

Bath & North East Somerset Council		
MEETING:	Restructuring Implementation Committee	AGENDA ITEM NUMBER
DATE:	27 April 2017	
TITLE:	Redundancy proposal	
WARD:	ALL	
REPORT OF THE HEAD OF HUMAN RESOURCES & OD		

1 THE ISSUE

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

2 RECOMMENDATION

- 2.1 That the proposal presented is approved and the Chief Executive be given delegated authority to take all steps necessary to implement it.

3 FINANCIAL IMPLICATIONS

- 3.1 As part of the 2016/17 budget, each Directorate was allocated additional savings targets, identified as Management and Service Reviews (MSR). These were additional savings on top of the already identified 2015/16 underspends and together these total £3.1m
- 3.2 The financial implication of the particular case is set out in the exempt appendix provided for the Committee.
- 3.3 The costs will be met from the Council's approved earmarked reserves.

4 THE REPORT

- 4.1 In considering ways to achieve efficiencies in management and staffing costs, services have looked at existing organisational design. In some instances this has led to the consideration of alternative staffing models. Where staff have been displaced as a result, the Council's Organisational Change procedures have been applied. As a general principle, these procedures seek to avoid redundancy. However, given the scale of change, this is not always possible.
- 4.2 Under existing policy (applicable to all Council staff), in the circumstances of redundancy, 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.

4.2 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 The Committee is asked to consider the proposal set out in the Exempt Appendix 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 proposal takes account of equalities issues and complies 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 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.

Contact person	William Harding, Head of Human Resources & OD (Tel: 01225 477203)
Background papers	None
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