
Report to Council

Date of Meeting: 23rd February

Subject: Workforce Planning Update

Report by: Head of Resources and Governance

1.0 Purpose

- 1.1. To present to Council revised policies in regard to Severance and Redeployment outlining the changes that have been agreed since the Council's October meeting.

2.0 Recommendations

- 2.1. It is recommended that the Council approves the Severance Policy and Redeployment Policy.

3.0 Considerations

- 3.1. At its October meeting the Council considered a report from the Depute Chief Executive on the Making Our Organisation Stronger work stream of the MCB programme comprising four workforce related policies:
- Interim Workforce Strategy
 - Organisational Change Procedure
 - Severance Policy
 - Redeployment Policy.
- 3.2. The Council agreed the Interim Workforce Strategy and Organisational Change Procedure but wanted more time to consider, on a cross party basis, the Severance and Redeployment Policies and to engage directly with Trade Unions to consider the proposed policies.
- 3.3. Following these discussions, elected members have now agreed the terms on which the Council's voluntary severance and voluntary redundancy compensatory packages will be offered and these are set out in the revised Severance Policy at Appendix A. The revised Severance Policy proposes that:

- in voluntary severance and voluntary redundancy situations where an employee is eligible to receive Compensatory Added Years the maximum amount payable will be 5 years, and
 - where an employee is eligible to receive a severance payment the maximum offered will be the equivalent of 52 weeks pay subject to a variety of qualification criteria.
- 3.4. Should the Council ever choose to invoke the compulsory redundancy element of the Severance Policy, the Policy provides scope to the Council to offer a package ranging from the equivalent to the terms of VR outlined in paragraph 3.3 to simply fulfilling its obligations to pay the statutory minimum. It is suggested such a decision would need to be made by Council with regard to the prevailing policy and financial circumstances.
- 3.5. The revised Redeployment Policy is set out at Appendix B. Since October, changes have been made to the opening policy statement to emphasize that the termination of a staff member's contract will only be an option when the Council has exhausted all appropriate options to redeploy a member of staff and in the event that a no compulsory redundancy policy no longer applies, or as is currently the case, when the termination is due to disability, ill health or capability.

4.0 Sustainability Implications

- 4.1. None

5.0 Resource Implications

5.1. Financial Details

- 5.2. The full financial implications of the recommendations are set out in the report. This includes a reference to full life cycle costs where appropriate. Yes

- 5.3. Finance have been consulted and have agreed the financial implications as set out in the report. Yes

5.4. Staffing

6.0 Exempt Reports

- 6.1. Is this report exempt? Yes (please detail the reasons for exemption below) No

7.0 Declarations

The recommendations contained within this report support or implement our Corporate Priorities and Council Policies.

- (1) **Our Priorities** (Please double click on the check box)

- The area has a positive image and attracts people and businesses
- Our communities are more cohesive and inclusive
- People are better skilled, trained and ready for learning and employment
- Our communities are safer
- Vulnerable people and families are supported
- Substance misuse and its effects are reduced
- Health is improving and health inequalities are reducing
- The environment is protected and enhanced for all
- The Council is effective, efficient and recognised for excellence

(2) **Council Policies** (Please detail)

8.0 Equalities Impact

8.1 Have you undertaken the required equalities impact assessment to ensure that no groups are adversely affected by the recommendations?
 Yes No **Not Required**

9.0 Legality

9.1 It has been confirmed that in adopting the recommendations contained in this report, the Council is acting within its legal powers. Yes

10.0 Appendices

10.1 Please list any appendices attached to this report. If there are no appendices, please state "none".

Appendix A - Severance Policy

Appendix B - Redeployment Policy

11.0 Background Papers

11.1 Have you used other documents to compile your report? (All documents must be kept available by the author for public inspection for four years from the date of meeting at which the report is considered)
 Yes (please list the documents below) No

Author(s)

NAME	DESIGNATION	TEL NO / EXTENSION
Stephen Coulter	Head of Resources & Governance	2022

Approved by

NAME	DESIGNATION	SIGNATURE
Stephen Coulter	Head of Resources & Governance	Signed: S Coulter
Nikki Bridle	Depute Chief Executive	Signed: N Bridle



SEVERANCE POLICY AND PROCEDURE

Date: February 2016

Version: Draft

SEVERANCE POLICY AND PROCEDURE

This policy is one of the key tools that support the Council's workforce strategy and should be read in conjunction with it.

The Council's operating environment will dictate the requirements of the its establishment. Should there be a requirement to reduce the establishment this policy sets out the mechanisms which will be used to suit a variety of circumstances.

1. Policy Statement

- 1.1. Clackmannanshire Council is committed to maintaining, as far as possible, the security of employment for its employees and to avoiding compulsory redundancies.
- 1.2. The aim of this Policy is to ensure that all employees will be treated fairly and that the process applied is transparent and objective. This Policy will be applied to all severance situations.

2. Introduction

- 2.1. The Severance Policy covers all employees of the Council who cease employment where:
 - on the grounds of business efficiency, it is in the interest of the Council that an employee should leave the Council's employment; or
 - an employee is dismissed by reason of redundancy.
- 2.2. For the purposes of this Policy, the key definitions are as follows:

- **Severance** – where an employee leaves the Council’s service on a voluntary basis and is awarded compensation for loss of future employment. Any termination is by agreement and may be in response to a corporate exercise or to an individual expression of interest.
- **Voluntary Redundancy** - voluntary redundancy can be requested and considered where a pool has been identified as part of a compulsory redundancy process. Where a compulsory redundancy exercise occurs, voluntary redundancy will, where appropriate, be requested and considered in the first instance from within the identified pool.
- **Compulsory Redundancy** - the Employment Rights Act 1996 defines a redundancy situation (see section 6.1). This will arise where the employee is dismissed on the grounds of compulsory redundancy in accordance with the agreed criteria noted within this Policy.

2.3. This document constitutes the statement of published policy required by Regulation 51A of the Local Government (Discretionary Payments and Injury Benefits)(Scotland) Regulations 1998.

3. Scope

3.1. This policy covers all employees of the Council. The policy may be implemented in whole or in part in response to different circumstances facing the Council.

4. Procedure General Principles and Considerations

4.1. Nothing in this Policy can take precedence over the statutory provisions that authorise the Council to pay pension scheme benefits, statutory redundancy benefits or compensatory benefits. The final decision regarding any discretionary payment lies with Clackmannanshire Council.

4.2. Where an employee has received a benefit under the Severance Policy, they cannot be re-employed by the Council, including as a casual worker or on a

consultancy basis. In specific circumstances and to meet service requirements, Heads of Service in consultation with the Head of Resources and Governance may authorise a short term arrangement which must be time limited.

- 4.3. If an employee holds a casual post at the time of accepting severance they must resign from this post.
- 4.4. Where a employee, with more than 1 post, is successful in their application for Voluntary Severance they are unable to remain in any additional post and their employment with the Council will cease.
- 4.5. Where an employee, with more than 1 post, is made redundant from a particular post they may remain in this additional post but they cannot, from the date of severance, accept an increase in hours in their current post, an offer of employment for any additional post or accept any casual work in any capacity.

5. Voluntary Severance

- 5.1. From time to time, the Council may seek expressions of interest in voluntary severance. Alternatively, employees may request that they be considered for voluntary severance at any time in their employment. In these situations the termination date will be by mutual agreement. As the reason for the termination itself is by mutual agreement, no notice period nor notice pay need be given as the termination date itself will be agreed by both parties. Voluntary Severance requests should be submitted using the VS Application Form (Appendix 1).
- 5.2. Voluntary severance must not be used to encourage poor performers to leave the employment of the Council. Such cases should be dealt with by using the appropriate training and development techniques to improve the employee's performance, or ultimately, by using the Council's Capability Policy & Procedure or Disciplinary Policy. Similarly, employees with ill health should be managed in accordance with the Maximising Attendance Policy and where appropriate the Redeployment Policy & Procedure/Capability Policy & Procedure.

Assessing Applications for Voluntary Severance

- 5.3. When considering an application for severance under the scheme, the appropriate Chief Officer must:
- Prepare a comprehensive assessment of service delivery implications, including the implications of not replacing the post and the restructuring of the work and the financial implications of any offer being considered;
 - Consult with the Service Accountant regarding the financial implications of the severance package.
- 5.4. There is no guarantee that a request for voluntary severance will be approved or agreed.
- 5.5. If an applications is rejected the member of staff will be invited to attend a meeting with their line manager and provided with full feedback regarding the reasons why the application was not approved.

Replacement Strategy/Financial Implications

- 5.6. If an employee is to be granted severance, the appropriate Chief Officer must clearly identify the savings and any operational improvements that will ensue. Generally any proposal should include the deletion or redesign of the employee's or a related post. This could include techniques such as job re-design and/or alternative service delivery methods. The list below is not exhaustive but provides an indication of the type of situations that could be considered to achieve the necessary savings:
- The employee will not be replaced and the post will be deleted;
 - The employee will be replaced, but an alternative vacant post in the structure will be deleted;
 - Work will be re-designed and the post filled at a lower grade;
 - The vacant post will be filled on a part time basis;

- 5.7. A voluntary severance proposal can normally only be approved where financial savings of 100% of the employment costs can be recovered over a period of up to 2 years.
- 5.8. Where a financial saving cannot be made over 2 years the cost will be reviewed and a determination made whether costs can be recovered over 3,4 or 5 years. Only with the approval of the Section 95 Officer will any proposal be agreed in these circumstances.

Approval Process

- 5.9. The Council's Executive Team will consider each application including the costs and savings to the Council and the impact on the existing team.
- 5.10. Whilst decisions on severance should be based on financial benefit, consideration must also be given to operational implications and on-going service delivery.
- 5.11. Only where it can be demonstrated that financial savings of normally 100% of the employment costs will be recovered over a period of no more than 2 years and that the proposal is in the interests of the Council will an offer be approved.
- 5.12. Where a severance request is approved on the basis of the post being deleted or amended, the Service Accountant will ensure the necessary changes are made to the Service's budget and establishment.
- 5.13. There is no right of appeal against a refusal to grant a voluntary severance request. If an employee considers that their request has not followed policy or has been dealt with unfairly, the matter will be dealt with as part of the normal grievance process.
- 5.14. All documentation relating to severance applications (whether granted or not) will be retained by Human Resources for future audit purposes.

6. Redundancy (to include Voluntary and Compulsory)

Definition of Redundancy

6.1. The Employment Rights Act 1996 outlines that a redundancy situation arises where a dismissal is wholly or mainly because the Council:

- Has ceased, or intends to cease, to carry on a particular function or role of its business for the purposes of which the employee was so employed or;
- Has ceased, or intends to cease, to carry on a particular function or role of its business in the place where the employee was so employed or;
- Requirements for employees to carry out work of a particular kind has ceased or diminished or are expected to cease or diminish or;
- Requirements for the employees to carry out work of a particular kind, in the place where they were so employed, has ceased or diminished or are expected to cease or diminish.

6.2. Employees who have less than 2 years service and who are on a temporary contract will be managed in line with their contract of employment.

Consultation

6.3. The Trade Union & Labour Relations (Consolidation) Act 1992 (TULR(C)A & (Amendment Order 2013) requires the Council to formally consult "in good time" with recognised Trade Unions.

6.4. The aim of collective consultation is to avoid the termination of employment contracts, minimise the number of workers affected and mitigate the consequences of any proposed redundancies. This consultation process will enable Trade Unions to formulate constructive proposals for consideration and work with the Council to achieve the above objectives. Collective consultation will be undertaken with a view to reaching an agreement.

6.5. Although as much time as practical will be provided, the Council will abide by the statutory minimum timelines for consultation which are as follows:

- Where it is proposed that 19 or fewer employees could potentially be made redundant from one establishment no collective consultation is

required, however in accordance with good practice, the Council will consult with relevant Trade Unions at least 30 days prior to notification of the first dismissal. The requirement for individual consultation with those affected will still apply. This will not include the end of a temporary project or on individual contract which necessitates a redundancy payment, due to the length of the contract.

- Where it is proposed that between 20-99 employees could potentially be made redundant from one establishment within a 90 day period, collective consultation will commence at least 30 days before the date of implementing any dismissals;
- Where it is proposed that 100 or more employees could potentially be made redundant from one establishment within a 90 day period, collective consultation will commence at least 45 days before the date of implementing any dismissals.

6.6. Whilst the above indicates the minimum collective consultation period, the Council will endeavour to provide earlier notice where possible. The collective consultation process may end before the expiry of these periods. Consultation will be meaningful and allow time for considered responses to be received.

6.7. In accordance with legislation, the Council will initially provide the following information to the main Trade Union contacts of the recognised Trade Unions:

- The reason/s for potential redundancy;
- The number and descriptions of employees proposed for redundancy;
- The total number of employees of any such description employed at the establishment in question or where more appropriate, by the Council in general;
- The proposed method of selection for redundancy;
- How the redundancy dismissals are to be carried out including the time period;
- The method of calculating the amount of redundancy payments to be made to those who are dismissed.

- 6.8. Information will also be provided to relevant Trade Unions where there are implications for employees not directly affected by the redundancies, for example, those employees whose roles or working arrangements may differ as a result of the redundancies being made. Employees who are absent from the workplace during the consultation process such as on a career break, long term sick or maternity/adoption leave will be provided with the relevant notification and information.
- 6.9. The Council will also notify the relevant Government Department when there is a proposal to make 20 or more employees redundant at one establishment over a period of 90 days, as is the statutory requirement.
- 6.10. The Council recognises certain Trade Unions for collective bargaining purposes and will fully consult with these Trade Unions on potential redundancies. Information will also be provided directly to affected employees where necessary and appropriate. Following the commencement of the formal consultation process with Trade Unions, information will be provided to affected employees as quickly as possible thereafter.

Alternative Measure to Redundancy

- 6.11. Where the need for redundancies has been identified, attempts in the first instance will be made to avoid compulsory redundancies by considering a number of options including;
- Restrictions on Recruitment/vacancy management;
 - Voluntarily reduced hours;
 - Reduction in overtime;
 - Short time working;
 - Redeployment, including retraining of employees;
 - Career breaks/sabbaticals;
 - Discontinuing temporary employees;
 - Natural turnover;
 - Voluntary Severance;
 - Any other cost/saving initiative which may be available.

- 6.12. Once a pool of employees has been identified, no vacancy will be automatically advertised for recruitment. Where possible, each post will be considered for redeployment against the pool of employees, with the aim of reducing the numbers that may require to be made redundant.

Identifying potential pools for redundancy

- 6.13. The Council will in the first instance determine the pool of employees from which the compulsory redundancies will be made. For consultation purposes, each site is usually a separate “establishment”, however it may be more appropriate in some cases to identify an organised group of staff across different sites, eg SJC employees or a particular job title. The pool will be determined by the service or function reducing or ceasing.
- 6.14. The selection pool will be discussed with Trade Unions and where possible agreed in line with legislative requirements. Employees across more than one location or Service can be classed as ‘one pool’ for the purpose of calculating the minimum periods of collective consultation.
- 6.15. If a unique post is identified for redundancy affecting a single employee, depending on the tasks of the role there may not be a need to identify a pool.
- 6.16. Where necessary, support will be provided by Human Resources to identify the suitable pool of employees.

Voluntary Redundancy

- 6.17. Before a situation arises where there is a potential for a compulsory redundancy exercise, a voluntary redundancy option will be considered to enable all employees with over 2 years service, within the specific pool identified (See 6.14 - 6.17), to apply to be considered for voluntary redundancy.
- 6.18. There is no right to voluntary redundancy and CMT will make the final decision on which volunteers to accept based on the selection principles outlined below.

Assessing Applications for Voluntary Redundancy

- 6.19. When considering an application for voluntary redundancy, the Head of Service must:
- Prepare a comprehensive assessment of service delivery implications, including the operational and financial implications of any offer being considered;
 - Consult with CMT on the proposal and proposed service delivery;
 - Consult with the Chief Accountant on the financial implications of the severance package. This must include discussions with the relevant Service Accountant.
 - Where more than one employee from the same pool/unit requests voluntary redundancy, and where necessary, the selection process will be used to determine the employees who may be further considered. Whilst this will provisionally determine the selection process, consideration must also be given to the financial cost of any offer(s) being assessed before any final determination is made.

Replacement Strategy/Financial Implications for Voluntary Redundancy

- 6.20. If an employee is to be granted voluntary redundancy, the Head of Service must clearly identify efficiency savings and/or operational improvements that will be implemented. Generally any proposal will be expected to delete the

employee's or a related post. However where more than one employee is involved, in some circumstances this may require the team to be redesigned resulting in the creation of a post at a lower level.

- 6.21. Taking this into account, a voluntary redundancy proposal will only be approved where financial savings of normally 100% of employment costs will be recovered over a period of no more than 2 years and it is in the interests of the Council.
- 6.22. Where a financial saving can not be made over 2 years the cost will be reviewed and a determination made whether costs can be recovered over 3,4 or 5 years. Only with the approval of the Section 95 Officer will any proposal be agreed in these circumstances.

Approval Process for Voluntary Redundancy

- 6.23. The CMT will consider all relevant factors, including the cost and savings to the Council and the operational implications.
- 6.24. Whilst decisions on voluntary redundancy should be based on the financial benefit, consideration must also be given to on-going service delivery to ensure it is in the interests of the Council.
- 6.25. Only where it can be demonstrated that financial savings of normally 100% of the employment costs will be recovered over a period of no more than 2 years and that the proposal is in the interests of the Council, will the offer be approved.
- 6.26. Where a financial saving can not be made over 2 years the cost will be reviewed and a determination made whether costs can be recovered over 3,4 or 5 years. Only with the approval of the Section 95 Officer will any proposal be agreed in these circumstances.
- 6.27. Once approved, the Service Accountant will ensure the necessary changes are made to the Service's budget and establishment.
- 6.28. There is no right of appeal against any refusal to grant a voluntary redundancy request. However, where an employee considers that their request has not followed policy or has been dealt with unfairly, the matter will be dealt with as part of the normal grievance process.

- 6.29. All documentation relating to voluntary redundancy applications (whether granted or not) will be retained by Human Resources for future audit purposes.

Compulsory Redundancy

- 6.30. Where all alternatives have been explored and a situation arises where a compulsory redundancy exercise is required and approved by Council the following processes will apply.

Selection Criteria - Compulsory Redundancy

- 6.31. Where there remain more employees than jobs in the identified pool (see 6.14 - 6.17), selection criteria will have to be applied in order to select the required number of employees for redundancy. Selection criteria must be as objective as possible, measurable and justifiable in order to ensure the fair and transparent selection of employees for redundancy.
- 6.32. The redundancy selection criteria should be objective, precisely defined and capable of being applied in an independent and consistent manner to all employees. This is to ensure that the process is conducted fairly. The criteria that will be used can include:
- Qualifications;
 - Essential skills, experience, knowledge and competencies to undertake the post;
 - Standards of work and performance;
 - Disciplinary Record;
 - Sickness and attendance.
- 6.33. The scoring for each criteria will be as per Appendix 2. Weighting may be applied to the criteria which will be developed at the time of each redundancy exercise to meet the prevailing needs of the Council. This information will not be available to managers making the assessments to ensure objectivity. Those employees with the lowest scores will be selected for redundancy.

- 6.34. Where a situation arises, where all other criteria measures have been exhausted and the employee scores are even, then length of service with Clackmannanshire Council or its predecessor organisations will be used, on a Last in First Out (LIFO) basis. If an individual has broken service, the periods of employment will be aggregated to allow a fair comparison to be made.
- 6.35. The blend or matrix of criteria used may differ between each selection exercise undertaken by the Council and this will be discussed with Trade Unions as part of the consultation process.

Implementation Process

Stage 1 – Information Meeting

- 6.36. A brief meeting will be held with all affected employee/s and the relevant manager with a representative from Human Resources. The purpose of the meeting will be to advise the employee/s that they are at risk of redundancy. At this meeting the manager will provide brief reasons for the redundancy and the process to be followed along with the appropriate timescales. This meeting should be a consultative meeting only and is an opportunity to provide information on the reasons and process to be used along with exploring options to reduce the need for redundancies. It should be made clear to the employees that no decision has been made at this stage as to whether they will be made redundant. Employees can be asked to consider their position with regards to suitable alternative employment at this stage.
- 6.37. The manager will also write to all employees within the pool to confirm that they are at risk of redundancy and outline the selection process and timescales to be applied.
- 6.38. Before Stage 2 the affected employees should have the opportunity to comment on the proposed selection criteria.

Stage 2 – Scoring

- 6.39. The employees contained in the established 'pool' will be scored using the agreed criteria by the relevant manager. The manager must consult Human Resources for assistance in completing this. Once all scoring is completed the scoring sheet will be issued to the relevant employee for their consideration. No weighting will be applied at this stage.

Stage 3 – Individual Meetings.

- 6.40. A meeting will be arranged with each employee, providing at least 5 days notice, to discuss and assess the scoring. This is an opportunity for employees to challenge the scoring, raise concerns or any specific matter that arises from their own assessment. The Service Manager and a representative from Human Resources will be present and each employee will have the right to representation of their choice at this meeting.
- 6.41. Employees should be allowed enough time to reasonably consider their individual scoring and the redundancy proposal in general, for example alternative actions that could be considered to avoid the redundancy. Management should give consideration to any reasonable representations the employee makes.

Stage 4 – At Risk – Redeployment & Re-Training

- 6.42. Those at risk of redundancy will have an opportunity to meet with a representative(s) from Human Resources, or other advisers where appropriate. This will help facilitate the redeployment process and will also provide an opportunity to discuss and consider any possible re-training opportunities.

Stage 5 - Notice of redundancy

- 6.43. After consideration of any representations and where there is no alternative to redundancy, a meeting should be convened with each employee to advise them of the outcome of the scoring process. The relevant Manager and a representative from Human Resources should be present to confirm the

decision in relation to whether the employee has been selected for redundancy. The employee will have the right to representation at this meeting.

- 6.44. An employee who is made redundant is entitled to written notice. Where the employee has been selected, they will be issued with written notice of redundancy and will be placed on the redeployment list for the purposes of seeking suitable alternative employment. Employees who are given notice must be paid during the notice period even if they are unable to work eg through sickness. The minimum periods of notice employees are entitled to is based on their length of continuous service and will be as per the contract of employment.
- 6.45. Information will also be provided in relation to the proposed termination date and entitlement to payments including outstanding annual leave, all of which will be confirmed in writing. Generally, employees will be required to work their full notice period, although in specific circumstances, pay in lieu of notice may be more appropriate. During the notice period, employees are entitled to reasonable time off to assist in the search for other employment.
- 6.46. The appropriate Chief Officer will write out within 5 working days confirming their decision and provide information on the appeal process.

Stage 5: Appeal Process

- 6.47. Any employee who has been selected for redundancy and who is dissatisfied with the way in which the Council has applied the redundancy selection criteria, or who believes that he/she has been unfairly disadvantaged by the selection criteria or not given a fair opportunity to put forward representations, can request a formal review of his/her selection for redundancy.
- 6.48. The review should be lodged within five working days of the formal notification of redundancy being given. The request for a review should be submitted to the Head of Resources and Governance, who will arrange for a review hearing to be heard within 5 days of receipt of the request, or as soon as possible thereafter. The review hearing will be chaired by an independent Chief Officer. The same Chief Officer will consider all review cases received from the same pool, unless this is impractical.

- 6.49. The outcome of the review process will be communicated to the employee in writing within five working days of the review hearing. The decision of the review hearing will be final.
- 6.50. The process to be adopted at the review hearing is outlined in Appendix 3.

Alternative Employment

- 6.51. In compulsory redundancy situations employees will be added to the redeployment list and considered for posts in accordance with this Policy.
- 6.52. Trial periods will be offered in accordance with the Redeployment Policy.
- 6.53. Employees will be made aware of the consequences of accepting or refusing an offer of suitable alternative employment. For example, should the employee unreasonably refuse an offer of suitable alternative employment, the employee may lose the right to a redundancy payment. Suitable Alternative Employment will be a post at a similar level, grade and status.
- 6.54. Consideration will also be given to reasonable adjustments that can be made to posts in line with the Disability Provisions of the Equality Act 2010.
- 6.55. Employees selected for redundancy will also be afforded reasonable time off to look for work or to arrange training. The employee should submit their request in writing to their Line Manager, outlining the reason for the time they require, within a reasonable time frame for the manager to consider the request.
- 6.56. If an employee finds alternative employment external to the Council and wishes to leave before the end of their notice period they will lose the right to any outstanding period of notice. If the employee wishes to leave prior to their termination date they must submit their request in writing to their Head of Service and consideration will be given to this.
- 6.57. If a redundant member of staff is offered alternative employment with another local authority or organisation detailed within The Redundancy Payments (Continuity of Employment in Local Government, etc.) (Modification) Order , whether in writing or not, before the date of the redundancy and the termination of his/her contract, and the new job starts within 4 weeks of the date of redundancy payment, no redundancy payment is due and continuity of service for statutory redundancy purposes is preserved.

Employee Support

6.58. The Council will offer appropriate support to employees at risk of redundancy which may include;

- Classes for dealing with Stress;
- Financial/welfare benefits advice;
- Job Search techniques – Self marketing skills, C.V. writing, networking skills & opportunities, interview skills & techniques;
- Computer and internet access.

7. Compensatory Payments

7.1. Where eligible and approved, the package may consist of a combination of components. Some elements are mandatory and some discretionary. Levels of compensation vary depending on whether the termination of employment is voluntary or the employee has been dismissed on the grounds of redundancy.

7.2. In redundancy situations a compensatory lump sum is payable. The compensatory lump sum payment made under these arrangements by the Council includes any entitlement to the statutory redundancy payment as per the Employment Rights Act 1996. An employee made redundant, with 2 or more years' continuous service is entitled to a redundancy payment. The Council operates the Statutory Redundancy Payment scheme which is:

- Employees aged 22 and under – 0.5 weeks pay for each year of continuous service;
- Employees aged between 23 and 40 – 1 weeks pay for each year of continuous service;
- Employees aged 41 and over – 1.5 weeks pay for each year of continuous service;

- 7.3. A week's pay is the amount an employee would normally receive under his/her contract on the date of the cessation. If a week's pay varies for any employee an average pay over the previous 12 weeks will be used.
- 7.4. The reference period will only relate to elements paid for in the normal course of employment. For example, it will not include any payments received for arrears of pay.
- 7.5. For the purpose of this policy continuous service is service with employers listed in The Redundancy Payments (Continuity of Employment in Local Government, etc (Modification) (Amendment) Order 2001, where there has been a break of seven days or less between employments. Employees with less than 2 years continuous service are not eligible for a redundancy payment.
- 7.6. The compensatory lump sum payment will be calculated as at the termination date or where appropriate, the date when the notice period has expired.
- 7.7. For the purpose of this policy where an employee's pay exceeds the maximum level specified in the Employment Rights Act 1996, the redundancy payment will be based on the employee's actual pay.

8. Compensatory Payments on grounds of efficiency

Voluntary Severance

- 8.1. In order to compensate employees for the loss of future employment, in situations where the employee voluntarily requests severance, a maximum payment of up to 52 weeks salary may be available if the employee is unable to access their pension.
- 8.2. Where applicable, and in line with pension regulations, employees who can access their pension may be eligible for up to 5 Compensatory Added Years.

Voluntary Redundancy

- 8.3. If an employee accepts an offer of voluntary redundancy and qualifies for immediate access to their pension benefits they will also be entitled to a statutory redundancy payment based on age and length of service.

- 8.4. If an employee accepts an offer of voluntary redundancy and does not qualify for access to their pension benefits a maximum payment of up to 52 weeks salary , dependant on age and length of service, may be available.

Compulsory Redundancy

- 8.5. In the event that the Council does not operate a no compulsory redundancy policy and compulsory redundancy is unavoidable, once all other options have been exhausted including voluntary severance and voluntary redundancy, the Council may opt to make compulsory redundancy available at terms no less favourable than those offered for voluntary redundancy.
- 8.6. As a minimum, the Council is obliged to make payment based on the Statutory Provisions. There will be no entitlement to Compensatory Added Years in compulsory redundancy situations. The compulsory redundancy package will be developed when all other options have been exhausted based on the prevailing financial circumstances and policy direction of the Council.
- 8.7. A table setting out a summary of entitlements and eligibility is included at Appendix 5.

9. Compensatory Added Years (CAY)

- 9.1. Compensatory added years can be awarded, in Voluntary Severance or Voluntary Redundancy situations, to those who are or could be members of the pension scheme provided they have completed at least 5 year's service and would qualify for immediate access to scheme benefits on redundancy or efficiency grounds.
- 9.2. The benefits arising from compensatory added years are a lump sum and a pension based on the compensatory period awarded and the employee's final pensionable pay. Compensatory added years compensation is paid for the duration of the employee's lifetime, or where appropriate, payable to the spouse or civil partner, which means it is not uncommon for a compensatory added years payment to be paid over a significant period of time.
- 9.3. In all cases, the maximum number of compensatory added years that can be awarded is the shortest of the following:

- The number of years needed to make up the employee's pension scheme membership to 40 years;
- The period equivalent to the employee's service;
- The period between the date of cessation and the employee's 65th birthday; and
- Upto 5 years.

10. Pension Scheme Members - Mandatory pension scheme benefits

Local Government Pension Scheme

- 10.1. Accrued pension benefits must be released if the employee retires on redundancy or efficiency grounds and:
- has attained age 50, having been an active member of the Scottish LGPS on 5th April 2006, or
 - has attained age 55, and
 - has at least 2 years' scheme membership, or
 - has completed less than 2 years' membership but has transferred in previous pension rights from outwith the Scottish LGPS.
- 10.2. Members of the scheme, who neither qualify for retirement benefits nor a refund, can leave their rights deferred in the pension fund for payment at retirement age. Alternatively, they can elect to transfer them to a new pension arrangement.
- 10.3. Employees are encouraged to contact the Pensions Section at Falkirk Council for further information where appropriate.
- 10.4. Retirement benefits are inflation-proofed provided employees have attained age 55. A spouse, civil partner or child's pension benefits are inflation-proofed irrespective of the age of the beneficiary.

Scottish Public Pensions Agency (Teachers Pension Scheme)

- 10.5. Where a member of staff is retired prematurely because of redundancy or in the interests of organisational efficiency, they may be granted retirement benefits if they are aged 55 or over and under 60 and contributing to the pension scheme.
- 10.6. Employees are encouraged to contact SPPA for further information where appropriate.

11. Payment in Lieu of Notice and Outstanding Annual Leave

- 11.1. In general, in cases where severance is granted by reason of efficiency or voluntary redundancy the employee will be considered to be leaving the employment of the Council by mutual consent so no notice will be payable. Termination dates will, in most cases, be by agreement, however the Council reserves the right to withdraw an offer if the termination date proposed by an employee is not suitable.
- 11.2. In compulsory redundancy situations, employees will generally be required to work their notice period. Where this is not the case and subject to the exigencies of the Service the compensatory lump sum, as detailed above, will include any contractual or legal entitlement to pay in lieu of notice. No additional payment will therefore be payable in this respect.
- 11.3. Services should ensure that employees take any unused annual leave entitlement prior to the agreed termination date, including those on term time contracts. In exceptional circumstances a payment in lieu of outstanding annual leave may be authorised in advance of the agreed termination date.

12. Tax and Deductions

- 12.1. A compensatory lump sum may be subject to the deduction of income tax depending on the level of the termination package. In voluntary redundancy or compulsory redundancy situations where an employee with more than 1 post remains in a secondary post, their compensatory lump sum will be subject to tax and national insurance deductions.

12.2. It is a condition of this Policy and a term of the employee's contract of employment that any outstanding payments due to the Council will be deducted from the final salary and/or compensatory package.

13. Impact of re-employment

13.1. In the limited circumstances referred to in section 2.3 above, where an individual is in receipt of a compensatory added years benefit and is re-employed, the benefit can be affected by the re-employment.

13.2. In addition, re-employment may affect the payment of the Scottish LGPS or STSS benefit. The individual should discuss these aspects with the Pensions Section or SPPA if appropriate.

14. Monitoring and Review

14.1. CMT and Trade Union Representatives shall monitor the effectiveness of these procedures on an ongoing basis. Amendments will be made as and when deemed necessary and, where appropriate, after consultation with recognised trade unions.

Policy Name	Severance
Department	HR
Policy Lead	HR
Equality Impact Assessment	
Full EQIA required	Yes <input type="checkbox"/> No* <input type="checkbox"/>
* The policy raises awareness of potential discrimination and promotes equality by providing guidance on how concerns about harassment, bullying and victimisation can be raised and sets out a process by which issues can be resolved.	

Date Full EQIA complete	N/A
Date Approved	
Review Date	

APPENDIX 1 - VOLUNTARY SEVERANCE APPLICATION FORM

SECTION 1 : PERSONAL DETAILS

Surname:		Forename(s):	
Pay Reference:	□ □ □ □ □ □ □ □	Job Title:	
Service:		Job No:	
Date of Birth	□ □ □ □ □ □ □ □	Post No:	□ □ □ □ □ □ □ □
Effective Date: <small>(see published dates)</small>	□ □ □ □ □ □ □ □		
Employee Signature:	<p>.....</p> <p>.....</p> <p><small>I fully accept that there is no commitment given by either party and each case will be looked at individually and cost will be the overriding factor in the authorisation of all VS applications.</small></p>		Date:
Service Manager Signature/Details:	<p>.....</p> <p>.....</p> <p><small>Forward to Human Resources for coordination, irrespective if they have been approved or not.</small></p>		Date:
<p>Approved <input type="checkbox"/> Declined <input type="checkbox"/></p> <p>Reason:</p>			

SECTION 2 : HR USE

VS Received from Service	<input type="text"/>	S22 required	Yes <input type="checkbox"/> No <input type="checkbox"/>
Date severance figures requested	<input type="text"/>	Date severance returned	<input type="text"/>
S22 sent to payroll	<input type="text"/>	S22 returned from payroll	<input type="text"/>
S22 sent to pensions	<input type="text"/>	Figures received from Pension	<input type="text"/>
Figures sent to Finance	<input type="text"/>	Figures returned from Finance	<input type="text"/>
Sent to Service	<input type="text"/>	Returned from Service	<input type="text"/>

SECTION 3: FINANCE USE

	£	Saving Type (Tick as appropriate)	
Annual Saving Value	<input type="text"/>	Post Deleted	<input type="checkbox"/>
		Other staffing reconfiguration	<input type="checkbox"/> See attached Appendix A Form
		Other saving	<input type="checkbox"/> See attached Appendix A Form
Chief Accountant:		

SECTION 4: HEAD OF SERVICE

<p>Head of Service</p> <p>Comments:-</p>	<p>On the basis of the figures provided by Falkirk Pensions, costs will be recovered within 2 years.</p> <p><u>TICK BOX</u></p> <p>By the following (tick box)</p> <p><input type="checkbox"/> Post is to be deleted</p> <p><input type="checkbox"/> Post reconfigured (how) - full details attached</p> <p><input type="checkbox"/> Budget Savings Identified elsewhere - full details attached</p>	<p>I am unable to recover costs within the 2 years. Request is declined and I will inform the individual.</p> <p style="text-align: right;"><input type="checkbox"/></p> <p>TICK BOX</p> <p>There are exceptional circumstances to warrant payback over 3,4 or 5 years and a case has been put to the S95 Officer</p> <p style="text-align: right;"><input type="checkbox"/></p>								
<p>Head of Service</p> <p>.....(Signed)</p> <p>Forward to Human Resources</p>	<p>Date:</p>	<table border="1" style="width: 100%; height: 20px; border-collapse: collapse;"> <tr> <td style="width: 15%;"></td> <td style="width: 15%;"></td> <td style="width: 15%;"></td> <td style="width: 15%;"></td> <td style="width: 15%;"></td> <td style="width: 15%;"></td> <td style="width: 15%;"></td> </tr> </table>								

SECTION 5: CMT/EMT APPROVAL

*Approved / Not Approved (*delete as required)

(Subject to finalised figures from Falkirk Pensions (if current Pensions figures in excess of 3 months old))

SIGNED DATED:

APPENDIX 2 - REDUNDANCY MATRIX

QUALIFICATIONS

No qualification for post	Part qualified/part completed qualification	Obtained qualification
0	3	5

SKILLS & EXPERIENCE, KNOWLEDGE & COMPETENCIES

Essential skills, experience and competencies to undertake the post linked to the job description and personal specification for the post; These need to be specific, measurable and linked to the post. The 1-1, PRDS, supervision and TNA processes should help determine these levels, eg a Very high level of skills, experience etc would be evidenced by no gaps in the TNA process.

Lack of skills experience, knowledge & not meeting competencies /in formal capability process (performance related)	Acceptable level in some areas, with high level of gaps in all criteria	Acceptable level across all areas, with some gaps showing in most criteria	A very high level for one or more of the criteria and small gaps in all remaining areas	Very high level across all areas
0	2	3	4	5

STANDARDS OF WORK AND PERFORMANCE

Non-acceptable standard or work and performance and fails to meet objectives	Low level of standard of work and performance which has raised concern in the last 12 months	Acceptable level of work and performance and sometimes meets objectives	Usually a very high level of work and performance and usually meets objectives	High standard of work and performance and always meets objectives
0	2	3	4	5

DISCIPLINARY RECORD

Live Final Written Warning on file	Live Written warning on file	No disciplinary record
0	3	5

SICKNESS/ATTENDANCE*

More than X days absence in the previous 2 years **	Upto X days absence in previous 2 years	No absences in previous 2 years
0	3	5

* in cases where there has been disability-related absence or an Industrial Injury, the number of triggers above will be divided by 2, for example, a disabled employee who has reached 2 triggers in the previous 2 years will score 3 points and where they have reached 3 or more triggers, they will score 0.

** Pro rata for part time staff

APPENDIX 3 - APPEAL PROCESS

Notification of Appeal

Any employee who has been selected for redundancy can ask for the situation to be reviewed on the following grounds:

- the application of the redundancy selection criteria;
- the selection criteria have unfairly disadvantaged the employee;
- the employee was not given a fair opportunity to put forward representations;
- the policy has not been applied properly.

Employees must confirm their intention to apply for a review/appeal in writing to the Head of Resources and Governance within 5 working days of notification of selection for redundancy. This should set out the reasons to their case to be reviewed eg the grounds of their appeal and provide any evidence/documentation to demonstrate their case. This information will be available to all parties of the review hearing.

On receipt of a letter of review/appeal, Human Resources will arrange a suitable hearing, providing a minimum of 3 days' notice in writing. The line manager will be asked to submit any relevant papers that may be referred to during their submission, copies of which will be provided to the appellant in advance of the hearing taking place.

The Review Hearing

The hearing will be chaired by an independent Chief Officer. Representatives from Human Resources and a Trade Union representative will attend to provide support and advice to the chair.

The Appellants may be accompanied at the hearing by a colleague or their Trade Union representative. A representative from the appropriate Service will also be invited to attend the hearing to present managements case.

The Chair will introduce those present and ensure those attending understand the procedure which is to be followed during the hearing.

The appellant, or their Trade Union representative, will have approximately 15 minutes to present their case, after which they may be questioned by the Chair and the relevant Advisers.

Management's case will be presented by the relevant line manager. Again approximately 15 minutes will be provided to present management's case and the opportunity for questioning from the panel. Each party will have the opportunity to ask questions

Management's representative, followed by the appellant or their representative, will then be provided with an opportunity to briefly summarise the key points of their case. No new evidence should be introduced at this time. The parties will then be asked to withdraw to allow the Chair to decide whether the appellants case is upheld or not. Appellants and managers will be advised in writing whether their case has been upheld or not within 5 days of the date of the review hearing.

Before closing the hearing, the Chair will:

- Ascertain whether or not the appellant considers that they have had a fair hearing.
- Advise the appellant that the panel's decision will be notified in writing at the conclusion of all appeals.

APPENDIX 4 - STATUTORY REDUNDANCY PAY TABLE

To calculate how much statutory redundancy you can get please visit
<https://www.gov.uk/calculate-your-redundancy-pay>.

Statutory Redundancy is based on age, weekly pay and number of years in the job.

You only qualify for statutory redundancy pay if you've worked for your employer for at least 2 years.

Appendix 5

VOLUNTARY REDUNDANCY/COMPULSORY REDUNDANCY

Severance Situation	Less than 2 years service	At least 2 years service but less than 5 years	More than 5 Years
Unable to Access Pension based on age and pension rules*	<p>No Pension benefits payable</p> <p>Refund of pension contributions, or a Transfer Value</p> <p>No Redundancy entitlement</p>	<p>No Pension benefits payable</p> <p>Accrued pension benefits retained in the Fund or Transfer Value for another pension fund.</p> <p>If a Voluntary redundancy situation compensation payable based payable up to 52 Weeks pay, determined by age and length of service.</p> <p>The maximum redundancy</p>	<p>No Pension benefits payable</p> <p>Accrued pension benefits retained in the Fund or Transfer Value for another pension fund.</p> <p>If a Voluntary redundancy situation compensation payable based payable upto 52 Weeks pay, determined by age and length of service.</p> <p>The maximum redundancy</p>

		payment not subject to Tax and NI is £30,000	payment not subject to Tax and NI is £30,000
Able to Access Pension based on age and pension rules	No Pension benefits payable Refund of pension contributions, or a Transfer Value No Redundancy entitlement	Eligible to immediate access to pension benefits but NOT entitled to CAY. If a Voluntary redundancy situation compensation payable based on Statutory entitlement determined by age and length of service	Eligible to immediate access to pension benefits and up to 5 CAY If a Voluntary redundancy situation compensation payable based on Statutory entitlement determined by age and length of service

* Unable to access if under aged 55 although if a scheme member on 05/04/2006 (and still in the Scheme) protected age of 50.

VOLUNTARY SEVERANCE

Severance Situation	Less than 2 years service	At least 2 years service but less than 5 years	More than 5 Years
Unable to Access Pension based on age and pension rules*	No Pension benefits payable Refund of pension contributions, or a Transfer	No Pension benefits payable Accrued pension benefits retained in the Fund or	No Pension benefits payable Accrued pension benefits retained in the Fund or

	<p>Value</p> <p>No Redundancy entitlement</p>	<p>Transfer Value for another pension fund.</p> <p>If a Voluntary severance situation compensation payable based payable up to 66 Weeks pay, determined by age and length of service.</p> <p>The maximum redundancy payment not subject to Tax and NI is £30,000</p>	<p>Transfer Value for another pension fund.</p> <p>If a Voluntary redundancy situation compensation payable based payable upto 66 Weeks pay, determined by age and length of service.</p> <p>The maximum redundancy payment not subject to Tax and NI is £30,000</p>
<p>Able to Access Pension based on age and pension rules</p>	<p>No Pension benefits payable</p> <p>Refund of pension contributions, or a Transfer Value</p> <p>No Redundancy entitlement</p>	<p>Eligible to immediate access to pension benefits but NOT entitled to CAY.</p>	<p>Eligible to immediate access to pension benefits and up to 5 CAY</p>

* Unable to access if under aged 55 although if a scheme member on 05/04/2006 (and still in the Scheme) protected age of 50.



REDEPLOYMENT POLICY

Date: February 2016

Version: Draft

REDEPLOYMENT POLICY

1. Policy Statement

- 1.1. Clackmannanshire Council values its employees and the skills and talents they bring to the organisation, consequently the Council will take all reasonable steps to protect their security of employment.
- 1.2. Wherever possible, the Council will redeploy employees who no longer have a post and those who are unable to continue in their current role as a result of ill health, disability or capability.
- 1.3. This policy aims to ensure that the management of redeployment is fair, consistent and supportive.
- 1.4. There may be occasions when all appropriate options have been exhausted and no suitable alternative is available so, as a last resort, the Council may have to end employment. This would not apply in situations where an employee no longer has a post and the Council has a no compulsory redundancy policy in force.

2. Scope

- 2.1. This policy applies to all Council employees who:
 - require redeployment based on **ill health or disability**;
 - are at risk of redundancy and have a minimum of 12 months continuous service;
 - require redeployment as a result of **restructure** and have a minimum of 12 months continuous service;
 - require redeployment as a result of their ability to carry out the duties within their current post and have a minimum of 12 months continuous service;
 - individual cases will be considered where redeployment would be appropriate for example as the outcome of a **grievance**.
- 2.2. It does not apply in disciplinary cases, where separate rules apply.
- 2.3. It does not apply to any employee whose post is transferring under TUPE regulations.

3. Principles

3.1. The Council will adhere to the following general principles:

- Every individual will be treated fairly;
- The Council will comply with its duties under the Equalities Act 2010;
- Redeployment will always be dealt with promptly, sensitively and in full consultation with the individual, who has a right to be accompanied by a TU representative or colleague at all meetings;
- The Council will give priority to those requiring redeployment by considering them for matching against suitable vacant posts before advertising these more generally;
- The Council will try, wherever possible, to redeploy employees into a role which is compatible with their skills, capabilities and existing terms & conditions;
- The Council will support those redeployed during the transition by providing a period of salary preservation;
- Where the employee's contract of employment is likely to end, the Council will comply with the duty to allow reasonable time off for job search and interviews during the notice period.

4. Roles and Responsibilities

4.1. A corporate approach should be adopted by all to achieve the best possible outcome for both the employee(s) and the Council as a whole for staff on redeployment.

4.2. Employees should actively participate and cooperate in the redeployment process and be as flexible as possible in considering alternative employment to maximise their chance of success.

5. Monitoring and Review

- 5.1. Both HR and Trade Union Representatives shall monitor the effectiveness of the procedures on an ongoing basis. Changes may result from employee, management and union feedback and/or from changes in employment legislation. Revisions and updates will be implemented by the Council following consultation with the recognised trade unions

Policy Name	Redeployment Policy
Department	HR
Policy Lead	HR
Equality Impact Assessment	
Full EQIA required	Yes <input type="checkbox"/> No* <input checked="" type="checkbox"/>
* In no please provide rationale Policy applies equally to all Council employees and does not negatively impact on any group which falls within any of the 9 protected characteristics	
Date Full EQIA complete	N/A
Date Approved	
Review Date	