Appendix 1

Workforce Savings: Employment Options Scheme

Criteria for Releasing Staff on Voluntary Redundancy/Early Retirement

Introduction

There are three routes through which an employee can be granted voluntary redundancy or early retirement (VR/ER) to support delivery of savings required for 2015/16 under the Medium Term Financial Plan, these are:

1. a service restructure
2. deletion of posts outside of a formal restructure
3. bumped redundancies

There is an overarching criteria that has to be satisfied in relation to delivering a saving, each route will have specific criteria that need to be satisfied. The criteria will not enable those employees working in areas of skills shortages, recruitment or retention difficulties or delivery of the Council's strategic priorities to be released.

Criteria for Ensuring Savings are Delivered

The Council's People Board has agreed that employees will only be granted voluntary redundancy or early retirement provided that:

- genuine savings can be made; **and**
- release does not significantly compromise service delivery / operational viability; **and**
- the impact on remaining staff is minimal.

In additional, the strict criteria set down within each route will need to be satisfied as set out below.

On reviewing Directorate recommendations for VR/ER, People Board will consider an equalities analysis of the profile of employees for whom requests have been supported and not supported, and the wider impact to the Council's structure and broader workforce strategies.

Before considering individual expressions of interest, Service Heads must review the posts in their establishment that are currently vacant and those that are filled through agency workers / consultants. No request can be approved where savings can be achieved through deleting a vacant post or releasing agency workers. Similarly, requests will not be supported where agency workers will continue to be used to cover the post following redundancy of the post holder.

1. Service Restructures

Any employee who requests VR/ER and is in scope of a restructure will be formally considered as part of the established process for managing change, including formal consultation with Trade Unions.

No additional criteria will be issued for this purpose. Decision are based on avoiding compulsory redundancies and once a final job matching list has been issued which identifies employees at risk.

2. Deletion of posts outside of a formal restructure

Employee requests can only be progressed through this route provided there is either no or minimal impact to other employees as a result of the departure.

In order for People Board to agree to release an employee through this route, Service Heads will need to provide details to explain how the deletion of post can be accommodated within the structure. Some examples of approaches that managers could take in order to support expressions of interest are given at the end of this document. This is not an exhaustive list, each case will be considered individually to identify the most effective approach for their service area. For an employee to be released, People Board will need to be satisfied that the following criteria is met:

- If the employee leaves, their work will not still need to be done; or,
- If the work does still need to be carried out, it be covered in some other way e.g. by incorporating the duties in another role;
- There are no prohibitive costs associated with this redundancy, including early retirement costs;
- There are no vacancies in the work area that can be deleted to achieve a saving;
- The skills and experience of the employee are not in an area of skills shortage or recruitment/retention difficulties;
- There will be sufficient skills and experience left in the team if this employee leaves; and,
- If leaving under VR/ER, the employee must agree to sign a compromise agreement.

If some minor changes are required to other employee's contracts which they have all indicated they are in agreement with, updated JDs will be written by managers and sent to HR for evaluation and the grade confirmed. In situations where the grades of some existing posts increase to accommodate additional workload, the deletion of the original post must still deliver a net saving in order for the request to be approved.

Examples of Approaches to Releasing Staff Outside of Restructures

Approach	Example
Reducing spans of control within the service	Where there a large numbers of middle managers/supervisors within a structure each with only 1 or 2 direct reports. Note: organisational design principals advocate no more than 6 spans of control (see principals attached to this guidance). A tier of middle management could be removed and line management responsibility moved to the tier above.
Service demand will reduce in the near future	Workload for certain support services may be determined by the total number of employees in the council or number of assets the council owns etc. Posts may be able to be removed with minimal impact when assessing the future resource requirements.
Business process redesign	Increased efficiency reduces resource requirements. This approach could be used where there are multiple posts with the same job

	description within a service. Increasing the efficiency of the each process may enable a reduction in the total number of posts required.
Reduced duplication	As above, managers should review where duplication can be removed either within a team or across teams/services to reduce resource requirements
Review of service standards	Some services operate with historic performance targets and service standards, which are no longer measured as part of the council's suite of performance indicators. These targets could be reviewed to determine if any of these standards could be reduced to produce resource efficiencies without having a significant impact on service delivery – for example, extension of a timescale for responding to queries/requests. Reduction in the number of service communications etc.
Management delayering	Where it may not be possible to reduce the total number of posts within a service, it may be possible to reduce the number of manager/supervisory positions and create an additional frontline post. The net effect of this change must always be to achieve a permanent reduction to the staffing budget; therefore the saving will be the difference between the salaries of the two posts.

3. Bumped Redundancies

Bumped redundancies are situations where an employee at risk of compulsory redundancy is redeployed into the job of an employee whose job is not at risk but would like to take VR/ER. This will only be allowed if the employee at risk of compulsory redundancy and has the transferable skills so staff working in specialised roles or areas of skills shortages will have limited scope to pursue this option.

People Board will agree to employees being listed for potential bumped redundancies provided that:

- It is possible to move an employee at risk of compulsory redundancy with transferable skills and a reasonable skills gaps into their job; and,
- In circumstances where there is a requirement in the person specification for the postholder to have a qualification, the employee can obtain it within a reasonable timescale and cost while undertaking the role.

Any employees put into a pool for bumped redundancy will only be matched against employees at risk of compulsory redundancy and those on the redeployment register. This will be done by providing managers leading on restructure proposals with details of the job titles and grades of staff in the bumping pool so they can identify staff within scope of their restructure that are likely to need to be redeployed as they are not expected to have any direct claims in the job matching process. Directorate People Panels and People Board Operations Group will coordinate and manage the cross directorate bumping process.