



EMPLOYMENT COMMITTEE – 6 DECEMBER 2018

RE-ENGAGEMENT OF FORMER EMPLOYEES **REPORT OF THE DIRECTOR OF CORPORATE RESOURCES**

Purpose of the Report

1. The purpose of this report is to provide further information to the Employment Committee as requested to clarify the:
 - application of the policy with regard to Casual workers;
 - national provision for redundancies;
 - County Council's approach to redeployment

following approval of the Policy by the Committee at its meeting on 13 September 2018.

Policy framework and previous decisions

2. At its meeting on 1 February 2018, when approving the Pay Policy Statement, the Committee agreed that consideration should be given to extending the timeframe after which an employee who had been made redundant by the Council may return to its employment. The draft Policy on re-engagement of former employees was presented to and approved by the Employment Committee at its meeting on 13 September 2018.

Background

3. Employees are entitled to receive statutory redundancy pay in accordance with the national legislative provisions. As with the statutory scheme, redundancy compensation under the Council's occupational scheme varies depending on the age, length of continuous service and salary of the individual employee and the provisions of their pension scheme, together with any discretion exercised by the Council.
4. Before September 2018, the Council did not have a policy restricting employees from returning to the Council's employment following redundancy or a settlement agreement. In the case of redundancy, the national agreement allows an employee to return to Local Government employment without the need to repay their redundancy payment, once the statutory four week break in employment has passed.

5. The draft Policy on re-engagement of former employees was considered and approved by the Employment Committee at its meeting on 13 September 2018. The Committee asked that a further report be presented to the Committee at its meeting on 6 December 2018, clarifying the
 - i. application of the policy with regard to casual workers;
 - ii. national provision for redundancies; and
 - iii. County Council's approach to redeployment.

Principles of the agreed policy

6. In order to ensure the appropriate use of public funds whilst still satisfying operational requirements, the agreed policy restricts employees who leave due to voluntary redundancy¹ or under a settlement agreement from being re-engaged by the Council for a period of 12 months unless approval is granted.
7. This restriction will apply to the re-engagement of former employees in any capacity until the 12 month time period has elapsed, including:
 - On a contract of employment (either fixed-term or permanent);
 - On an apprenticeship contract;
 - As a casual worker;
 - As an agency worker through the Council's approved provider or another agency;
 - On a self-employed basis or as a consultant.
8. Where re-engagement of the former employee is agreed, the individual will be required to repay either all or a proportion of any severance payment received from the Council. The amount to be recovered will depend on the time that has elapsed since they received the payment but usually will equate to 1/12 per month of time remaining of the 12-month non re-engagement period. Any compulsory redundancy payment that has been made will not be included in the calculation for recovery of severance monies paid.
9. For example, an employee on a permanent contract chooses to accept voluntary redundancy on 1st January 2019 receiving a severance payment of £12,000. If it is subsequently agreed that the individual can be re-engaged as an agency worker from 1st July 2019, they will be required to repay £6,000 (half of the original severance payment).
10. The trade unions have been consulted on the proposed policy and they are in agreement with its contents.

¹ The term voluntary redundancy does not apply to those employees who have volunteered to be made compulsorily redundant.

The Council's approach to minimising compulsory redundancies

11. In order to remove or minimise the need for organisational change that results in compulsory redundancies, managers are required to consider the following measures before planning any change process:
 - i. Deletion of vacant posts;
 - ii. Restriction or suspension of recruitment;
 - iii. Cessation or reduction of overtime;
 - iv. Cessation or reduction of casual contracts;
 - v. Cessation or reduction in the use of agency workers;
 - vi. Review of all expenditure (e.g. reduction in absence levels, travel mileage).

12. In addition, managers are encouraged to consider whether the following alternative measures would be appropriate:
 - i. Voluntary reduction in hours;
 - ii. Voluntary redundancy requests;
 - iii. Flexible retirement requests.

The Council's approach to managing redeployment opportunities

13. The Council's redeployment policy and procedure provides information regarding redeployment eligibility, trial periods, pay protection and other supportive measures.

14. The Policy details that eligible employees will be given redeployment status where:
 - i. It is proposed that all posts in a structure will be deleted (for example, as the result of the cessation of a service). In these circumstances, all affected employees will receive redeployment status from the beginning of the formal consultation period;

 - ii. They do not have a comparable post in the new structure. Such employees will receive redeployment status from the beginning of the formal consultation period;

 - iii. During implementation of a restructuring, an employee has failed to obtain a job following a selection process. Such employees will receive redeployment status from the point where it is confirmed that they have not been able to obtain a post in the new structure;

 - iv. As a result of their own or another employee's comparability challenge, they no longer have a comparable post in the new structure. In these circumstances the employee will receive

redeployment status from the date when the new non-comparability decision was made.

15. Line managers are responsible for assisting employees to secure redeployment and this support should continue throughout an employee's notice period.

Recommendations

16. It is recommended that the Committee support the practical application of the agreed policy on the re-engagement of former employees which is attached as Appendix A to this report.

Background papers

17. None.

Circulation under the Local Issues Alert Procedure

18. None.

Equality and Human Rights Implications/Other Impact Assessments

19. An Equality and Human Rights Impact Assessment has been completed and no issues were identified.

List of Appendices

Appendix A - Policy on the Re-Engagement of Former Employees

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