

Bath & North East Somerset Council

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| MEETING: | Restructuring Implementation Committee | AGENDA ITEM NUMBER |
| DATE: | 10 May 2016 | |
| TITLE: | Redundancy proposals | |
| WARD: | ALL | |
| REPORT OF THE HEAD OF HUMAN RESOURCES | | |

1 THE ISSUE

1.1 To seek the Committee's agreement to the proposed dismissals by reason of redundancy in the individual cases presented and the consequential proposed severance payments.

2 RECOMMENDATION

2.1 That the proposals presented are approved and the Chief Executive be given delegated authority to take all steps necessary to implement them.

3 FINANCIAL IMPLICATIONS

3.1 As part of the 2016/17 budget, each Directorate has been allocated additional savings targets, identified as Management and Service Reviews (MSR). These are additional savings on top of the already identified 2015/16 underspends and together these total £3.1m

3.2 The financial implications of each case are set out in the exempt appendices provided for the Committee.

3.3 The costs will be met from the Council's approved earmarked reserves.

4 THE REPORT

4.1 As part of the 2016/17 budget, each Directorate has been allocated additional savings targets, identified as Management and Service Reviews (MSR). These are additional savings on top of the already identified 2015/16 underspends and together these total £3.1m

4.2 In February 2013, the Secretary of State for Local Government and Communities, published Supplementary Guidance [under section 40 of the Localism Act 2011] on the issue of severance payments to local government staff. Local authorities must have regard to the guidance in the exercise of their functions under the pay accountability provisions of the Act.

4.3 The Council in considering this guidance resolved, recognising the need for openness and accountability alongside legal obligations in respect of the handling of personal data, business efficiency etc that:

- (1) any proposed severance package in excess of £100,000 be referred to the Restructuring Implementation Committee for consideration
- (2) in determining the threshold, the component elements of the package would include any proposals in respect of salary to be paid in lieu, redundancy compensation, pension entitlements, holiday pay and any bonuses, fees or allowances as appropriate.

4.4 In looking at how budget savings might be achieved, a number of staff have indicated that they would be prepared to accept voluntary redundancy in accordance with the Council's general policies for severance and discretionary compensation in the event of redundancy. A "voluntary redundancy" occurs where an officer indicates that he or she is prepared to accept dismissal on the basis that the Council exercises its discretion as the employer in accordance with its policy (see paragraph 4.3 above).

4.5 Under existing policy (applicable to all Council staff), in cases of a compensatory payment based upon an agreed formula is made. In addition, as the dismissal is by reason of redundancy the officer (if a member of the Local Government Pension Scheme (LGPS) satisfying the relevant Pension Regulations) would be entitled to the immediate payment of accrued benefits in the LGPS (i.e. lump sum and annual pension). The Council as a Scheme Employer would be required to make an immediate one-off payment to the Avon Pension Fund to cover the cost of early release of benefit.

4.6 The Committee is asked to consider the individual proposals set out in the Exempt Appendices to this report. It needs to be satisfied that the operational advantages and benefits to the efficient exercise of the Council's functions are such that payment of the amount proposed is appropriate and in the overall interest of the Council.

5 EQUALITIES AND RISK MANAGEMENT

5.1 The Organisational Change Policy and associated procedures, for which the Redundancy Payments Scheme forms part, was the subject of full Risk Assessment at the time they were adopted by the Council. The proposals take account of equalities issues and comply with the requirements of the LGPS regulations.

6 CONSULTATION

6.1 The budget savings targets are the subject of ongoing consultation with the relevant trades unions who are aware of the voluntary redundancy considerations.

7 ADVICE SOUGHT

7.1 The Chief Executive, Council's Monitoring Officer and Section 151 Officer have had the opportunity to input to this report and have cleared it for circulation.

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| Background papers | None |
| Please contact the report author if you need to access this report in an alternative format | |