

NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

CHIEF EXECUTIVE'S OFFICE

HEAD OF HUMAN RESOURCES – S.REES

27th November 2017

Matter for Decision

Wards Affected: all wards

Budget Proposals / Voluntary Redundancy Scheme

1. Purpose of Report

The purpose of this report is to seek Member approval in relation to the employment actions necessary to support the Council's budget planning process for 2018 / 2019.

2. Budget proposals

As a result of the continued budgetary challenge facing the Council, a package of Forward Financial Plan-related proposals have been developed for consideration by Members in order to assist Members to set the Council's budget for 2018 / 2019, and beyond. Members will be asked to make decisions regarding these proposals and other associated topics over the coming months.

As a consequence of Members making decisions about service changes, it will be necessary in many cases to also make changes to jobs, organisational structures and/or working practices.

Consultation is already underway with service users, trade unions and relevant employees about proposed changes.

As a result of the scale of the consultations required, and the need for urgency in relation to the actions needed to deliver a balanced budget for 2018 / 2019, Members are asked to delegate authority to each

Corporate Director, in consultation with the Leader, relevant Cabinet Member and Head of Human Resources, to make the necessary decisions in relation to those changes to jobs, organisational structures and/or working practices which will be needed to implement the service changes which are approved by Members.

In making such workforce-related decisions, each Corporate Director will take into account the need to fully comply with the Council's Managing Change in Partnership Policy and all other relevant Council employment policies, working in partnership with the trade unions, and also ensuring that trade unions and employees are properly consulted, alongside consideration of relevant equality impact assessments.

It is planned a report will be submitted to this Committee early in the 2018 / 2019 financial year summarising all of the workforce-related actions which have been taken by Corporate Directors in accordance with the delegated authority recommended above.

3. Voluntary Redundancy Scheme

A VR Scheme was launched on 6th November 2017 and will close to expressions of interest on 24th November. Every employee of the Council, with the exception of those employed by School Governing Bodies and Chief Officers, received a letter inviting expressions of interest.

Members will receive an update report at Committee in relation to the expressions of interest received to date.

These expressions of interest are being considered by Heads of Service. The Council's HR and payroll teams and the pensions team in the City and County of Swansea are working together to provide the necessary access to pension and redundancy figures to help with the assessment of each application.

Heads of Service are authorised under the Scheme to agree Voluntary Redundancy applications, and the consequential deletion of posts.

However, in order to release some employees under the VR Scheme, it will be necessary for some consequential organisational changes to be made in order to ensure service delivery. In light of the need for urgency in relation to decisions and actions, Members are requested

to now authorise Corporate Directors to make such organisational changes.

It is planned a report will be submitted to this Committee early in the 2018 / 2019 financial year which will summarise the decisions taken by each Corporate Director and Head of Service in relation to (a) leavers under the Voluntary Redundancy Scheme and (b) all consequential workforce-related changes.

4. Risk Management

The Scheme is designed to limit the risk of Compulsory Redundancy as a result of the Council's cost reduction measures.

5. Financial Impact

The costs of Redundancy Payments are limited under the Scheme to the equivalent of 52 weeks' pay for the employee concerned. Where the total cost of early access to pension and the cost of statutory redundancy payments equates to more than 52 week's pay, the payback period may be extended up to 104 weeks, but subject to only early access to pension plus statutory redundancy pay being applicable, i.e. no discretionary severance payment. Heads of Service must authorise a business case setting out that the total costs of the VR do not exceed those as set out, and confirm that the post occupied by the VR leaver will be deleted to secure savings.

6. Consultation

There is no requirement under the Constitution for external consultation on this item.

7. Equality Impact Assessment

A full equality impact assessment will be carried out at the end of the VR process.

8. Recommendation

It is **RECOMMENDED** that Members:

(i) Authorise each Corporate Director, in consultation with the Leader, relevant Cabinet Member and Head of Human Resources, to make the necessary decisions in relation to changes to jobs, organisational structures and/or working practices to facilitate the timely implementation of all service changes agreed by Members.

(ii) Authorise each Corporate Director to implement these decisions in line with the Council's Managing Change in Partnership Policy and other relevant employment policies.

(iii) Receive a report early in 2018 / 2019 summarising all the decisions and actions taken in relation to the foregoing matters.

FOR DECISION

9. Officer contact

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10. Appendices

None

11. List of Background Papers

The Neath Port Talbot County Borough Council ER/VR/CR Scheme 1st April 2015