

# HR Committee

22<sup>nd</sup> September 2016



**Report of:** Service Director HR & Workplace

**Title:** Voluntary Severance Scheme and restructuring

**Ward:** N/A

**Officer Presenting Report:** Richard Billingham

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## Recommendation

That the Committee notes this report.

## Summary

The report updates the Committee on plans to avoid compulsory redundancies arising from the requirement to reduce spending by £29m in the current financial year.

## The significant issues in the report are:

- A Section 188 Notice (Trade Union and Labour Relations (Consolidation) Act 1992) was issued to the trade unions on 22<sup>nd</sup> August. This is attached for information at Appendix A.
- The Voluntary Severance Scheme opened on 24<sup>th</sup> August and is scheduled to close on 23<sup>rd</sup> September. The expectation is that Service Directors will approve all applications for voluntary severance unless there are overwhelming reasons not to do so. Where severance is agreed, most departing staff members will leave by 30<sup>th</sup> September. The equalities impact is being monitored on a fortnightly basis in conjunction with the trade unions and Staff-Led Group. A verbal update will be provided at the Committee's meeting.
- Service Directors are re-designing services in order to remove the required number of jobs (taking into account approved voluntary severances). Once structure charts are shared with teams it is likely that further volunteers for severance will come forward. Service Directors will be urged to approve these.
- Team structures will be finalised and selection processes will take place in late 2016/early 2017. Those who are not appointed will be actively considered for redeployment opportunities, and will be fully supported in their job search. Redundant employees aged 55 or over who are members of the Local Government Pension Scheme are entitled to early release of pension benefits (without actuarial reduction).
- The Council has recently consulted the trade unions on a new Voluntary Reduced Hours Scheme, which will be made available to all staff over the coming months.

## Policy

1. The Council's Voluntary Severance Scheme and Voluntary Reduced Hours Scheme were the subjects of recent consultation with the trade unions.
2. The Council's Redeployment Scheme was last revised in September 2015.

## Consultation

3. **Internal**  
The Section 188 Notice was issued to the trade unions on 22<sup>nd</sup> August. Meetings between HR and trade union representatives are being held on a weekly basis.
4. **External**  
None because this report is for information only.

## Context

5. The Council's shrinking revenue budget requires it to reduce the size of its workforce. In the current financial year the estimated budget gap is £29m and the target number of job reductions is 1,000 full-time equivalents (FTE). A further budget gap of around £60m is forecast for the period 2017/18 to 2019/20.
6. Measures to avoid compulsory redundancies are set out in a Section 188 Notice (Trade Union and Labour Relations (Consolidation) Act 1992), which was issued to the trade unions on 22nd August. This is attached for information at Appendix A.
7. The Voluntary Severance Scheme opened on 24th August and is scheduled to close on 23rd September. The expectation is that Service Directors will approve all applications for voluntary severance unless there are overwhelming reasons not to do so. Where severance is agreed, most departing staff members will leave by 30th September. The equalities impact is being monitored on a fortnightly basis in conjunction with the trade unions and Staff-Led Groups. A verbal update will be provided at the Committee's meeting.
8. Service Directors are re-designing services in order to remove the required number of jobs (taking into account approved voluntary severances). Once structure charts are shared with teams it is likely that further volunteers for severance will come forward. Service Directors will be urged to approve these.
9. Team structures will be finalised and selection processes will take place in late 2016/early 2017. Those who are not appointed will be actively considered for redeployment opportunities, and will be fully supported in their job search. Redundant employees aged 55 or over who are members of the Local Government Pension Scheme are entitled to early release of pension benefits (without actuarial reduction).
10. The Council has recently consulted the trade unions on a new Voluntary Reduced Hours Scheme, which will be made available to all staff over the coming months.
11. The Committee will receive further progress reports at its forthcoming meetings.

## **Proposal**

12. That the Committee notes this report.

## **Other Options Considered**

13. None because this report is for information only.

## **Risk Assessment**

14. None because this report is for information only.

## **Public Sector Equality Duties**

15a) Before making a decision, section 149 Equality Act 2010 requires that each decision-maker considers the need to promote equality for persons with the following “protected characteristics”: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. Each decision-maker must, therefore, have due regard to the need to:

- i) Eliminate discrimination, harassment, victimisation and any other conduct prohibited under the Equality Act 2010.
- ii) Advance equality of opportunity between persons who share a relevant protected characteristic and those who do not share it. This involves having due regard, in particular, to the need to --
  - remove or minimise disadvantage suffered by persons who share a relevant protected characteristic;
  - take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of people who do not share it (in relation to disabled people, this includes, in particular, steps to take account of disabled persons' disabilities);
  - encourage persons who share a protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.
- iii) Foster good relations between persons who share a relevant protected characteristic and those who do not share it. This involves having due regard, in particular, to the need to –
  - tackle prejudice; and
  - promote understanding.

15b) No equality impact assessment has been undertaken because this report is for information only.

## **Legal and Resource Implications**

**Legal**

No advice has been requested because this report is for information only.

**Financial****(a) Revenue**

No advice has been requested because this report is for information only.

**(b) Capital**

Not applicable.

**Land**

Not applicable.

**Personnel**

No advice has been requested because this report is for information only.

**Appendices:**

A Section 188 Notice

**LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985****Background Papers:**

None.