

Bath & North East Somerset Council

MEETING:	Restructuring Implementation Committee	AGENDA ITEM NUMBER
DATE:	24th April 2024	
TITLE:	Redundancy proposal	
WARD:	ALL	
REPORT OF CHIEF EXECUTIVE		

1 THE ISSUE

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

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 it.

3 FINANCIAL IMPLICATIONS

- 3.1 The Council has now published the budget for 2024/25. This highlights that to balance the revenue budget for 2024/25, £16.4m of Income and Savings are required. For next year, this includes staffing savings, delivered through the Being Our Best programme, of £2.5m for 2024/25 and £2m for 2025/26.
- 3.2 The prime objective of this programme is to deliver changes that make us more effective in the long term (structurally and culturally), and not about cutting jobs to save money.
- 3.3 The financial implications of the particular case is set out in the exempt appendix provided for the Committee.
- 3.4 The costs will be met from flexible capital receipts.

4 THE REPORT

- 4.1 Proposals have been developed to realign and reduce the senior management structure to ensure that council priorities can be delivered in an affective and affordable way. 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 and type 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 proposals 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 Executive Director Resources (in Section 151 Officer role) have had the opportunity to input to this report and have cleared it for circulation.

Contact person	<i>Will Godfrey, Chief Executive</i>
Background papers	None
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