

EMPLOYMENT COMMITTEE

Minutes of the meeting held on Wednesday 8 November 2006 at the Town Hall, Royal Leamington Spa at 4.30 pm.

PRESENT: Councillor Crowther (Chair), Councillors Boad, Mrs Bunker, Gifford, Gill, Hatfield and Kundi.

578. DECLARATIONS OF INTEREST

There were no declarations of interest.

579. MINUTES

The minutes of the meeting held on 19 September 2006 having been printed and circulated were taken as read and signed by the Chair as a correct record.

580. CHANGES TO LGPS REDUNDANCY REGULATIONS

The Committee considered a report from Corporate Personnel Services and Finance informing them of the changes to the Local Government Pension Scheme (LGPS) from 1 December and options to implement the changes at Warwick District Council.

The LGPS (England and Wales) Compensation Regulations that allowed added years to be granted in redundancy situations were scheduled to change from 1 December 2006. Under the current Discretionary Compensation Early Termination of Employment Regulations 2000, employers could provide up to ten added years to employees aged over 50 with five years service whose employment was terminated as a result of a redundancy/efficiency process. Warwick District Council provides for up to a maximum of 6 2/3rd years in instances of redundancy and a maximum of five years in instances of efficiency of the service.

Local authorities, since 1994, had discretionary power to make one-off severance payments. The maximum payment that they had been able to make had been based on a formula that included age and length of service and provided up to 66 weeks' pay. The severance payment had been inclusive of any statutory redundancy payment that the employee might be entitled to. The payments under the scheme had heavily skewed to those in the 42 to 49 age bracket.

The Government had taken the view that the Employment Equality (Age) Regulations 2006, that came into effect on 1 October 2006, rendered the existing discretionary powers to grant 'added years' and severance payments unlawful.

EMPLOYMENT COMMITTEE MINUTES (Continued)

In place of the provision to 'give' added years in redundancy, efficiency of the service instances and the 66 week severance scheme, the new Regulations that had been drafted allow the employer to grant up to two years' pay (104 weeks). A week's pay would be based on the statutory minimum (£290) or an actual week's pay. The number of weeks pay per year would be increased so long as it was linked to the statutory multiplier. A revised scheme would be in place for 1 December 2006.

Independent of, and in addition to the 2000 Compensatory Added Years Regulations. The rules of the LGPS (Regulation 52 - Augmentation of Benefits) allow employers to grant up to 6 2/3 added years to any active scheme member (irrespective of age). This could be used to provide added years to employees in redundancy (or other) situations. It could also be a separate policy that was not linked to a redundancy situation.

RESOLVED that the content of the report be noted.

581. PUBLIC AND PRESS

RESOLVED that under section 100A of the Local Government Act 1972 the public and press be excluded from the meeting for the following items by reason of the likely disclosure of exempt information within paragraphs 1 & 2 of the Schedule 12A of the Local Government Act 1972.

582. EARLY RETIREMENT OF JOINT SUPPORT MANAGER HOUSING SERVICES

The Committee considered a report from the Chief Executive to recommend the early retirement of the Joint Support Manager, Housing Services.

The Committee had previously considered two reports which affected this post at its meeting of 11th April 2006. The first was the proposal for the review of administration across the Council which created a central administration team; a central personnel team; a central finance team and an expansion of the document management centre. The second report restructured the teams within Housing Services to create a rents and finance team.

The post of Joint Support Manager provided a joint administration and finance service to both Housing Services and Housing Strategy, however those services would now be provided from the rents and finance team within Housing Services or from one of the central teams.

The report on the Administration Review identified that the post was at risk from April 2007 as a result of the proposals; during the redeployment process carried out over the summer it became obvious that there would not be a suitable alternative post to offer the post holder.

EMPLOYMENT COMMITTEE MINUTES (Continued)

Changes within the Personnel Service had provided the opportunity for the work undertaken by the post holder to be moved to the central team earlier than was initially anticipated. The remainder of the work she undertook would move to the other new central teams from 30th October.

One particular impact was that the post holders entitlement to additional year's service (added years) under the Councils current policy for early retirement on the grounds of redundancy would not be available after 1st December, although the new regulations would allow the Council to augment pensions.

RESOLVED that the proposed early retirement of the Joint Support Manager, Housing Services be approved.

(The meeting ended at 5.05 pm)