

Report of the Chief Officer: HR & Support Services

Redundancy, Pension or Exit Discretion

Summary

1. This report advises the Staffing Matters and Urgency Committee of the expenditure associated with redundancy, pension or exit discretions paid in accordance with council policy to employees below Chief Officer.
2. The new cases presented to the Committee for information cover the period to June to August 2024 as well as the previous 12 months.

Background

3. The employment Rights Act 1996 s139 defines redundancy where:
 - (i) The employer has ceased or intends to cease:
 - a. To carry on the business for the purposes of which the employee was employed by him, or;
 - b. To carry on that business in the place where the employee was so employed, or;
 - (ii) The requirements of that business;
 - a. For employees to carry out work of a particular kind or;
 - b. for employees to carry out work of a particular kind in the place where the employee was employed by the employer

Have ceased or diminished or are expected to cease or diminish.

- 4 As with all employers the Council due to changes in operational requirements, structure, funding, and or priorities will on occasions require to consult with employees on proposed redundancies. Whilst every effort is made to avoid dismissal for reasons of redundancy through seeking suitable alternative employment, this report notes the number of cases and costs where a dismissal due to redundancy is likely or has taken place.
- 4 The Council has a flexible retirement policy to enable a planned and flexible approach to retirement that helps facilitate the transfer of knowledge and experience to others within the organisation. This report also notes the number of applications approved and any costs associated with these.

Consultation

5. All of the proposed redundancy, pension or exit discretions have been subject to consultation in accordance with the Council's statutory obligations.

Approval

6. In accordance with Council policy the appropriate Chief Officer of the Departmental Management Team and S151 Officer (Director of Finance) have approved presented business case(s). The decisions as to whether or not to make an employee redundant rests with the Chief Operating Officer or Officers nominated by him. In terms of payments related to redundancy the Council is contractually obliged to make the payment set out in the business case. Only in exceptional circumstances can discretionary additional payments for redundancy be considered. The Section 151 Officer has decision making authority for all staff other than Chief Officers in this matter. Chief Officer redundancies (Statutory Chief officers and Corporate Directors) as per the Constitution for this committee (Article 11: Staffing matters and Urgency Committee) will be presented to the committee when appropriate for approval.

<https://democracy.york.gov.uk/documents/s175988/Article%2011%20-%20Staffing%20Matters.pdf>

Analysis

7. Below is an anonymised summary of the cases approved in the last quarter noting costs associated with each, followed by a summary of the previous cases reported in the last 12 months:

Employee	Exit Type	Cost (note over what time period)				
		Estimate £	Time period	Actual £	Discretionary elements	Total
1	Flexible Retirement	£0.00	April 2024	£0.00	N/A	£0.00
2	Flexible Retirement	£0.00	June 2024	£0.00	N/A	£0.00

Summary of cases over the last 12 months.

Total Number	Type of Exit	Reporting Period	Total Cost of Redundancy	Pension Costs
4	Compulsory Redundancy	Jan - Feb 24	£51,722.37	£66,768.46
3	Flexible Retirements	Sept 23 - May 24	N/A	£0.00
1	Flexible Retirement	May-24	N/A	£0.00
1	Flexible Retirement	May-24	N/A	£0.00
2	Flexible Retirements	May-24	N/A	£0.00

Council Plan

8. Whilst the actions being proposed in the report are not material to the Council Plan, they are consistent with the required outcomes of the Workforce Development Strategy

Implications

9. Each case is assessed individually in line with HR processes and procedures. The implications of each business case have been assessed by relevant officers prior to approval. The Committee can be assured that relevant signatures and authorisations have been undertaken prior to processing agreed cases.

Risk Management

10. The specific risks associated with each proposal and how they can be mitigated are contained in each business case. In summary, the risks associated with the recommended option are financial, legal, operational and reputational.

Recommendations

11. Staffing Matters and Urgency Committee is asked to:

Note the expenditure and cases that have been approved. This report will be presented on a quarterly basis.

Reason: In order to provide an overview of expenditure.

Contact Details

Author:

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Chief Officer Responsible for the report:

Helen Whiting
Chief Officer – HR & Support Services

**Report
Approved**

Date 15 August 2024

Specialist Implications Officer(s):

Wards Affected:

All

For further information please contact the author of the report

Background Papers: None.

Annexes: None.