the offer to work in Uganda.
32. She executed a redundancy agreement with the Respondent, dated 26th April 2016, clearly stating the terms of separation between the Parties. She was paid redundancy package which included severance, at a generous rate of 30 days' salary for each complete year of service.



33. On 12th May 2017, she acknowledged receipt of the payment, and discharged the Respondent from other claims. She states:

“ I Christine Munene, acknowledge receipt of this agreement and agree to its terms relating to the termination of my employment with the Bank.

I agree that the terms of this Agreement shall be in full and final settlement of all claims [if any] whether contractual, statutory or otherwise, that I have or may have against the Bank or the Group arising out of or in connection with my employment with the Bank, and or its termination.”

34. The Court is satisfied that the Respondent followed the demands of Section of 40 of the Employment, in terminating the Claimant’s contract. Redundancy was substantively justifiable and all the requisite procedural steps, were taken. There were genuine consultations between the Parties, where the Respondent offered a similar position to the Claimant in Uganda. The Respondent is to be commended for giving meaning and purpose, to the concept of genuine consultations on redundancy. Its handling of the redundancy process, is worthy of emulation by all Employers. She declined the position. In the end the Parties executed a redundancy agreement, and the Claimant was paid what was agreed in redundancy package. She acknowledged payment and freed the Respondent from other claims.

35. The discharge agreement was voluntary, valid and binding on the Parties, as underscored by the Court of Appeal in Coastal Bottlers Limited v. Kimathi Mitbika [2018] e-KLR.

36. The Claimant had no justification in renegeing on the redundancy agreement she executed on 12th May 2017, by filing this Claim a year later, on 10th July 2018. Claims made by Parties who have voluntarily executed valid discharge agreements, after they have received terminal benefits, are in the nature of vexatious litigation.

37. It is ordered

- a. The Claim is declined.
- b. Costs to the Respondent.

DATED, SIGNED AND RELEASED TO THE PARTIES ELECTRONICALLY AT NAIROBI, UNDER PRACTICE DIRECTION 6[2] OF THE ELECTRONIC CASE MANAGEMENT PRACTICE DIRECTIONS, 2020, THIS 14TH DAY OF JUNE 2024.

JAMES RIKA

JUDGE

