



## People & ICT



# Employment Release Scheme

### Document Control

Version	Date	Authority	Change
5.0	01.06.15	Partnership Working Forum / Resources Committee	Standard policy format



## Introduction

The Council has an Employment Release Scheme to permit employees to depart early from the Council's employment should this be in the interests of the Council.

## Employment Release Sub-Committee

Under the Council's Scheme of Delegation, the Employment Release Sub-Committee has full delegated powers to consider and determine cases for early retirement, severance, redundancy etc for all employees of the Council in accordance with the relevant Council policies. The Sub-Committee also has full delegated powers to award partial or no enhancement to pension benefits in the light of individual circumstances for efficiency departures.

## Acceptable Categories for Employment Release

1. On the grounds of redundancy
2. In the interests of the efficiency of the service
  - (i) as an alternative to redundancy of an individual
  - (ii) to avoid redundancy of another employee
  - (iii) to assist in service restructuring
  - (iv) to effect financial savings
  - (v) other justifiable circumstance which would be in the interests of the service
3. Meets the wishes of the

employee provided at least one of the above criteria is satisfied.

4. Permanent ill-health (see Attendance Management Guidelines).

## Pension Regulations

The current pension regulations applying to Early Retirement/Employment Release are the Local Government (Discretionary Payments and Injury Benefits) (Scotland) Regulations 2009, the Local Government (Discretionary Payments and Injury Benefits) (Scotland) Regulations 1998 and the Teachers' (Compensation for Premature Retirement and Redundancy) Regulations 1996, as amended.

## Compensation

Any employee made redundant after 31 May 2015 will be granted compensation in terms of the relevant regulations in accordance with Appendix 1, with their compensation payment being based on actual pay.

Where an employee ceases employment in the interests of the efficiency of the service, if Option 1 is selected, compensation is at the discretion of the Sub-Committee who can award up to 2 years enhancement including no enhancement. If Option 2 is selected, compensation will be in accordance with Appendix 1, with their compensation payment being based on actual pay.

## Re-Employment

Employees' granted employment release by the Highland Council on voluntary redundancy or efficiency grounds will not be re-employed by

the Highland Council in any capacity without the specific approval of the Chief Executive.

Employees who are retired on the grounds of ill-health by the Highland Council will not be re-employed by the Highland Council without being medically examined and assessed as being fit to be re-employed by the Council's Occupational Health provider.

Teaching staff would also require clearance from the SPPA's medical advisers.

## **Appeals**

There is no right of appeal under the Council's employment procedures against a Service Director's decision to refuse support for a voluntary redundancy request or an employment release on efficiency grounds request or against a decision by the Employment Release Sub-Committee.

### **NOTES:**

Employment Release on grounds of redundancy may be acceptable to the Council under one of the following criteria:

- the employee's post can be deleted from the establishment
- in the case of a 'bumped' redundancy, where another identified vacancy is created and is then deleted
- there is a significant reduction in hours
- there is a significant change in duties

In cases of employment release on grounds of redundancy, the Service Director and employee will agree a cessation date that will enable the employee to work his/her contractual notice. If the employee wishes an earlier cessation date he/she must write to the Service Director agreeing to waive his/her entitlement to any pay in lieu of notice. Pay in lieu of notice will only be authorised by the Service Director in exceptional circumstances following consultation with the Head of People & ICT.

In cases of employment release on efficiency grounds the Service Director and employee will agree a mutually acceptable cessation date and pay in lieu of notice is not, therefore, applicable.

**COMPENSATION PAYMENTS TO  
EMPLOYEES MADE REDUNDANT  
AFTER 31 MAY 2015**

<b>Service</b>	<b>Option 1</b> Add Years Compensation	<b>Option 2</b> Lump Sum Compensation – number of weeks entitlement (includes Statutory Redundancy Entitlement)
1	0	0
2	0	6
3	0	9
4	0	12
5	0	15
6	0	18
7	0	21
8	0	24
9	0	27
10	0	30
11	1	33
12	1	36
13	1	39
14	1	42
15	1	45
16	1	48
17	1	51
18	1	54
19	1	57
20	1	60
21	2	60
22	2	60
23	2	60
24	2	60
25	2	60
26	2	60
27	2	60
28	2	60
29	2	60
30	2	60
31	2	60
32	2	60
33	2	60
34	2	60
35	2	60
36	2	60
37	2	60
38	2	60
39	1	60
40+	0	60

	Total service for calculation purposes restricted to 40 years or service that could be attained at age 65	<p>The first £30k awarded is Tax free. Compensation over £30k is subject to PAYE</p> <p>Restrictions currently apply to scheme members aged over 63, which may limit award to that achievable by age 65 subject to statutory minimum</p>
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**Options**

a)	Employees who, at their date of employment release on grounds of redundancy, are aged 55 or over and are in the Local Government Pension Scheme (LGPS) (or aged 50 or over and in the LGPS on 5 April 2006) can choose Option 1 or Option 2.
b)	Employees who, at their date of employment release are not in the LGPS, or are aged under 55 (under 50 if in the LGPS on 5 April 2006) at their date of retirement are only entitled to Option 2.