



PART B:	RECOMMENDATIONS TO COUNCIL
REPORT TO:	POLICY AND RESOURCES COMMITTEE
DATE:	4 APRIL 2012
REPORT OF THE:	HEAD OF CORPORATE AND BUSINESS SUPPORT LOUISE SANDALL
TITLE OF REPORT:	REDEPLOYMENT AND REDUNDANCY POLICY AND DISCRETIONARY COMPENSATION POLICY
WARDS AFFECTED:	ALL

EXECUTIVE SUMMARY

1.0 PURPOSE OF REPORT

- 1.1 This report seeks approval to amend the Redeployment and Redundancy Policy in the calculation of redundancy payments. This amendment is also to be carried forward to the Discretionary Compensation Policy.

2.0 RECOMMENDATIONS

- 2.1 That Council is recommended to approve:
- (i) The change in Redeployment and Redundancy Policy to the maximum number of full years of service from 30 to 20 when calculating redundancy pay with effect from 17 May 2012. (Annex A).
 - (ii) The change is reflected in the Discretionary Compensation Policy. (Annex B).

3.0 REASON FOR RECOMMENDATIONS

- 3.1 As a part of 2011/12 Going for Gold Efficiency programme a review was held of terms and conditions of employment for employees under NJC National Agreement on Pay and Conditions of Service.
- 3.2 The recommendations within this report arise from the Terms and conditions review and through agreement with UNISON and apply to both the Redeployment and Redundancy Policy and Discretionary compensation Policy.

4.0 SIGNIFICANT RISKS

- 4.1 As agreement has been reached with UNISON on this issue there are no significant risks in adopting this change.

5.0 POLICY CONTEXT AND CONSULTATION

- 5.1 In line with Ryedale District Council aim 5 of Transformation.
- 5.2 Consultation took place from October 2011 to December 2011 with all employees and UNISON. The change has been agreed with UNISON as part of a collective agreement covering various changes to terms and conditions.

REPORT

6.0 REPORT DETAILS

- 6.1 Under Regulation 7 of the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 the Council retains the ability to exercise its discretion under regulations 5 and 6 when calculating redundancy payments. The Council is required to formulate, publish and keep under review a policy which will be applied in the exercise of their discretions (Annex B).
- 6.2 To be entitled to receive a redundancy payment employees must have at least two years continuous service in a post. The amount of redundancy pay an employee receives depends on their actual weekly pay and amount of reckonable service.
- 6.3 The current Policy, which was agreed in April 2008, calculates redundancy payments using actual weekly pay and to award lump sum compensation by applying a multiplier of 1.5 to each completed year of service up to a maximum of 30 years (45 weeks).
- 6.4 It is recommended that Ryedale District Council calculates redundancy pay based on the multiplier of 1.5 weeks pay for every completed year of service, up to a maximum of 20 years giving maximum total of 30 weeks pay. In this proposal the Council has reviewed its current offer in line with other Authorities, whilst being mindful to not discriminate on the basis of age.
- 6.5 UNISON has signed a collective agreement agreeing to a number of changes in the Terms and Conditions of employees. UNISON has provided the following comment for inclusion in the report around the specific changes within this report:
'UNISON welcomes the fact that the new arrangements will preserve this non age discriminatory provision of the current policy. Whilst accepting the reduction in the maximum number of reckonable year's service from 30 to 20, UNISON's preference was for it to have remained the same.'

7.0 IMPLICATIONS

- 7.1 The following implications have been identified:
- a) Financial
The amount of any redundancy payment from April 2012 will be capped at a maximum of twenty years reckonable service. In the event of any further redundancies within the Council redundancy costs will be reduced through the changes to the policy
 - b) Legal
There are no legal implications to this change.
 - c) Other
There are no significant equality impacts identified.

8.0 NEXT STEPS

- 8.1 The Redeployment and Redundancy Policy as demonstrated at Annex A will be published to all staff following Full Council's approval.

Louise Sandall
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Background Papers:

Statutory Guidance and calculator- <http://www.direct.gov.uk/redundancy.dsb>

Background Papers are available for inspection at:

Current Redeployment and Redundancy Policy and Procedures –
<http://intranet.ryedale.gov.uk/default.aspx?page=8393>