

SLOUGH BOROUGH COUNCIL

REPORT TO: Employment and Appeals Committee **DATE:** 26th January 2012

CONTACT OFFICER: Kevin Gordon, Assistant Director of Professional Services

(For all Enquiries) (01753) 875213

WARD(S): All

PART I

FOR INFORMATION

THE ‘PLANNING FOR THE FUTURE’ EXERCISE

1. **Purpose of Report**

This report sets out the process and position to date in relation to the Planning for the Future exercise.

2. **Recommendation(s)/Proposed Action**

The Committee is requested to note the report.

3. **Community Strategy Priorities**

Decisions taken have taken account of the Council’s priorities.

4. **Other Implications**

(a) **Financial**

Decisions on the granting of early retirement and/or redundancy; reduction in working hours or the granting of unpaid leave or sabbaticals have all been subject to an explicit business case to inform the decisions made by Corporate Management Team.

(b) **Risk Management**

Risk	Mitigating action	Opportunities
Legal Human Rights Employment Issues Equalities Issues	Decisions are taken in accordance with legislative requirements and Council policies The use of compromise agreements will mitigate against any risks of future claims	Full consultation with the recognised trade unions has taken place
Property Health and Safety Community Support	Not applicable	Not applicable

Community Safety Other		
Communications	Regular communications kept staff informed of the process	
Financial	Decisions are taken with due regard to the Council's financial processes and in consultation with the Head of Finance.	
Timetable for delivery	In line with the Council's business requirements	
Project Capacity	Not applicable	Not applicable

(c) Human Rights Act and Other Legal Implications

The Council has a duty to comply with all employment legislation and to have fair and equitable procedures. These arrangements cover these requirements.

(d) Equalities Impact Assessment

As expressions of interest were sought across the organisation there was no initial screening impact assessment to undertake. However, requests, decisions and final outcomes will be monitored to ensure that is no disproportionate effect on any group.

(e) Workforce

The Planning for the Future exercise covered all staff within the Council with the exception of staff employed in schools and those workers engaged on 'as and when contracts'.

5. Supporting Information

- 5.1 Since the cuts in public sector funding were announced in 2010, we have achieved around half the £25 million savings needed over the period 2011 to 2014. However, in light of the continuing budgetary pressures the Council has no option but to reduce its spending going forward. As staffing is a very significant part of the Council's overall expenditure this means reductions in staffing levels.
- 5.2 Ways of achieving these savings was discussed with the trade unions at an early stage and they endorsed the process that has been followed to date. There is always an expectation that volunteers will be sought in the first instance as a way to seek to mitigate or reduce the requirement for compulsory redundancies.
- 5.3 As the first step in identifying savings the Council asked staff, where they wished, to express interest in any of the following:
- **Early Retirement**
 - **Redundancy**
 - **Reduction in Working hours**
 - **Unpaid leave / Sabbatical** (ie unpaid time away from work)
 - **Career development** (sharing aspirations to work within other parts of the

Council which may contribute to flexibility of the workforce)

- 5.4 A copy of this letter to all staff from the Leader of the Council and the Chief Executive (Appendix A) and Expression of Interest form (Appendix B) is attached.
- 5.5 To support the regular communications update to staff regarding the process 'frequently asked questions' were posted and individual surgeries were run where staff could discuss their queries, concerns and circumstances on a one to one basis with HR staff. Berkshire Pension Scheme also provided a briefing session and individual appointments for staff to understand potential pension implications.
- 5.6 Staff were given two deadline dates, firstly staff could lodge their Expression of Interest by completing the Expression of Interest form. This group of staff were sent the personal financial information in relation to their particular request (e.g. redundancy figures). The second deadline was for staff to confirm their interest in proceeding with the options, this could be done by signing and returning the Expression of Interest slip (attached to their individual letter) or by completing the 'Confirmation of Interest Form' attached as Appendix C. Those staff who only completed the Confirmation of Interest Form did not receive any personal financial information in relation to their request.
- 5.7 All 'confirmations of expressions of interest' requests received from staff by the deadline were considered at Assistant Director/Head of service level by completion of a Business Case supported by HR and Finance comments. Each business case set out the request(s), the implications for the service of the request and gave a recommendation to: accept the request, amend the request in some way, for example, to change the requested date; to make an alternative offer, for example early retirement rather than redundancy or to refuse the request.
- 5.8 A copy of the 2011 Expressions of Interest Business Case template is attached at Appendix D.
- 5.9 The Corporate Management Team considered over 200 Expression of Interest requests during December 2011 and January 2012. A breakdown of the requests by Directorate is attached at Appendix E. Staff within the Transactional Services Division of CTS Directorate were given an extension on whether they wished to proceed with their confirmation of interest and could withdraw their interest. This decision was made due to the pending outcome of the Transactional Services tender process. This led to a significant reduction in the number of staff wishing to proceed with their original request, as shown in the breakdown.
- 5.10 The considerations by CMT had to reflect the future business needs of the Council as well as matters such as the legal definition of 'redundancy' as redundancy can only be agreed where the post can be deleted from the establishment. It is not possible to make a person redundant and then retain and fill the post again. In some cases early retirement was offered as an alternative whereby the individual could be released but the post retained to provide some flexibility regarding how the work would be undertaken in the future or to offer a future redeployment opportunity.
- 5.11 As business cases were considered by CMT, staff were advised of the outcome of their Confirmation of Interest. Where requests can be accepted for Redundancy and Early Retirement, staff will be required to sign a compromise agreement confirming their acceptance prior to the release of any monies. Any other requests will be processed with line managers in consultation with HR.

In addition the Council is currently consulting on proposals to streamline senior management positions; however, the final arrangements will not be confirmed until this consultation is concluded. The proposal is to reduce the senior structure by one Director and 5 senior managers.

6. **Comments of Other Committees**

None.

7. **Conclusion**

The Committee is requested to note the report.

8. **Appendices Attached**

Appendix A – ‘Planning for the Future’ letter from Leader of the Council and Chief Executive to all staff dated 29 July 2010 plus attachment ‘Planning for the Future – Expression of Interest’

Appendix B – 2011 Expression of Interest form

Appendix C – 2011 Confirmation of Interest form

Appendix D – Business Case Template

Appendix E – Breakdown of Confirmations and Outcomes by Directorate

9. **Background Papers**

None.

Date: 3rd October 2011

Directorate: Chief Executive
Contact Name: Ruth Bagley
Contact No: 01753 875000
Fax: 01753 478657

To: All Staff

Email: Ruth.bagley@slough.gov.uk

Dear Colleague,

Planning for the future

We continue to respond to the significant cuts in public sector spending. We made good progress last year in reducing our costs and securing a stable financial base over the medium term and are about half way to our target of £25 million savings over the period 2011 to 2014. Although we have achieved considerable savings on non-staff costs it remains the case that we can only make changes and savings of the scale needed by reducing the number of staff who work for us.

As in the previous year we are determined to minimise the impact of any reduction in staff numbers. Planning ahead is the only way we will be successful, so we are writing to all staff today to seek your input. We want, wherever possible, to accommodate individual wishes and needs when we make staff changes.

Normally we would only have limited information about people's intentions to retire from or leave the Council or aspirations to move from one internal role to another. We haven't to date explicitly encouraged people to think about reducing their working hours or taking periods of unpaid leave or sabbaticals. However, we are now asking you to consider your options and tell us about your plans and aspirations. By knowing what flexibility we have, we will be better able to plan our course through the next couple of uncertain years and to reduce the impact and extent of any compulsory redundancies.

These are the particular areas around which we'd like to understand your intentions:

- **Retirement**

We would like to know if you are planning to retire in the next two years to give us an indication of your intentions. If you have retirement provision protected under the '85-rule' (i.e. where you have reached 55 and your age and service together equal 85 or more) you may want to consider accessing your pension this way. You would have been made aware of the changes to this rule in 2006. If you are uncertain about your eligibility, please check with Human Resources.

If you are over 55 or over 60, you may have different opportunities to access your pension which you may wish to pursue. Currently the age at which people access their pension with their employers' consent is 55. You may be aware of a national review of public sector pensions, although there is no certainty about what, when, or if any changes may apply.

- **Working hours**

We are happy to consider requests to reduce working hours, either permanently or for a defined period of time. You may want to consider a different working pattern, for example job sharing or a 30 hour week.

- **Unpaid leave / Sabbatical**

You may like to consider taking a period of unpaid leave to, for example, travel, study, spend time with your family or learn a new skill. We will be happy to consider such requests.

- **Career development**

If you'd like to move to another part of the Council please share your aspirations with us. Staff movement within the organisation contributes to the flexibility we will need. Please remember that the Council's recruitment and selection criteria would still apply and that you would be expected to demonstrate your suitability for any role, alongside completing a probationary period.

- **Redundancy**

We would like to hear from anyone who wishes to express an interest in redundancy in the current and next financial year. Any posts vacated in this way will constitute a formal redundancy and be deleted from our structure. We must be sure services can continue functioning properly without them so we cannot automatically agree to any request. Redundancies agreed as a result of this expression of interest will benefit from the current generous redundancy package. However, please be aware that the Council may be required, or need to change its policy in the future.

We recognise that sharing plans and wishes with us may feel uncomfortable. We are in no doubt how committed our staff are to their jobs. Responding to this request will in no way be interpreted as a lack of commitment to the Council, or a commitment to proceeding with any plans or options shared with us if acceptable.

We do not expect to hear from everyone as a result of this letter. You may read this and think that none of these options is relevant. If you do express an interest in any of them, we will not hold you to it. Nor can we guarantee being able to meet your request. We will have to look at whether your wishes meet service needs. It's possible that we will run one or more similar exercises in the future to take account of the fact that people's circumstances change.

We are trying to match individuals' plans and aspirations to two corporate needs: reducing costs and maintaining excellent services. We won't therefore be able to consider people's plans in isolation, but will need to understand the complete picture before taking decisions. We will also be using other measures to reduce the risks to staff. For example we will try to reduce our wage bill by not replacing people who leave and using vacated roles as redeployment opportunities for others whose own jobs might be at risk.

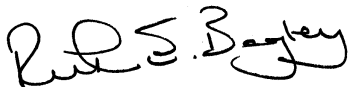
Attached to this letter is a form which provides you with an opportunity to express your interest in any of the options above. If you wish to explore any of the options described above, please return your completed form by Friday, 28th October so we can provide you with further information. You can also request a one-to-one briefing session with Human Resources to find out more.

At this stage completing the expression of interest form involves no commitment on either side and your interest will be treated in confidence. Once you have all the information you need, if you still wish to pursue one of the options, you will need to make a formal request to the HR team. This will be shared with your Director to help CMT decide if your request is possible within the needs of the business.

We expect to have made final decisions by the end of January 2012 at the latest.

We hope we have got across in this letter the purpose of understanding your plans and aspirations in more detail. The next round of all staff briefings will be in November, so you'll have the chance to ask Ruth questions directly before the deadline for confirming your expression of interest. In the meantime, if you have any questions about your personal situation, the changes to the pension rules or anything else please talk to the HR Business Partnership team or to your Assistant Director or Head of Service.

Yours sincerely

A handwritten signature in black ink that reads "Ruth Bagley". The signature is written in a cursive style with a large initial 'R'.

Ruth Bagley
Chief Executive

A handwritten signature in black ink that reads "Rob Anderson". The signature is written in a cursive style with a large initial 'R'.

Rob Anderson
Leader

PLANNING FOR THE FUTURE - EXPRESSION OF INTEREST FORM

Please PRINT your details on the form below highlighting the options you wish to pursue,
and return in an envelope marked 'Confidential' to

Shaista Baig, HR Support Officer, Human Resources, Ground Floor West,
St Martins Place by **9.00 am, on Friday, 28th October 2011.**

Alternatively you can email your expressions of interest to planningforthefuture@slough.gov.uk

Name:	Directorate:
Employee Number:	Section:
Job Title:	Date of Birth:
Pension Scheme: Berkshire Local Government Pension Scheme <input type="checkbox"/> Teachers Pension Scheme <input type="checkbox"/> Not in the Pension Scheme <input type="checkbox"/>	Current Working Hours*: Hours per week

I may wish to pursue the following options (*please tick all that apply*):

<input type="checkbox"/> Voluntary Redundancy	Preferred date for this to be effective
<input type="checkbox"/> Retirement	Preferred date for this to be effective Please note to be eligible for early retirement you must be age 55 or over at the date of termination.
<input type="checkbox"/> Reduced hours per week	From hours tohours Preferred date for this to be effective
<input type="checkbox"/> Sabbatical	From: / / To : / / (dates)
<input type="checkbox"/> Other Please specify alternative options for consideration	

PLEASE NOTE:

- **There is no commitment on either side by submitting this form.** Expression of Interest forms must be received in Human Resources by **9.00 am, on 28th October 2011.**
- If you wish to have a 1:1 meeting with Human Resources to discuss the above, please contact **Shaista Baig, HR Support Officer on 01753 875063, or email planningforthefuture@slough.gov.uk** for an appointment.
- All forecast figures generated for retirements and redundancies will be based on current salaries and will provide a good indication of benefits.
-

CONFIRMATION OF INTEREST FORM PLANNING FOR THE FUTURE

Please PRINT your details on the form below highlighting the options you wish to pursue.

Name:		Directorate:			
Employee No.		Section:			
Job Title:		Date of Birth			
Pension Scheme: Berkshire Local Government Pension Scheme <input type="checkbox"/> Teachers Pension Scheme <input type="checkbox"/> Not in the Pension Scheme <input type="checkbox"/>		Current working hours* <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;"></td> <td style="width: 30%;">hours per week</td> </tr> </table>			hours per week
	hours per week				

Options I wish to pursue:

Voluntary Redundancy <input type="checkbox"/>	Preferred date for this to be effective: <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="height: 20px;"></td> </tr> </table>																		
Retirement <input type="checkbox"/>	Preferred date for this to be effective: <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="height: 20px;"></td> </tr> </table> Please note that you must be aged 55 or over before 31 st March 2012 to be eligible for retirement.																		
Reduced hours per week <input type="checkbox"/>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 15%;">From</td> <td style="width: 20%;"></td> <td style="width: 10%;">hrs</td> <td style="width: 10%;">to</td> <td style="width: 20%;"></td> <td style="width: 10%;">hrs</td> </tr> <tr> <td colspan="6">Preferred date for this to be effective:</td> </tr> <tr> <td colspan="6" style="height: 20px;"></td> </tr> </table>	From		hrs	to		hrs	Preferred date for this to be effective:											
From		hrs	to		hrs														
Preferred date for this to be effective:																			
Sabbatical <input type="checkbox"/>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 15%;">From</td> <td style="width: 20%;"></td> <td style="width: 10%;">To</td> <td style="width: 55%;"></td> </tr> <tr> <td colspan="4" style="text-align: right;">dates</td> </tr> </table>	From		To		dates													
From		To																	
dates																			
Other <input type="checkbox"/>																			
Please specify other options for consideration.																			

Please return your completed form in an envelope marked '**Confidential**' to Shaista Baig, HR Support Officer, Human Resources, Ground Floor West, St. Martins Place by **Midday, on Monday, 21st November, 2011.**

Alternatively, you can e-mail your confirmation of interest form to:
planningforthefuture@slough.gov.uk.

I acknowledge that I have not sought written information or confirmation of figures on any of the above options from Human Resources.

Signed:		Dated:	
----------------	--	---------------	--

2011 Expressions of Interest Business Case

Directorate:	
Team:	
Case prepared by:	
Date:	

Business cases should be prepared in consultation with HR and Finance and submitted to CMT for consideration.

Background
This section should provide information on the service/team and outline any issues which may affect the team in the future (including changes to funding, priorities etc.)
Expression(s) of Interest confirmed
This section should provide a brief outline of the expressions being considered as part of this case along with any relevant context.
Employee Name:
Employee Name:
Employee Name:

Business Case

Outline here the case for making changes, including how current duties, responsibilities etc. will be covered once changes are in place, any risk to service delivery and any other impact.

- Risks**

Employment (direct)	
Employment (indirect)	
Financial	
Capacity and resilience	
Loss of technical capacity / specific skills	

Financial Effects

This section should summarise the costs and savings associated with any changes, including redundancy and capital costs of pensions. Detailed figures will be provided by finance and should be appended to this business case.

The annual cost of the post of XXXXXX is as follows:

	Actual Costs 2011/12				Budget 2011/12			
	Salary	Nat Ins	Super	Total	DIR (98%)	Corporate (1%)	DIR (1%)	Total
	£	£	£	£	£	£	£	£
Name	Xxxx	Xxxx	Xxxx	Xxxx	Xxxx	Xxxx	Xxxx	Xxxx

The cost to the Council of redundancy and early access to pension is £XXXX equating to a pay back period of XXX years.

HR Comments

This section should outline the HR and contractual issues

Summary and Recommendations**Finance and HR Sign off****Signed****Date****Signed****Date****Anne Marie Scott sign off****Signed****Date****CMT response****Action**