

EDUCATION AND CHILDREN SCRUTINY MEETING

26TH NOVEMBER 2018

Subject: Early Voluntary Retirement and Redundancy Budget		
Purpose: To provide an update on how the Education Department are addressing this issue.		
Recommendations / key decisions required: <ul style="list-style-type: none"> Provide comments in relation to proposals Suggest any improvements/additions to the process 		
Reasons: The Early Voluntary Retirement and Redundancy Budget is under pressure with the budget at the start of the financial year already committed to fund cases in the system. Officers have been reviewing processes and systems in order to better manage this budget.		
Relevant scrutiny committee to be consulted YES EXECUTIVE BOARD / COUNCIL / COMMITTEE: NO		
Exec Board Decision Required		N/A
Council Decision Required		N/A
EXECUTIVE BOARD MEMBER PORTFOLIO HOLDER:- Cllr Gareth Jones		
Directorate- Education and Children's Service Name: Gareth Morgans Report Author: Gareth Morgans	Designations: Director of Education and Children's Services	Tel No. 01267 226522 E Mail Addresses: EDMorgans@carmarthenshire.gov.uk

EXECUTIVE SUMMARY

EDUCATION AND CHILDREN SCRUTINY MEETING

26TH NOVEMBER 2018

Early Voluntary Retirement and Redundancy Budget

The school workforce in Carmarthenshire totals approximately 3,880 staff. This is made up of 1573 teachers and 2307 support staff.

School based staff are recruited by Governing Bodies and are employees of Carmarthenshire County Council. A very high percentage of a school's budget is used to employ staff. Schools can have a budget shortfall due to a range of issues but predominately it is due to a falling pupil roll. When that happens it can lead to a review of staffing and potential reductions in the school workforce.

When staff become surplus to requirements the costs of releasing the staff is borne by the Council. The budget allocated to address **Early Voluntary Retirement and Redundancy** costs is held by the Department for Education and Children's Services. For a number years this budget has been under considerable pressure. In respect to the last three years expenditure information is noted below-

Financial year	Budget	Expenditure
2013-14	1,557,235	400k
2014-15	1,570,603	864k
2015-16	1,602,072	793k
2016-17	1,612,287	846k
2017-18	1,837,571	488k
2018-19	1,874,715	300k (forecast)

Officers have been reviewing processes and practice in order to better manage expenditure and ensure that all business cases presented are robustly challenged.

Process

When schools need to reduce expenditure they need to look at all possible options before considering reducing their workforce. When this is inevitable, during the redundancy consultation process, volunteers for early retirement and/or redundancy are sought. The process also seeks volunteers to apply for reduction of hours. This is usually a risk free process in terms of post-employment claims e.g. for breach of contract or unfair dismissal.

If there are no suitable volunteers, there is likely to be a compulsory redundancy in line with the agreed policy. The Council's Scheme complies with Teachers (Compensation for Redundancy and Premature Retirement) (Amendment) Regulations 2006 S1 2006 no. 2216- PRC Regulations amend the 1997 PRC Regulations and with the Teachers Pensions scheme as revised on 1 January 2007. This approach carries a higher risk and is more time consuming for governors, school staff and HR. The LA carries the cost in terms of defending the case and any compensation/financial settlements.


Recommendations for dismissal by reason of redundancy are the responsibility of the school governors. The local authority is obliged to comply with the governing body's recommendations and to issue the notice of dismissal but will make every effort to obtain redeployment for the employee concerned where appropriate. In the case of deliberate disregard of the Director's advice, all costs, including redundancy payments and any costs arising at a later date, including costs relating to Employment Tribunal claims, may be recharged to the school's delegated budget.

DETAILED REPORT ATTACHED?

YES

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: 

Director of Education and Children's Services

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

Policy, Crime & Disorder and Equalities

We are obliged to follow agreed policies and procedures ensuring that all staff are treated equally and consistently.

Legal

We are obliged to follow agreed policies and procedures ensuring that we comply with legislation in this area of practice.

Finance

The budget for EVR as noted is under considerable pressure and has had to be increased year on year to address demand.

Risk Management Issues

There are risks for the Local authority and schools in not implementing policy consistently and fairly.


Staffing Implications

This issue is in direct relation to staffing within schools and how we ensure that all policies and procedures are implemented.

CONSULTATIONS

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

Signed:



Director of Education and Children's Services

1. **Local Member(s)** – N/A
2. **Community/Town Council** – N/A
3. **Relevant Partners-** School Budget Forum and schools- at the time of reviewing policy
4. **Staff Side Representatives and Other Organisations-** Employee Relations Forum consulted at the time of reviewing policy

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

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

THERE ARE NONE