

Executive Board 27th November 2017

Subject Purpose: Severance Scheme – extension beyond March 2018

Recommendations / key decisions required:

- To review current Severance Scheme and agree extension beyond March 2018

Reasons: The current Severance Scheme expires on 31st March 2018. Members are asked to consider whether to retain the policy beyond 2018 and to agree an extension if appropriate.

Relevant scrutiny committee to be consulted

NO

EXECUTIVE Board: 27th November 2017

Exec Board Decision Required YES

Council Decision Required YES

EXECUTIVE BOARD MEMBER PORTFOLIO HOLDER:- Cllr Mair Stephens

Directorate:

Chief Executive's

Name of Head of Service:

Paul R Thomas

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Designations:

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**EXECUTIVE SUMMARY
EXECUTIVE BOARD
27TH NOVEMBER 2017**

Severance Scheme – extension beyond March 2018

THE CURRENT SCHEME

The current Scheme has been in place since 2016. During that time 336 applications have been received and 38 employees have been released. It has provided managers with a method for incentivising staff to volunteer to leave their employment thus making it easier to manage change and reduce the requirement for enforced redundancies.

It has been successful in its aims but more recently the numbers being released under the Policy have reduced and it may be timely to review:

- a) Whether the policy and process should continue in its current format
- b) Whether the policy should be withdrawn
- c) Whether the policy should be continued but with a more flexible and lower key approach

Continuing the Scheme (a)

Previously, letters have been sent out to staff every year inviting them to apply for severance. Some staff have applied on numerous occasions and the application has been turned down. The current process is resource intensive and administratively cumbersome in relation to the numbers of applications which are agreed.

It is recommended therefore that that the process should not be continued in its current format. The Policy could be retained if it is considered to be a useful tool for incentivising staff to leave their employment in order to avoid compulsory departures.

Withdrawing the Scheme (b)

The Policy could be withdrawn in April 2018 and managers could utilise other policies such as voluntary early retirement (efficiency of the service), flexible retirement, redundancy, natural wastage and recruitment restrictions to manage workforce reductions.

Retaining the Scheme as part of a range of strategies (c)

Rather than continue with a formal process each year, it is suggested that the Policy could be retained and extended for another 3 years or beyond and managers could utilise it alongside other strategies as and when required. There would be no time limits for applications from staff who could apply under the Scheme at any time. People Services would continue to manage the scheme and liaise with Heads of Service regarding release and the submission of business cases.

DETAILED REPORT ATTACHED ?	NO
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IMPLICATIONS

I confirm that other than those implications which have been agreed with the appropriate Directors / Heads of Service and are referred to in detail below, there are no other implications associated with this report :

Signed: Paul R Thomas

Assistant Chief Executive (People Management and Performance)

Policy, Crime & Disorder and Equalities	Legal	Finance	ICT	Risk Management Issues	Staffing Implications	Physical Assets
NONE	NONE	YES	NONE	NONE	YES	NONE

1. Finance

There are costs associated with release of staff under the Scheme.

7. Staffing Implications

HR and Employer Pension Policy implications.

CONSULTATIONS

I confirm that the appropriate consultations have taken in place and the outcomes are as detailed below

Signed: Paul R Thomas

Assistant Chief Executive (People Management and Performance)

1. Scrutiny Committee

N/A

2. Local Member(s)

N/A

3. Community / Town Council

N/A

4. Relevant Partners

N/A

5. Staff Side Representatives and other Organisations

N/A

Section 100D Local Government Act, 1972 – Access to Information

List of Background Papers used in the preparation of this report:

THERE ARE NONE

Title of Document	File Ref No.	Locations that the papers are available for public inspection