Purpose of the Report

1. The purpose of this report is to propose a new ER/VR Policy for the Council following conclusion of the consultation period which ended on 10 November 2010.

Background

2. The Council agreed on 8 September 2010 to consult on a new ER/VR policy in recognition that the existing policy would not be affordable at a time of significantly reduced grant funding from the Government.

3. The Medium Term Financial Plan for Durham over the next four years includes forecasted revenue budget savings of at least £100m from:
   - Management
   - Back office support service rationalisation
   - Efficiency savings from service reviews and transformation
   - Review of fees and charges
   - Front line service rationalisations.

4. In this context it is therefore essential that the ER/VR policy is both affordable and sustainable, while at the same time offering sufficient incentive for employees to apply to the Council to leave on a voluntary basis where it suits both parties to do so.

5. The Council agreed on the 8 September 2010 to consult employees and trade unions on the following two options
   - No added years with 52.5 weeks maximum redundancy payment based upon actual pay.
   - No added years with statutory 30 weeks redundancy based upon actual pay.

6. In order to qualify for the maximum redundancy payment an employee must have at least 20 years service and be at least 61 years of age. The qualifying amount reduces for anyone with less than 20 years service and/or is younger than 61 years of age. A chart showing redundancy entitlement based on age and years service is shown at Appendix 2.
The employee and trade union consultation period ran from 8 September 2010 to 10 November 2010. Feedback has been considered within the context of the medium term financial plan and how any new policy needs to be affordable and sustainable over the next four years.

**Employee and Trade Union Feedback**

Feedback was received from the trade unions and 168 employees and there were some consistent statements that have been noted including:-

- Disappointment that the existing policy is proposed to change prior to 2012 when the existing scheme was originally due to end.

- A perception of unfairness regarding how former senior managers were able to leave the Council under a more generous ER/VR policy than those employees now facing ER/VR.

- The belief that Durham County Council should have the best ER/VR policy in the region.

Appendix 3 summarises the consultation responses in more detail.

**Regional and National Comparisons of Other ER/VR Policies**

The report to Council on 8 September highlighted a summary of the neighbouring authorities’ and other reorganising authorities’ current voluntary redundancy and early retirement policies. Durham County Council’s policy was found to be a very generous policy compared with neighbouring authorities. Since September we are aware that North Tyneside and North Yorkshire County Council have adopted policies with a 30-week redundancy maximum and most other authorities are in the process of reviewing their policies.

The Local Government Employer’s Association have also carried out a recent survey benchmarking 118 Local Authorities nationally. This indicated that only half of respondents enhance the lump sum of redundancy by the use of a multiplier, allowing them to increase the statutory redundancy payment. 95% of respondents base redundancy payments on actual salary, rather than the less generous statutory maximum that goes up to £380 per week. An extract from this survey is outlined at Appendix 4.

**Financial Considerations**

The Medium Term Financial Plan (MTFP) report to Cabinet on 2 November 2010 provided details of the County Council’s approach to planning for the expected reductions in Government support of £96m over the four-year period of the Comprehensive Spending Review (CSR). This forecasted reduction equated to a 33% reduction in Government financial support.

The Council’s actual grant settlement from Government has confirmed that our grant for 2011/12 is £235.4m compared to our forecasted grant of £236.4m, which is £1m lower than forecasted. An update report on the MTFP is being presented to Cabinet on 22 December 2010 that provides further information on the implications of the grant settlement and on our savings proposals as well as consultation feedback on the MTFP to date. It is clear however that our planning assumptions have proven to be prudent and significant savings are required to be made to balance our budgets.
The Cabinet Report identifies a potential reduction of 1,950 full time equivalent posts over the next four years. During this time, we estimate that 350 vacant posts will be able to be deleted leaving an estimated 1,600 posts at risk. It is therefore essential that the revised ER/VR policy is based on financial prudence and affordability for it to remain sustainable over this period.

The creation of an earmarked Strategic Reserve of £27m is being recommended to Council Cabinet on 22 December 2010. The purpose of this Strategic Reserve is to support the County Council’s budgets over the Medium Term Financial Plan period, including the costs of ER/VR. A sum of £4m will be met from this Reserve in 2010/11 to mainly cover the costs of the 217 residential homes and home care employees’ redundancy and early retirement costs approved by the Human Resources Committee in November and December.

Members need to be aware that the use of such a reserve in the context of significantly reducing government grants funding means that this reserve is likely to not be replenished. Therefore, if the Council is required to make more ER/VR reduced posts than the 1,600 forecasts to balance our budgets, the financial standing of the Authority at this time could be at risk.

To provide a best indication of the forecasted costs of the different ER/VR options, a sample of 10 ‘typical’ members of staff across the whole workforce has been utilised. The sample has been chosen to represent a cross section of staff based upon indicative values for the three key components in calculating the ER/VR payments as detailed below:

(i) age;
(ii) length of service;
(iii) salary.

The table overleaf provides an estimated cost over the next four years for the ER/VR policy options that were proposed in the consultation feedback including the original two options that Council agreed to consult upon, with staffing reductions of up to 2,000 full time equivalent posts. Full details of these calculations are shown at Appendix 5. The options exemplified are detailed below:

<table>
<thead>
<tr>
<th>Existing Policy</th>
<th>The current County Council policy providing 5 added years with maximum redundancy of 82.5 weeks redundancy (multiplier of 2.75).</th>
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</thead>
<tbody>
<tr>
<td>Trade Unions Proposal</td>
<td>Maximum redundancy payment of 60 weeks (multiplier of 2).</td>
</tr>
<tr>
<td>Option 1 (as per original consultation)</td>
<td>Maximum redundancy payment of 52.5 weeks (multiplier of 1.75).</td>
</tr>
<tr>
<td>Option 2 (as per original consultation)</td>
<td>Maximum redundancy payment of 30 weeks.</td>
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<tr>
<td>Further Option</td>
<td>Maximum redundancy payment of 45 weeks (multiplier of 1.5).</td>
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</table>

**NOTE** All redundancy payment estimates have been based upon actual pay.
<table>
<thead>
<tr>
<th>No of Posts</th>
<th>Current Policy (5 added years and 82.5 weeks maximum)</th>
<th>Trade Union Proposal (60 weeks maximum)</th>
<th>Consultation Option 1 (52.5 weeks maximum)</th>
<th>Consultation Option 2 (30 weeks maximum)</th>
<th>Further Option (45 weeks maximum)</th>
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NOTE: The costs detailed above exclude the costs of Early Access to pension. These costs will not be charged to the Strategic Reserve.

19 Following further work on the estimated numbers of vacant posts due to natural attrition through staff turnover and retirements over the 4 year period of the MTFP model and savings targets, the estimated number of actual job reductions causing employees to leave through early retirement or voluntary redundancy or compulsory redundancy will be an estimated 1,600.

20 From the table above, the Council’s existing ER/VR policy and the trade union proposal of 60 weeks maximum is definitely not affordable. Consultation option 2 of 30 weeks maximum and a further option for exemplification purposes of 45 weeks maximum are considered to be affordable across the 4 years period of the MTFP within the available £23m strategic reserve after funding the 217 residential homes and home care employees’ redundancy and early retirement costs approved by the Human Resources Committee in November and December.

21 Based upon our estimated 1,600 job losses and financial forecasts, option 1 - the 52.5 weeks maximum option, is forecast to cost £25.6m over the 4 year MTFP period. This is potentially £2.6m more than the Strategic Reserve would cover, should the 1,600 job reductions estimate and the forecasted costs associated with this number of job reductions prove to be accurate. However it needs to be emphasised that the forecasts have been based on best estimates only and members may wish to agree the 52.5 weeks maximum option on the basis that the financial position is kept under continuous review to ensure its ongoing affordability.

22 The estimated costs and affordability of all options included in the above table also assumes the Government’s grant settlements will be within our forecasted MTFP model across the whole 4 year period 2011/12 to 2014/15. Corrective action would have to be taken and the policy reviewed should the forecasted costs prove to be accurate and the costs become unaffordable.

Legal Implications

23 The ability to award added years and enhanced redundancy payments are discretionary powers. The Council is obliged to keep its policy statement under review and when doing so, should have regard to the extent to which its discretionary powers could lead to a serious loss of confidence in the public service, and also the extent to which the policy is workable and affordable having regard to foreseeable costs.
24 The Council also has a fiduciary duty not to waste public money and it is appropriate for the Council to consider changing a policy if the continuation of that policy is considered to be no longer affordable at any time.

25 The reaction of trade unions and staff to this consultation has highlighted the desirability of trying to secure a policy which will last for the period of the MTFP. Members will also wish to take into account the impact on staff who, as they face redundancy, also confront what they will see as a reduction in termination payments that could affect them personally in some cases.

26 Appendix 6 includes the proposed new policy. This is the same policy that was proposed in the previous report to Council in September 2010 with the exception that paragraphs 3.6 and 2.5 have since been highlighted as being contradictory in the original policy. It is therefore recommended that paragraph 3.6 is removed should this policy be agreed.

27 Any agreed new policy should be kept under continuous review at least annually. This will ensure prudence and affordability during the ongoing, turbulent financial situation nationally.

**Equality Impact Assessment**

28 A full Equality Impact Assessment is attached at Appendix 7 of the report, for consideration as part of decision making. There are specific issues in relation to gender, age and disability which may exacerbate the impact of the proposed changes for these specific groups, and these need to be recognised in the decision making process. Actions have been identified within the impact assessment to monitor the impact of proposed changes by profiling those who express an interest and the applicants approved or refused in relation to gender, age and disability. This will provide a measure of fair treatment and highlight any under or over representation in policy implementation.

**Conclusion**

29 The Council consulted on a new ER/VR policy in recognition that the existing policy of 82.5 weeks maximum redundancy payments would not be affordable at a time of significant reduced government funding.

30 The proposal from the trade unions to adopt a 60 week maximum redundancy payment option has also been considered and costed but is also considered to be not affordable.

31 The two options consulted upon of 30 weeks maximum and 52.5 weeks maximum have now been costed based on estimates. Of the two, only the 30 weeks maximum redundancy payment option is considered to be definitely affordable over the Medium Term Financial Plan (MTFP) four-year period. The 52.5 weeks could also be affordable but would need to be kept under continuous review.

32 Having regard to the consultation feedback, it is recognised that the ER/VR policy should be as generous to staff as affordable. With this in mind, an additional option of 45 weeks maximum redundancy has been costed and is also considered to be probably affordable on the basis of the assumptions made.

**Recommendations**

33 On the basis of sustainability and affordability, the Council is recommended to:-

- Agree a new ER/VR policy based upon either
1. 30 weeks maximum redundancy being definitely affordable across the 4 year medium term financial plan period or
2. 45 weeks maximum redundancy being definitely affordable across the 4 year medium term financial plan period or
3. 52.5 weeks maximum redundancy payment on the basis that the actual costs across the 4 year medium term financial plan period remain affordable.

- Agree to base redundancy payments on actual salary.
- The removal of added years service to those over 55 years of age as outlined in the policy at Appendix 6.
- Agree to keep the ER/VR policy under continuous review alongside the Medium Term Financial plan four-year period and for the Corporate Director Resources to bring regular reports to Council Cabinet so that corrective action can be taken should the ER/VR policy become unaffordable.

Contact: Don McLure – Corporate Director Resources
Telephone:  0191 3833550
Email: don.mclure@durham.gov.uk
Appendix 1: Implications

Finance
As set out in the report and the appendices. £27m has been earmarked to a Strategic Reserve which has reduced to £23m after funding ER/VR costs in 2010/11 mainly relating to the 217 redundancy and voluntary early costs following the residential homes and home care rationalisations. The £23m will include payments for voluntary redundancy and voluntary early retirement over the four year period of the medium term financial plan. It is financially prudent that the current policy is amended so that the Council can retain financial reserves in line with prudent financial guidelines recommended by the Audit Commission.

Staffing
Impact on employees is outlined in the report.

Equality and Diversity
An Equality and Diversity Impact Assessment has been undertaken and is referenced within the report at paragraph 28.

Accommodation
None.

Crime and disorder
None.

Sustainability
None.

Human rights
None.

Localities and Rurality
None.

Young people
None.

Consultation
Consultation with Employees and Trade Unions has been taken into account and influenced the recommended option.

Health
None.

Legal Implications
As outlined in the main body of the report.
## Appendix 2: Statutory Redundancy Pay Table

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**Department for Business, Innovation and Skills**

URN 09/1371
Appendix 3: Review of Early Retirement & Voluntary Redundancy Policy – Feedback from Consultation

Trade Union Responses

Responses have been forwarded by three trade unions:

- UNISON
- UCATT
- Unite

Only the Unite response went into any detail, but all three unions were unsupportive with regard to the proposals. The main elements included:

**UNISON**

- Urged the County Council to continue to use the current policy through until 2012.
- Some members still going through restructuring stemming from the Local Government Review process, were opposed to being treated differently to colleagues previously subject to a restructure.
- Requested a further meeting to further discuss the situation.

**UCATT**

- Advised that they intended to lodge an objection to Options C and D in the consultation document – these were the two options being consulted on.

**Unite**

- Expressed their disappointment that the County Council had chosen to move away from the previous commitment to maintain the current scheme to 2012.
- Advised the union were seeking advice with regard to the legality of the situation.
- Expressed concern that the consultation exercise was not considering the other proposals included in the report of 8 September 2010.
- Made requests for additional information about proposed staffing reductions.
- Suggested the County Council consider exploring other options to redundancy.
- Expressed concerns the County Council had not fully met its legal obligations with regard to appropriate consultation.

In total, 168 comments were received within the consultation exercise, the majority expressing disappointment with regard to the proposals. Many of the comments were based around the perceived unfairness of managers having left under better terms during Local Government Review (LGR), the removal of the agreement to maintain the current policy until 2012 and a belief that our policy should be the best in the region. However, a number of respondents also understood the practical situation facing the Council. Some of the common themes included:
• **The consultation exercise**

Views expressed that this was not a consultation, particularly as there was no option including for added years to pensions. There were also concerns from some respondents who criticised the basis of the research and that the sample of employees identified in the earlier report was not representational.

• **Comparison with the LGR process**

Many responses highlighted the number of senior managers who left on the current policy against the likelihood of lower paid staff leaving on reduced packages.

• **Staff facing restructuring linked to LGR**

A frequent view from staff employed in Services still facing restructuring following LGR was that they should receive payments under the same policy as staff that have already left the Council. Again, this was linked to the perception that managers leaving previously received more advantageous terms than the majority of the workforce will in future. An additional view received also compared the fact that some staff leaving now will benefit from the current scheme – the suggestion was received that changes should be deferred until the end of the financial year.

• **Incentive to take ER/VR**

Concerns that whichever policy was selected, this would not encourage staff to come forward which would ultimately lead to more compulsory redundancies. Some staff may just wait until they are made compulsorily redundant, thus securing a few more months of pay. The proposals would also minimise natural wastage.

• **Morale and sickness levels**

Concerns that motivation and morale of the workforce would be reduced, whilst sickness levels would rise.

• **Payback period**

Observations that the revised policy has a payback of one year whereas the Government’s required level of savings are factored in over three to four years.

• **Calculations linked to the proposals**

There were a number of observations questioning the actual calculations behind the proposals and requesting more data.

• **Planning for Retirement**

Suggestion made that changes should be phased in as people planning for retirement do not make allowances that the payments will be drastically cut.

• **Providing Value**

Some views were expressed that the options available (C and D) would encourage some people to stay with the Council as long as possible without necessarily being productive.
• **The Multiplier**

A general perception was evident that the multiplier options provided were deemed to be unfair and inadequate.

There have also been a number of suggestions within the comments received:

• **Pension arrangements**

Consider the introduction of an Actuarially Reduced Benefits scheme operating in a similar way to the Teachers Pension Scheme and allowing retirement at 55 with a percentage reduction in pension and no cost to the employer.

• **Comparison with other Councils**

As one of the largest authorities, the County Council should lead on policies and provide for better options.

• **Consistency**

Services must seek to eliminate inconsistency and unfairness in relation to departmental hierarchical discretion as this creates variations across the Council.

• **Publicity about the LGPS**

The County Council should attempt to balance the overall perception that the public sector pension schemes are unfunded, particularly in relation to the Local Government Pension Scheme.

• **Maintaining the current arrangements**

All options in the earlier report should be re-visited with a view to keeping the current scheme through to 2012 to attract sufficient volunteers for redundancy.
INTRODUCTION

The Early Retirement and Redundancy Compensation Survey 2010 was conducted by the Local Government Association’s Analysis and Research team for Local Government Employers (LGE) in July 2010. The survey was sent to all local authorities in England and Wales for which relevant contacts were available, and covers all staff eligible to join the Local Government Pension Scheme (LGPS). A parallel survey covering teachers eligible to join the Teachers’ Pension Scheme was also conducted.

The survey was conducted in order to assist LGE in their plans to set up and maintain a database of schemes in operation in authorities. Local authorities regularly review their redundancy and early retirement schemes, and the database will help to inform any such reviews and avoid the usual regular requests between authorities for comparative information. It is intended that this information will be collected each year for schemes in operation on 1st April of each year.

The survey was sent to 220 local authorities in England and Wales on 2nd July 2010 and at the close (26th July) the response was as follows:

<table>
<thead>
<tr>
<th>Response</th>
<th>No</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Counties</td>
<td>14</td>
<td>51.9%</td>
</tr>
<tr>
<td>London boroughs</td>
<td>19</td>
<td>61.3%</td>
</tr>
<tr>
<td>Metropolitan districts</td>
<td>6</td>
<td>35.3%</td>
</tr>
<tr>
<td>Shire districts</td>
<td>54</td>
<td>58.1%</td>
</tr>
<tr>
<td>Unitaries</td>
<td>24</td>
<td>51.1%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>118</strong></td>
<td><strong>54.9%</strong></td>
</tr>
</tbody>
</table>

Notes
1. Given the overall response rate, and its relatively uniform distribution among different types of authority (excepting metropolitan districts), the data should provide a reasonably robust summary of authorities as a whole, although due to the numbers of respondents, analyses are not shown by type of authority or region.

2. Some authorities did not (or were not required to) answer every question so the response to individual questions varies. In particular, questions about school support staff did not apply to shire districts (which reduces the response base to 64 authorities).

How do you calculate redundancy payments?
More than nine out of ten respondents (94.9% for local authority staff and 90.3% for school support staff) used actual salaries to calculate redundancy payments.

<table>
<thead>
<tr>
<th>Local authority staff</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Using actual salary</td>
<td>112</td>
<td>94.9%</td>
</tr>
<tr>
<td>Using statutory maximum figure (where actual salary exceeds stat max)</td>
<td>4</td>
<td>3.4%</td>
</tr>
<tr>
<td>Other</td>
<td>2</td>
<td>1.7%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>118</strong></td>
<td><strong>100.0%</strong></td>
</tr>
</tbody>
</table>
### School support staff

<table>
<thead>
<tr>
<th>Using actual salary</th>
<th>56</th>
<th>90.3 %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Using statutory maximum figure (where actual salary exceeds stat max)</td>
<td>3</td>
<td>4.8 %</td>
</tr>
<tr>
<td>Other</td>
<td>3</td>
<td>4.8%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>62</strong></td>
<td><strong>100.0%</strong></td>
</tr>
</tbody>
</table>

**Do you award augmented membership (extra years of membership) under the Local Government Pension Scheme?**

More than four-fifths of respondents did not award augmented membership under the LGPS, the proportion varying between 81.9% for local authority staff leaving and 88.5% for school support staff leaving. Most of the remainder awarded it in some cases, with only a handful awarding it in all cases.

### Local authority staff being made redundant

<table>
<thead>
<tr>
<th>Yes, in all cases</th>
<th>4</th>
<th>3.4%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes, in some cases</td>
<td>15</td>
<td>12.8%</td>
</tr>
<tr>
<td>No</td>
<td>98</td>
<td>83.8%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>117</strong></td>
<td><strong>100.0%</strong></td>
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</tbody>
</table>

### Local authority staff leaving/retiring on the grounds of efficiency of service

<table>
<thead>
<tr>
<th>Yes, in all cases</th>
<th>3</th>
<th>2.6%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes, in some cases</td>
<td>18</td>
<td>15.5%</td>
</tr>
<tr>
<td>No</td>
<td>95</td>
<td>81.9%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>116</strong></td>
<td><strong>100.0%</strong></td>
</tr>
</tbody>
</table>

### School support staff being made redundant

<table>
<thead>
<tr>
<th>Yes, in all cases</th>
<th>1</th>
<th>1.6%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes, in some cases</td>
<td>8</td>
<td>12.9%</td>
</tr>
<tr>
<td>No</td>
<td>53</td>
<td>85.5%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>62</strong></td>
<td><strong>100.0%</strong></td>
</tr>
</tbody>
</table>

### School support staff leaving/retiring on the grounds of efficiency of service

<table>
<thead>
<tr>
<th>Yes, in all cases</th>
<th>0</th>
<th>0.0%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes, in some cases</td>
<td>7</td>
<td>11.5%</td>
</tr>
<tr>
<td>No</td>
<td>54</td>
<td>88.5%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>61</strong></td>
<td><strong>100.0%</strong></td>
</tr>
</tbody>
</table>
# Comparison of Variant ER/VR Policies

## Appendix 5

<table>
<thead>
<tr>
<th>Details of example cases</th>
<th>Current Scheme - up to 5 added years or 52.5 weeks max redundancy</th>
<th>Unions’ suggested Option 60 weeks max redundancy (no added years)</th>
<th>Consultation Option 52.5 weeks max redundancy (no added years)</th>
<th>Consultation Option 30 weeks max redundancy (no added years)</th>
<th>Additional Option 45 weeks max redundancy (no added years)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age</td>
<td>Salary</td>
<td>Service</td>
<td>Added Years</td>
<td>DSS</td>
<td>Early Release</td>
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<tr>
<td>63</td>
<td>19,000</td>
<td>43</td>
<td>5</td>
<td>0</td>
<td>34.127</td>
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<td>61</td>
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<td>49</td>
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<td>31</td>
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</tr>
<tr>
<td>28</td>
<td>22,000</td>
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<td>0</td>
<td>0</td>
<td>2,953</td>
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<tr>
<td>25</td>
<td>17,000</td>
<td>7</td>
<td>0</td>
<td>0</td>
<td>1,630</td>
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</tbody>
</table>

**Totals**

- Current Scheme: 376,757
- Unions’ suggested Option: 234,440
- Consultation Option: 211,551
- Additional Option: 142,884
- Total ignoring early release costs: 188,662

**Totals ignoring early release costs**

- Current Scheme: 325,430
- Unions’ suggested Option: 180,112
- Consultation Option: 160,229
- Additional Option: 91,556
- Total ignoring early release costs: 137,334
Early Retirement and Voluntary Redundancy Policy and Procedure
1. Policy Outline ................................................................................................................ 17
   1.1 What is the policy about? ....................................................................................... 17
   1.2 Who does the policy apply to? .............................................................................. 17
   1.3 Confidentiality ..................................................................................................... 17
   1.4 Publicising/distribution of the policy .................................................................... 17
   1.5 Reviewing the policy ........................................................................................... 17
   1.6 Equality and diversity .......................................................................................... 17
   1.7 Alternative formats ............................................................................................... 17
   1.8 Further information .............................................................................................. 18
2. Procedure ...................................................................................................................... 18
   2.1 Powers .................................................................................................................. 18
   2.2 Coverage of the policy and procedure .................................................................. 18
   2.3 Redundancy or efficiency grounds ........................................................................ 18
   2.4 Applications initiated by the employee ................................................................. 20
   2.5 Reporting and decision making ............................................................................ 20
   2.6 Eligibility .............................................................................................................. 20
   2.7 Notice waiver ....................................................................................................... 21
   2.8 Relevant definitions .............................................................................................. 21
3. Statement of policy on discretions which may be granted under the Compensation Regulations 2006 ........................................................................................................... 21
   3.1 Purpose ................................................................................................................ 21
   3.2 Eligibility .............................................................................................................. 22
   3.3 Power to increase statutory redundancy payments .............................................. 22
   3.4 Discretionary compensation for redundancy ....................................................... 22
   3.5 Notice waiver ....................................................................................................... 23
   3.6 Determination of severance proposals ................................................................. 23
   3.7 Definition of ‘weekly pay’ ..................................................................................... 23
   3.8 Definition of ‘continuous local government service’ ............................................. 23
4. Exercise of Employer Discretion under the Local Government Pension Scheme ....... 23
   4.1 Regulation 12: Power of employing authority to increase total membership of active members and Regulation 13: Power of employing authority to award additional pension .......................................................... 23
1. Policy Outline

1.1 What is the policy about?

The purpose of this document is to outline the Council’s policy on early retirement, with or without redundancy. The key objective is to manage in a business orientated way issues related to the rationalisation of services and staff reductions, and to minimise the extent to which the Council has to resort to compulsory redundancy.

1.2 Who does the policy apply to?

This policy covers all employees except for school-based employees where schools need to give consideration to their own procedures. Consideration by school governing bodies will be made in the context of the Council’s policy on the funding of severance cases in schools.

1.3 Confidentiality

All information will be handled sensitively and used only for its proper purpose.

Under the Data Protection Act 1998 individuals have the right to see their own personal data held subject to the rights of confidentiality of any third parties involved in that information.

1.4 Publicising/distribution of the policy

A copy of this policy is available from key personnel within the services and will be made available to employees on request. A copy can also be viewed via the Intranet.

New employees will be informed of the existence of this policy in recruitment and induction information.

1.5 Reviewing the policy

The operation of this policy will be kept under review and such changes will be made to the policy as deemed appropriate following necessary consultation with the trade unions.

1.6 Equality and diversity

The Council’s vision is of an Altogether Better Durham comprising 2 key components of an Altogether Better Place which is Altogether Better for People. Within this vision our three key equality aims set out in the Single Equality Scheme are to provide high quality accessible services to all, be a diverse organisation and work with others to promote equality countywide. These objectives apply both in the delivery of our services and in relation to our employment practice. We are committed to including equalities in everything we do. This includes the elimination of unlawful discrimination, promoting diversity as a positive force and valuing and celebrating our diverse workforce and community.
1.7 Alternative formats

Where any alternative format is required, any initial enquiry should be made through your manager or by following the instructions below:

1.8 Further information

If you would like any further advice on this document you can contact the Resources, Human Resources and Organisational Development, Employee Relations Team on either 0191 383 4191 or 0191 383 3495 (Internal - Ext. 4191/3495).

2. Procedure

2.1 Powers

The Council will use where appropriate the powers available to it under the Local Government (Early Termination of Employment) (Discretionary Compensation) (England & Wales) Regulations 2006 (known here as the Compensation Regulations) and the Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007, the Local Government Pension Scheme (Administration) Regulations 2008 and the Local Government Pension Scheme (Transitional Provisions) Regulations 2008 (all as amended) (known here collectively as the LGPS Regulations).

2.2 Coverage of the policy and procedure

This policy and procedure covers both types of early retirement proposal that the Council as an employer has to deal with. These are early retirement on the grounds of redundancy or efficiency, and those that are initiated by the employee.

2.3 Redundancy or efficiency grounds

Proposals involving voluntary redundancy will be made where this is the only reasonable alternative to compulsory redundancy, i.e. where attempts to find alternative
employment of a similar and appropriate type have been exhausted. For proposals based on redundancy the Head of Human Resources and Organisational Development would need to confirm that a post is redundant and that this post is deleted from the establishment of the service.

Redundancy for the purposes of the LGPS Regulations includes retirement in the interests of efficiency, and, where it is confirmed that these circumstances are met, accrued pension benefits under the LGPS Regulations are payable immediately.

In these circumstances, in order to provide sufficient encouragement for employees to volunteer for redundancy, the following benefits will be offered, with the essential proviso that each proposal results in clear and demonstrable savings to the Council after taking into account all the costs involved (in some circumstances, in order to achieve a saving, a lesser offer may be made):

- A voluntary redundancy payment calculated by reference to the redundancy payment matrix under the Employment Rights Act 1996. This provides for a payment based on up to 30 weeks statutory redundancy pay, and the Council will exercise its power to use actual pay in the calculation of weekly pay. The voluntary redundancy payment would be inclusive of the statutory redundancy sum that would otherwise have been paid in the event of a redundancy; and

- The council will not normally agree to augmentation (the awarding of added years).

- Normally in circumstances where sufficient volunteers for redundancy cannot be obtained following an offer of voluntary redundancy, or where such an offer is not likely to be effective or cannot be made, discretionary compensation for redundancy may be payable. The Council may exercise its discretion to pay compensation not exceeding a sum equivalent to 40 weeks actual pay.

- The calculation of the number of weeks of actual pay in each case would be based on the redundancy payment matrix under the Employment Rights Act 1996 (also used in the calculation of voluntary redundancy payments as above). However, in the discretionary compensation calculation, the number of weeks derived from this table would be multiplied by 1.33, and then applied to unrestricted actual weekly pay.

- Discretionary compensation if awarded would be inclusive of any statutory or voluntary redundancy payment, and is only payable where there is no proposal to augment (award added years to supplement) pension under the LGPS.

If an employee under notice of redundancy receives an offer of employment in local government or a related employer starting work within 4 weeks of leaving Council employment they are not entitled to a redundancy payment or an award of added years under this Scheme. Related employers are as set out in the Redundancy Payments (Continuity of Employment in Local Government, etc) (Modification) Order 1999 (as amended).
2.4 Applications initiated by the employee

A small number of early retirement requests arise on compassionate grounds or where an employee has other personal reasons to retire early. As the employees concerned initiate these, they usually do not involve efficiencies for the service and therefore normally do not involve savings. It is the Council’s policy that these applications are considered individually on merit.

Where there are no savings for the Council it is not possible to consider compensation payments. There is often, however, depending on the circumstances of the applicant, a cost to the pension fund of allowing early release of pension, borne ultimately by the employer, and so each case needs to be carefully justified and considered.

Where pension benefits would potentially be reduced because the applicant is under age 65 and does not fully meet the age and service criteria required to be eligible for unreduced benefits under the LGPS Regulations, applications may be considered with the option of waiving on compassionate grounds the potential reduction, under the provisions of the LGPS Regulations, but this would add to the cost of the proposal.

Applications made by employees on compassionate grounds or otherwise must be backed by supporting evidence, including medical evidence where appropriate, and these will not proceed for decision until such evidence is made available.

2.5 Reporting and decision making

In accordance with Audit Commission guidance, the Human Resources Committee determines each application for early retirement, with or without redundancy. Each application is considered on its merits.

In cases involving redundancy and efficiency, proposals are unlikely to be agreed unless there are clear and demonstrable savings arising from service rationalisation and/or a reduction in the number of posts. There needs to be net savings from each proposal, after allowing for consequential costs and the costs of severance. The cost of severance may include:

- Initial costs, i.e. the cost of redundancy or of discretionary compensation in lieu of redundancy.
- Annual costs, i.e. the annualised costs, calculated actuarially, of early access to pension and of added years.

In accordance with good practice, together with a statement of the annual costs and savings arising from a proposal, the estimated payback period will be reported in each case. This represents the predicted time it will take for net annual savings to repay the initial costs of termination, calculated in years. Each case should normally report a payback period of no more than one year.

2.6 Eligibility

The following eligibility restrictions apply, based on existing legislation:
• Applicants must have two years continuous local government service before a redundancy payment or a related discretionary compensation payment can be made.

• Applicants who are under 55 cannot have pension benefits released.

2.7 Notice waiver

Where any early retirement is agreed in accordance with this Scheme, either on the basis of redundancy or efficiency, or where it is has been initiated by an employee, it is on condition that the employee so volunteering for early retirement will waive her/his rights to the notice period stated in her/his contract of employment, and agree to a termination date set by the Council.

2.8 Relevant definitions

• The definition of ‘weekly pay’ in the calculation of voluntary redundancy and discretionary compensation payments will be as laid down in the Employment Rights Act 1996, but with the modifications set out in the Compensation Regulations.

• The definition of ‘continuous local government service’ in the calculation of voluntary redundancy and discretionary compensation will be as laid down in the Redundancy Payments (Continuity of Employment in Local Government, etc) Modification Order 1999.

3. Statement of policy on discretions which may be granted under the Compensation Regulations 2006

3.1 Purpose

The above regulations require the Council to formulate, publish and keep under review the policy that it maintains in the exercise of its discretionary powers under paragraphs 5 and 6 of the Regulations.

This policy document explains how the Council will exercise the discretions available to it under these regulations effective from 8th January 2011.

The objective is to properly manage the severance arrangements for employees in circumstances where voluntary redundancy and early retirement in the interests of the efficiency of the service need to be considered.

In formulating the statement below, regard has been taken of the need to ensure that the policy is workable, affordable and reasonable.
3.2 Eligibility

All Council employees who are Local Government Pension Scheme members, or who would be but for a relevant disqualification (as defined in the regulations), and whose employment is terminated by reason of redundancy, are eligible to be considered for benefits in accordance with the policy discretions set out below.

Where there are clearly demonstrable savings arising from an efficiency proposal that does not involve redundancy, employees may also be entitled to compensation in these circumstances, but each case would be considered on its merits.

3.3 Power to increase statutory redundancy payments

Entitlement to a redundancy payment under the Employment Rights Act 1996 is subject to a ceiling on the weekly pay element of the calculation. In cases of voluntary redundancy the County Council will exercise its discretion to base entitlement on actual salary.

In circumstances of voluntary redundancy, payment would normally be calculated on the basis of weekly pay; continuous local government service up to a maximum of 20 years; and a maximum of 30 weeks pay in accordance with the statutory redundancy pay table. The voluntary redundancy payment would be inclusive of the statutory redundancy sum that would otherwise have been paid in the event of a redundancy.

3.4 Discretionary compensation for redundancy

The Council will exercise its power to pay discretionary compensation for redundancy in appropriate cases. This will normally be in circumstances where sufficient volunteers for redundancy cannot be obtained following an offer of voluntary redundancy together with augmentation of pension under the Local Government Pension Scheme Regulations, or where such an offer is not likely to be effective or cannot be made.

In order to provide sufficient encouragement for volunteers for redundancy or where termination would be in the interests of the efficiency of the service, the Council may exercise its discretion to pay compensation not exceeding a sum equivalent to 40 weeks actual pay.

The calculation of the number of weeks actual pay in each case would be based on the statutory redundancy table (also used in the calculation of voluntary redundancy payments). However, in the discretionary compensation calculation, the number of weeks derived from the statutory redundancy table would be multiplied by 1.33, and then applied to actual weekly pay.

Discretionary compensation is inclusive of any statutory redundancy payment, and is only payable where there is no proposal to augment (award added years to supplement) pension under the Local Government Pension Scheme Regulations.
3.5 Notice waiver

Where any voluntary redundancy or discretionary compensation payment is agreed in accordance with this policy statement, it will be on condition that the employee volunteering for severance will waive rights to the notice period stated in the relevant contract of employment.

3.6 Determination of severance proposals

All proposals for severance arrangements involving County Council employees, where voluntary redundancy or discretionary compensation payments are being recommended, will be determined by the Council’s Human Resources Committee.

3.7 Definition of ‘weekly pay’

The definition of ‘weekly pay’ in the calculation of voluntary redundancy and discretionary compensation payments will be as laid down in the Employment Rights Act 1996, but with the modifications set out in the Discretionary Compensation Regulations 2006 referred to in the title of this document.

3.8 Definition of ‘continuous local government service’

The definition of ‘continuous local government service’ in the calculation of voluntary redundancy and discretionary compensation will be as laid down in the Redundancy Payments (Continuity of Employment in Local Government, etc) Modification Order 1999.

4. Exercise of Employer Discretion under the Local Government Pension Scheme

4.1 Regulation 12: Power of employing authority to increase total membership of active members and Regulation 13: Power of employing authority to award additional pension

The Council will not normally agree to increasing total membership of active members nor awarding additional pension.
Appendix 7

Durham County Council – Altogether Better equality impact assessment form

NB: Equality impact assessment is a legal requirement for all strategies plans, functions, policies, procedures and services. We are also legally required to publish our assessments. You can find help and prompts on completing the assessment in the guidance from page 7 onwards.

Section one: Description and initial screening

Section overview: this section provides an audit trail.

<table>
<thead>
<tr>
<th>Service/team or section:</th>
<th>Human Resources &amp; Organisational Development</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lead Officer:</td>
<td>Pam Mee, Team Leader Employee Relations</td>
</tr>
<tr>
<td>Start date:</td>
<td>Initial assessment conducted 27 August 2010, assessment updated 9th &amp; 22nd November 2010</td>
</tr>
</tbody>
</table>

Subject of the Impact Assessment: (please also include a brief description of the aims, outcomes, operational issues as appropriate)

Proposed changes to the Early Retirement/Voluntary Redundancy (ER/VR) policy

The current ER/VR policy was established in 2008, as a result of funding cuts the arrangements in relation to discretionary payments for retirement and redundancy are being reviewed. The key objective is to manage issues related to the rationalisation of services and staff reductions and to minimise the extent to which the Council has to resort to compulsory redundancy. At the time of the initial Impact Assessment, there were two recommended options which were being consulted upon ahead of final approval, these were:

- No added years with 1.75 multiplier against 30 weeks statutory minimum
- No added years with 30 weeks statutory minimum based on actual pay.

However, it was felt prudent to look at a more thorough exercise and expand this assessment to consider all five options that were originally included in the corresponding report of 8th September 2010. This document considers
the options under the following headings:

1. continuation of the current ER/VR policy which includes up to 5 added years and statutory 30 weeks with a multiplier of 2.75 based on actual pay
2. no added years / statutory 30 weeks with various levels of reduced ‘multiplier’ – based on actual pay (this heading includes a number of proposals with the common theme of a multiplier)
3. no added years / statutory payment of 30 weeks - based on actual pay
4. no added years / statutory payment of 30 weeks - based on statutory minimum pay (capped at £380).

The changes proposed under headings 2-4 above lead to varying reductions in benefits from the current policy. Some features of the proposals under headings 2 & 3 still go beyond the statutory requirements.

Who are the main stakeholders:
General public / Employees / Elected Members / Partners/ Trade Unions

Is a copy of the subject attached?  Yes   If not, where could it be viewed?
A copy of the report to full Council regarding this decision will be published on the Council’s website (as for all Council reports). The final policy will be made available to staff via the Council’s intranet.

Initial screening
Prompts to help you:
Who is affected by it? Who is intended to benefit and how? Could there be a different impact or outcome for some groups? Is it likely to affect relations between different communities or groups, for example if it is thought to favour one particular group or deny opportunities for others? Is there any specific targeted action to promote equality?

Is there an actual/potential negative or positive impact on specific groups within these headings?  
Indicate : Y = Yes, N = No, ?=Unsure

<table>
<thead>
<tr>
<th>Gender</th>
<th>Y</th>
<th>Disability</th>
<th>Y</th>
<th>Age</th>
<th>Y</th>
<th>Race/ethnicity</th>
<th>N</th>
<th>Religion or belief</th>
<th>N</th>
<th>Sexual orientation</th>
<th>N</th>
</tr>
</thead>
</table>
How will this support our commitment to promote equality and meet our legal responsibilities?

Reminder of our legal duties:
- Eliminating unlawful discrimination & harassment
- Promoting equality of opportunity
- Promoting good relations between people from different groups
- Promoting positive attitudes towards disabled people and taking account of someone’s disability, even where that involves treating them more favourably than other people
- Involving people, particularly disabled people, in public life and decision making

All future ER/VR decisions will be based on the agreed policy in order to eliminate unlawful discrimination and ensure fair treatment for all employees.

What evidence do you have to support your findings?

The policy will be applied to all staff so any proposed changes which reduce benefits will impact on all employees, however this assessment considers particular groups of staff who are more likely to be impacted upon by this policy. The policy relates to early retirement so it is more likely to affect older employees and disabled employees (due to health related retirements or redundancy on compassionate grounds). There are no specific references in the current policy to other equality strands, although there are likely to be implications with regard to gender, e.g. in relation to length of service, breaks in service and gender profile within the workforce.

For example the proposed revisions listed under 2 & 3 above would lead to a reduction in benefits, however these are made based on ‘actual pay’ which remains more advantageous than the statutory scheme considered under 4 – the latter is likely to have a differential impact on men since they make up a higher proportion of higher earners.

One aspect in terms of general impact identified prior to and during consultation relates to the fact that when the current policy was introduced in 2008 it was expected to remain in place until 2012. Employees in some areas of the Council not yet covered by a formal review/restructure feel they may be disadvantaged because proposed changes in policy mean colleagues previously left the Council under more generous terms. This assessment relates to the effect of proposed changes in policy for specific equality groups and is not based on comparisons with previous ER/VR exercises.
**Decision:** Proceed to full impact assessment – Yes  
**Date:** 27 August 2010 and 9 November 2010 - Full assessment updated 22\(^{nd}\) November.  
If you have answered ‘No’ you need to pass the completed form for approval & sign off.

## Section two: Identifying impacts and evidence— Equality and Diversity

**Section overview:** this section identifies whether there are any impacts on equality/diversity/cohesion, what evidence is available to support the conclusion and what further action is needed.

<table>
<thead>
<tr>
<th>Identify the impact: does this increase differences or does it aim to reduce gaps for particular groups?</th>
<th>Explain your conclusion, including relevant evidence and consultation you have considered.</th>
<th>What further action is required? (Include in Sect. 3 action plan)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Generic</strong></td>
<td>The financial environment that is prompting the proposals to amend the discretionary powers of the scheme may create concerns. The current scheme was originally intended to be in place until 2012. The consultation responses indicate a perception of general unfairness by changing the policy at this time.</td>
<td>Because of the financial pressures facing the Council, it is necessary to consider a revised scheme earlier than 2012. The accompanying report states that maintenance of the current arrangements appears no longer workable or affordable.</td>
</tr>
<tr>
<td>Gender</td>
<td></td>
<td></td>
</tr>
<tr>
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<td></td>
<td></td>
</tr>
<tr>
<td>a) In relation to ER/VR women are more likely to be affected because they make up a greater proportion of the workforce. They may also be affected by a break in service (&amp; reduced LGPS contributions) relating to pregnancy/maternity, part-time working or caring responsibilities.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>b) The option to limit payments to the statutory minimum rate would be capped at a maximum of £380 per week.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>c) We do not currently monitor transgender people in the workplace but there is potential for breaks in service related to gender reassignment related medical treatment.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>a) Women may be more likely to benefit from added years as a means of compensating for breaks in service. Although breaks in service and part-time working do apply to men also, there are more women working part-time with caring responsibilities. Pregnancy &amp; maternity would impact if years service or LGPS contributions are affected by reduced or no pay.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>b) It is likely the option for statutory minimum payment will have a greater impact on men. Women make up 70% of the workforce, but men make up a greater proportion of those working in the top 5% based on pay. Therefore, the proportion of men in the workforce would be more affected than women at that level.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Monitor the initial expressions of interest, applications approved and refused in relation to gender and work patterns in order to identify differential impact - i.e. under- or over-representation of women and men. This will provide a measure of fair treatment under the new policy.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Age</td>
<td></td>
<td></td>
</tr>
<tr>
<td>-----</td>
<td></td>
<td></td>
</tr>
<tr>
<td>a) The proposed removal of the augmentation aspect (added years) potentially affects employees over 55 with continuous long service.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>b) There may be an impact on the older applicant with longer service, as the change in the ‘payback period’ to one year may make it more difficult to meet the criteria. Younger employees with less service are more likely to meet the changed ‘payback’ terms.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>c) Reducing the multiplier in relation to redundancy affects all age groups, but may impact more on the older employee in relation to future financial planning.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>a) The current policy allowed for augmentation based on a set formula linked to length of service – this stemmed from discretionary local government pension regulations.</td>
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<td></td>
</tr>
<tr>
<td>b) In the current policy, the payback period was 3 years, exceptionally rising to 5 years. The proposed policy changes now restrict this period to 1 year in most cases.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>c) Consultation responses included the issue of this impact on older employees and suggested phasing in the changes in order to minimise the impact</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Monitor the initial expressions of interest, applications approved and refused in relation to the age profile of the workforce in order to identify patterns - i.e. under- or over-representation across age ranges. This will provide a measure of fair treatment under the new policy.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
| Disability | a) Potential impact in relation to disabled employees having equal access to the policy and procedure  

b) The policy recognises that some individuals may access early retirement opportunities on compassionate grounds relating to health/disability. Reduced benefits as a result of policy changes will be less of an incentive for all employees but may impact specifically on disabled people in terms of future financial planning. (This may also be influenced by the national proposed changes to the benefits system.)  
c) Potential negative impact in that some disabled employees are more likely to | a) Some disabled employees may require reasonable adjustments to the procedure – for example in relation to communication, completing documentation or awareness of the specific compassionate grounds provision.  
b) Awareness that potentially people access this feature on disability grounds. The proposed changes will reduce the benefits of the scheme for all employees, but retaining the compassionate grounds option may still be beneficial for some disabled staff. Disproportionate impact would occur if a greater or lower proportion of applications from disabled employees were approved/refused than from those who were not disabled.  
c) Cost of ER/VR and incentives for staff will be affected if an individual has a break in service, reduced service or part- | Ensure that reasonable adjustments are built into the ER/VR process to enable fair access to the policy for disabled employees.  

Monitor the initial expressions of interest, applications approved and refused in relation to disability in order to identify patterns - i.e. representation of disabled staff against the workforce profile. This will provide a measure of fair treatment under the new policy. |

| | | |
have service breaks and reduced length of service or part-time working linked to disability so the option to take ER/VR under the new policy may therefore be affected. 

| Race/Ethnicity | No | Applies to all employees (except school based) regardless of race/ethnicity | No |
| Religion or belief | No | Applies to all employees (except school based) regardless of religion/belief | No |
| Sexual orientation | No | Applies to all employees (except school based) regardless of sexual orientation | No |

How will this promote positive relationships between different communities?
The policy does not provide opportunities to build positive relationships between different communities however a policy which is fairly applied and which recognises the impact on equality strands amongst employees of the County Council may mitigate some of the negative impact of change. It is also likely that reduced ER/VR terms will be perceived as a positive by some members of the wider community as an alternative to cutting services.

Section three: Review and Conclusion
Summary: please provide a brief overview, including impact, changes, improvements and any gaps in evidence.
This impact assessment relates to the report on proposed changes to the Early Retirement/Voluntary Redundancy policy, the policy is intended to offer incentives to employees which will then reduce the need for compulsory redundancy.
The proposed changes to the policy relate to the changing budgetary situation of the Council brought about by
national Government initiatives. This has led to increased financial constraints and a responsible business approach has generated the proposed revisions to the scheme.

The main adjustments are to remove the potential for augmentation of added years in relation to pension entitlements, proposals for reductions in the discretion to pay up to a specific number of weeks in relation to redundancy and a reduction in the payback period criteria.

The accompanying report concludes that it is not financially viable to continue with the current scheme – the remaining options provide varying reductions in benefit for employees with resulting cost savings for the council.

The impact assessment identifies that the reduced benefits will impact on all staff, making the scheme less attractive across all groups. However there are specific issues in relation to gender, age and disability which may exacerbate the impact of the proposed changes and these should be recognised in the decision making process.

In summary the issues identified are as follows:

- **Gender** - more women in the workforce who are more likely than men to work part-time, have breaks in service or reduced length of service, also pregnancy & maternity breaks may reduce LGPS contributions in some cases. There may be issues in relation to breaks in service for gender reassignment treatment but no evidence is available from current workforce data. Men represent a greater proportion of high level earners so will be impacted by a change from actual pay to statutory payment which is capped.

- **Age** – removal of added years will impact on employees over 55 and may also combine with gender to create a differential impact for women with reduced length of service. The ‘payback period’ may impact on age making it more difficult for older staff with long service to meet the one year requirement. Reviewing and changing the policy earlier than expected also creates a potential impact on older employees in relation to future financial planning.

- **Disability** – some disabled employees may be more likely to have breaks in service, reduced service or work reduced hours for a reason related to their disability, any change will have a pro-rata impact. As a positive impact the policy includes ER/VR on compassionate grounds which would apply to health or disability related issues.

There was no evidence of impact in relation to Race, Religion/Belief or Sexual Orientation.

The actions identified relate to monitoring the impact of the proposed changes by profiling those who express an
interest and the applicants approved or refused in relation to gender, age and disability. This will provide a measure of fair treatment and highlight any under or over representation. Significant issues identified through this monitoring should be used to inform a further review of the policy.

<table>
<thead>
<tr>
<th>Action to be taken</th>
<th>Officer responsible</th>
<th>Target Date</th>
<th>In which plan will this action appear</th>
</tr>
</thead>
</table>
| Use the standard equality categories to monitor the initial expressions of interest along with applications which are approved and refused in order to ensure fair treatment through the policy. The monitoring should identify any under or over representation - in addition the monitoring should include those specific issues identified in the impact assessment in relation to  
  • Gender profile, including working patterns and length of service  
  • Age profile, including length of service and the impact of the reduced ‘payback period’  
  • Disability profile, including applications on compassionate grounds. | Don McLure, Corporate Director Resources | To be confirmed when specific option selected – implementation due 8/1/11 | Resources Service Improvement Plan |
<p>| Ensure that reasonable adjustments are built into the ER/VR process to enable fair access to the policy for disabled employees – including awareness of compassionate grounds provision. | Don McLure, Corporate Director Resources | Implementation of policy due 8/1/11 | Incorporate into policy and any accompanying guidance/documentation as appropriate. |</p>
<table>
<thead>
<tr>
<th>Consult with trade unions in relation to the adjustments</th>
<th>Don McLure, Corporate Director, Resources</th>
<th>Consultation period through to 10/11/10</th>
<th>N/A</th>
</tr>
</thead>
<tbody>
<tr>
<td>With regard to the potential generic issue (perception of general unfairness of a policy change at this time), the feedback received from the consultation programme with regard to the proposed changes will be fed back into the Council prior to a decision.</td>
<td>Don McLure, Corporate Director, Resources</td>
<td>Consultation period through to 10/11/10</td>
<td>N/A</td>
</tr>
</tbody>
</table>

When will this assessment be reviewed? Date: **Annually**

Are there any additional assessments that need to be undertaken in relation to this assessment? **The original impact assessment has been updated in two stages – this is the final version which accompanies the Cabinet report.**

Lead officer - sign off: Date:

Service equality representative - sign off: Date:

Please email your completed Impact Assessment to the Equality team - equalities@durham.gov.uk.