

Report for: **Disciplinary, Grievance and Dismissal Panel**

Title of Report **Environment and Resident Experience – Proposed Redundancy,**

Report authorised by **Barry Francis, Director of Environment and Resident Experience**

Lead Officer: **Barry Francis, Director of Environment and Resident Experience**

Ward(s) affected: **All**

Report for Key/ Non Key Decision: **Non Key**

1. Describe the issue under consideration

- 1.1 The financial situation of the Council means that costs need to be reduced. There is an opportunity to accept a voluntary redundancy the cost of which exceed £100,000 and requires Committee approval. This application for voluntary redundancy arises from the formal restructure of the Environment and Resident Experience Directorate providing a streamlined and lower cost management structure.
- 1.2 The Panel is required to approve the severance costs in excess of £100,000 in line with the Council's Constitution.
- 1.3 Approving this voluntary redundancy request will enable the service to implement the revised structure efficiently and reduce the need for this to be considered, for a compulsory redundancy.
- 1.4 Further detail on the case is in Exempt Appendix 1.

2. Cabinet Member Introduction

Not applicable.

3. Recommendations

Approve the redundancy package in accordance with the Council's Pay Policy Statement.

4. Reason for decision

- 4.1 In order to reduce staffing costs and implement a restructure within the directorate without the need for compulsory redundancies.

5. Alternative options considered

- 5.1 It would be possible not to accept this voluntary redundancy it would then require the employee to complete a competitive selection process and could result in a compulsory redundancy.

6. Contribution to strategic outcomes

- 6.1 This redundancy reduces operating costs on an ongoing basis which will assist in the financial management of the Council.

7. Statutory Officers' comments

7.1 Finance

The Council is facing significant financial challenges and as a result all services are looking at efficiencies within staffing budgets which will include through restructures where appropriate. As a result, some redundancies are expected to deliver the long-term cost reductions that are required. The costs associated with the voluntary redundancy set out in this report will be met from within the service budget for Environment and Resident Services in year 1 and will result in longer term savings on the service staffing budget.

7.2 Procurement

Not applicable

7.3 Legal

- 7.3.1 The report proposes the voluntary redundancy of a manager level role within Environment & Resident Experience as part of a planned restructuring exercise and falls within the Director's delegated powers. Part 3 Section E of the Constitution, delegates power to Directors to be exercised in agreement with the Assistant Director of HR to affect establishment changes including the creation and deletion of any posts in their service area, provided that such changes are contained within existing budgets and in accordance with agreed procedures and legislative requirements.
- 7.3.2 Voluntary redundancy is a form of dismissal in law and must be affected in accordance with the Council's Organisational Change Policy.
- 7.3.3 An employee approved for voluntary redundancy is entitled to receive compensation for the loss of employment in addition to a statutory redundancy

payment. The enhanced redundancy payment under the Council's policy is underpinned by The Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006. Additionally where the individual is over the age of 55 and is dismissed on the grounds of redundancy, they are entitled to immediate payment of their pension. In the circumstances the severance payment comprises of a redundancy payment and the pension strain cost incurred as a result of the early retirement.

- 7.3.4 The Localism Act 2011 requires the Council to publish an annual Pay Policy Statement which outlines the Council's approach to the pay of its workforce and in particular the pay of its senior staff. The Council's Pay Policy states that Severance payments of £100,000 or more must be considered and approved by the appropriate Member Committee. Under Part 3 Section B paragraph 11 e) of the Constitution this Panel is assigned responsibility to discharge that statutory function.

8 Equality

A full EqlA was not required due to the small impact upon the profile of the workforce.

9 Use of Appendices

1. Exempt Appendix

10 Local Government (Access to Information) Act 1985 None