



AGENDA ITEM 4

CENTRAL SCOTLAND VALUATION JOINT BOARD

Subject: VOLUNTARY SEVERANCE
Meeting: CENTRAL SCOTLAND VALUATION JOINT BOARD
Date: 19th JUNE 2015
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1.0 INTRODUCTION

As outlined in the Draft Revenue Budget presented to the Board on the 23rd January 2015, it is anticipated that there will be a potential funding gap of over £299,000 in the year 2016/17 rising to £387,000 by 2017/18. This anticipated shortfall is based on the assumption that VJB funding allocation will reflect local authorities own anticipated funding levels from the Scottish Government. Whilst savings have already been identified including the loss of the Depute Assessors post it is clear that in view the shortfall we must identify further significant savings from our overall staffing budget. It is therefore proposed that we invite applications from all staff for Voluntary Severance.

2.0 VOLUNTARY SEVERANCE BACKGROUND

The Board approved CSVJB's 'Redundancy Policy' in 2010 (See Appendix 1). This policy is available to view by staff on the CSVJB intranet. Whilst this policy makes reference to Voluntary Severance, following consultation with Clackmannanshire Council HR, it was considered that a separate Voluntary Severance Policy was required providing more specific guidance. Following this consultation a proposed 'Voluntary Severance Policy' (See Appendix 2) and 'Voluntary Severance Employee Fact Sheet' (see Appendix 3) have been prepared. We are therefore seeking approval of the proposed 'Voluntary Severance Policy' and 'Voluntary Severance Employee Fact Sheet'.

3.0 FINANCIAL BACKGROUND

As mentioned above the expected funding shortfall for the CSVJB is expected to reach £387k in the next 3 years. Therefore we are looking at ways to reduce costs and streamline services. As employee related expenditure accounts for 73% of the annual expenditure, voluntary severance is being offered to reduce the ongoing employee costs of the organisation.

The offer of voluntary severance will incur costs in the year of the decision. To support the costs in the year, it is proposed to create an employment fund from reserves to the value of £200k. The cost of VS will be recovered within 2 years of the decision, reducing the longer term employee costs of the organisation.

Payments made to employees under the scheme are tax free up to a value of £30k, and no national insurance contributions are incurred.

4.0 TIMETABLE

In the event that the proposed Voluntary Severance Policy and Employee Factsheet are approved by the Board the following timetable is proposed:

Week Commencing 22 nd June, 2015	Letters inviting applications for Voluntary Severance issued to staff. Response deadline 10 th July, 2015
Week commencing 13 th July, 2015	Forms sent to Pensions and Clackmannanshire Finance for estimate of pension/compensatory benefits.
Circa September, 2015	Following receipt of estimates meeting to discuss proposals.
31 st March, 2016	Preferred deadline for staff leaving service (possibly with the exception of some key electoral staff)

5.0 It is recommended that the Board approves the proposed 'Voluntary Severance Policy' and 'Voluntary Severance Employee Fact Sheet'.

It is recommended that the Board approves the use of £200k of reserves to fund the costs associated with Voluntary Severance.

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Assessor

Central Scotland Valuation Joint Board

Redundancy Policy

1.0 Redundancy Policy

1.1 Notes: This Policy largely follows previous Clackmannanshire Council approved policy. "Assessor" includes "ERO"

1.2 The Valuation Joint Board recognises that organisation restructuring and employee reductions may be required at times in order to fulfil its purposes. In such situations, the Board's approach will be based on the following guiding principles.

1.3 The Valuation Joint Board will aim to retain a balanced workforce with the skills, qualifications and competence to ensure effective execution of its and the Assessor's functions.

1.4 Employee reductions will be sought on a voluntary basis where possible. The Board's policy on redeployment will apply.

1.5 Compulsory redundancy will be considered when all reasonable voluntary means have been exhausted.

1.6 The Assessor will consult with the JTUC or local representatives of recognised Trade Unions in the identification and determination of areas of savings required, in restructuring proposals and in the development and implementation of these procedures. This consultation will commence as early as practicable in the process.

1.7 Where the need for employee reductions is due to financial reasons, potential for achieving savings in all areas of employee costs will be examined, including working patterns and practices and the interpretation and application of terms, conditions and allowances.

1.8 Redundancy Implementation: Responsibility for implementation of the policy and procedure rests with The Assessor acting in conjunction with Clackmannanshire Council Human Resources. The specific procedure adopted would reflect the particular situation, but in general the major stages are as follows.

1.9 Identifying Posts Vulnerable to Redundancy: The Assessor will identify and advise Human Resources of the numbers, types and locations of posts potentially redundant. This **will** include the total number of such posts within the relevant group.

1.10 Voluntary Severance: The Assessor, in conjunction with Human Resources will attempt to identify volunteers for severance whose release would enable a compulsory redundancy to be avoided.

1.11 Redeployment Opportunities: In line with the Redeployment Policy, The Assessor will consider internal re-arrangements within the service which would facilitate redeployment. This should include a review of temporary, casual and over-time working within the service if redundancies are threatened, to reduce where possible, the use of these practices to avoid redundancy of permanent employees.

In doing this, the rights and expectations of long term temporary or casual staff may require consideration.

1.12 Retraining costs are part of redeployment and will therefore be met by the Valuation Joint Board.

1.13 Compulsory Redundancy: When all voluntary means are exhausted and surplus groups remain, compulsory redundancy selection criteria would be applied to achieve the balance of necessary redundancies. These will be applied within groups of employees within the service as identified at the start of the process.

1.14 Human Resources, in conjunction with the Assessor will maintain and implement procedures for selection for redundancy among defined groups of employees. The basis of assessment will be a number of common criteria including qualifications and competence, attendance, disciplinary record and length of service. Given the aim is to retain the workforce best equipped to deliver services, greater weight will be on job related factors.

1.15 Assessment will be carried out by managers, assisted by Human Resources. The assessment criteria are detailed in Section 11.0 below.

1.16 Contractual notice of termination of employment by reason of redundancy would be served to those individuals identified through this process. Endeavours to find alternatives to compulsory redundancy of an individual will continue until the effective date of termination.

1.17 Consultation and Communication: At each stage of the process, Trade Union Representatives will be consulted as will staff in the affected groups. The Assessor and Human Resources will act jointly in consultation processes to help ensure a consistent approach. At the outset, the relevant Trade Unions will be invited to confirm the route through which they wish consultation to take place. Consultation should be based on the following:-

- start when proposals are at a formative stage;
- contain adequate information on which to respond;
- give adequate time in which to respond;
- conscientious consideration by the authority to the response to consultation.

1.18 Where any compulsory redundancy or redeployment results in the removal of Assessor, Depute Assessor, or statutory depute Assessor from post the relevant legislation should be taken into account [Section 27(6) Local Government (Scotland) Act 1994]

2.0 Severance Payments Management Guidelines

2.1 Eligible Staff. To be eligible for consideration under this Scheme, members of staff must be or could have been a member of the Local Government Pension Scheme.

2.2 The eligibility for pension and compensatory benefits is determined by reference to the age and length of service as follows:

Age at Date of Severance	Length of Service at Date of Severance	Pension Benefits (if applicable)	Compensatory Benefits	Statutory Redundancy
Under 50	less than 2 years	Refund of contributions	None	No
Under 50	at least 2 years	Payable from age 60	Immediate lump sum payment (see paragraph 2.4)	Included in compensatory benefits paid
50 and over	less than 1 year	Refund of contributions	None	No
50 and over	at least 1 but less than 2 years	Refund of contributions	Immediate lump sum payment (5 weeks)	No
50 and over	at least 2 years but less than 5 years	Immediate Pension and Lump Sum	None	Yes
50 and over	at least 5 years	Immediate Pension and Lump Sum	Compensatory added years (see paragraph 2.4)	Yes

NOTE: Length of service for the purpose of calculating compensatory benefits and statutory redundancy is continuous local authority service. For the purpose of calculating pension benefits, it is total pensionable service based on full time equivalent service and includes any transferred in pensionable service.

2.3 Components of the Severance Package. The costs consist of a number of elements:-

- The member of staff's Pension Fund entitlement and, in the case of redundancy, the Statutory Redundancy Payment which are not negotiable.
- Negotiations can take place with the member of staff in order to maximise the staff package while still achieving the required savings to the Valuation Joint Board. He / she may be accompanied by a trade union representative. The elements that are negotiable are the number of Compensatory Added Years to be awarded, and exceptionally, the number of week's payment in lieu of notice and the number of day's payment in lieu of annual leave.
- The Valuation Joint Board will use its discretionary power to calculate redundancy based on an actual week's contractual pay.

2.4 Options Where There Are Redundancy or Efficiency Savings

- a) If the member of staff is under age 50 the basic package will consist of:
- An immediate compensatory lump sum payment chargeable to the employing Service, calculated as follows:

Age at Date of Severance	Number of Week's Pay Per Completed Year of Service
Under 23	0.5 weeks from age 18 to date of severance plus 0.5 weeks from age 20 to date of severance. Above is subject to a maximum of 3 weeks
23 and under 50	2 weeks from age 18 to date of severance plus 3 weeks from age 41 to date of severance. Above is subject to a maximum of 66 weeks

If the member of staff is ceasing by reason of redundancy, the above payment includes the Statutory Redundancy payment.

And

- An award of preserved pension fund benefits, which would normally come into payment between age 60 and 65. Alternatively, the pension rights could be transferred to another pension scheme. If the member of staff has less than 2 years pensionable membership, then they qualify for a refund of contributions.
- b) If the member of staff is **age 50 or over and has completed less than 1 year's service**, the basic package will consist of:
- A refund of pension contributions, chargeable to the Pension Fund
- c) If the member of staff is **age 50 or over and has completed 1 year but less than 2 years' service**, the basic package will consist of:
- A refund of pension contributions, chargeable to the Pension Fund; and
 - An immediate compensatory lump sum payment equivalent to 5 week's pay, chargeable to the employing Service;
- d) If the member of staff is **age 50 or over and has completed 2 years but less than 5 years' service**, the basic package will consist of:
- Immediate payment of the staff accrued pension fund pension and lump sum. The cost of pension based on actual service will be met by the Pension Fund. There will be a strain payment based on actuarial calculation of the cost of paying the pension early, charged to the employing Service. This will be calculated and notified by Pensions.

- Immediate payment of a Statutory Redundancy Payment where the member of staff ceases by reason of redundancy, chargeable to the employing Service.

e) If the member of staff is **age 50 or over and has completed at least 5 years' service**, the basic package will consist of:

- Immediate payment of the staff accrued pension fund pension and lump sum. The cost of pension based on actual service will be met by the Pension Fund. There will be a strain payment based on actuarial calculation of the cost of paying the pension early, charged to the employing Service. This will be calculated and notified by Pensions.
- Immediate payment of a Statutory Redundancy Payment where the member of staff ceases by reason of redundancy, chargeable to the employing Service.
- In addition a compensatory pension and lump sum based on an award of Compensatory Added Years can / should be paid. This is chargeable to the employing Service.

The maximum number of Compensatory Added Years that can be awarded is the shortest of the following periods:

- The number of years required to make up the persons service to 40 years.
- The period between the date of cessation and the persons 65th birthday.
- A period equal to the person's accrued service.
- 10 years.

Compensatory Added Years in respect of part-time staff will be based on the actual hours worked.

The number of compensatory added years can be reduced or not granted at all in order to ensure that revenue budget saving is achieved within 2 years.

f) Where a member of staff has been awarded more than six and two thirds Compensatory Added years and ceases employment by reason of redundancy, the compensatory lump sum, and ultimately the compensatory pension, can be reduced. In these circumstances the member of staff will be able to select either the maximum Compensatory Added Years award or a Compensatory Added Years award restricted to six and two thirds years.

g) Exceptionally, in addition to one of the above packages, the member of staff may also receive Payment in Lieu of Notice in respect of the unexpired period of the notice required to be given in accordance with the appropriate Conditions of Service. The member of staff may also receive payment in lieu of outstanding annual leave. These will only be authorised in exceptional circumstances where the member of staff has been unable to exhaust leave entitlement prior to employment ending, or the Valuation Joint Board has been unable to give sufficient contractual notice.

h) Staff who are aged 50 or over and who are not members of the Local Government Pension Scheme are covered by the Pension and Compensation regulations under which they can also be awarded up to 10 added years even if they have never been in the scheme. The cost of this will be met by the employing service. In addition, they would be entitled to payment in lieu of any unexpired period of notice and, if a redundancy situation, a statutory redundancy payment.

2.5 Options Where There is No Redundancy or Efficiency Saving

a) Age 50 to 60: The Valuation Joint Board can opt to release pension payments immediately where staff agree to resign even where redundancy or efficiency savings do not apply. Strain costs will have to be considered. Payments to staff would be reduced if the rule of 85 is not complied with. This would benefit the Valuation Joint Board by reducing the strain payments.

2.6 Re-Employment

Severance packages are normally justified by demonstrating the Valuation Joint Board will secure a financial benefit. An individual who has received a severance payment will not normally be eligible for re-employment and can only be considered in specific circumstances.

3.0 Administration Process

3.1 Introduction. The following sets out a draft process in the application of the Severance Scheme. The process ensures that the member of staff receives the maximum possible benefits within the boundaries of the Pension Regulations and the financial implications to the Valuation Joint Board.

3.2 The Process

3.2.1 Form Severance 1 and general template letter provided by Human Resources, amended as appropriate by the Assessor, to be disseminated to "targeted" staff.

3.2.2 The member of staff submits form Severance 1 to the Assessor indicating an interest in voluntary severance.

3.2.3 The Assessor decides whether or not the request is eligible for further consideration.

3.2.4 The Assessor will prepare a comprehensive assessment of the service delivery implications which will include proposals on the future execution of the work, to ensure that there is not an unacceptable detrimental effect on existing or future service provision as a result of granting the severance application.

3.2.5 The Assessor consults Human Resources to consider all personnel issues in connection with the potential retiral. All Severance 1 forms which have been approved by the Assessor will be forwarded to Human Resources.

3.2.6 For those staff who are being permitted to proceed with severance arrangements, Human Resources will firstly request information from Clackmannanshire Council Finance Services (Payroll) and then details of the financial implications from the Pensions Section.

3.2.7 The Pensions Section calculates benefits making up the package and forwards the financial implications to Human Resources for onward transmission to services.

3.2.8 The Service accountant and Assessor appraise the financial implications of granting severance based on service requirements, long term financial savings to the Valuation Joint Board, service improvement savings etc, against the Valuation Joint Board Policy.

3.2.9 The Assessor together with Human Resources will consult with the appropriate Trade Union about service delivery changes, job redesign etc prior to deciding whether the application can be granted.

3.2.10 The Assessor determines final package available to the member of staff in consultation with Human Resources who will advise the Pensions Section.

3.2.11 On obtaining final approval of the package to be offered to the member of staff, the Pensions Section will formally issue an offer to the member of staff.

3.2.12 The member of staff will, within two weeks of receiving the offer, formally notify Human Resources in writing whether the offer is accepted or rejected.

3.2.13 Human Resources advise the Pensions Section of the member of staff's decision and if accepted, confirm termination information.

3.2.14 Human Resources issue formal notice of redundancy to those staff leaving on voluntary severance.

4.0 Redundancy Procedure

4.1 Introduction. As staff costs are a major element of Valuation Joint Board expenditure, reductions may be required to achieve the necessary budget savings. The approach to achieving staff cost savings is based on the following guiding principles:-

4.1.1 The Valuation Joint Board's aim is to retain a balanced workforce with the skills, qualifications and competence to ensure effective execution of the Assessor's functions.

4.1.2 The Assessor will consult with JTUC or local trade union representatives in the identification and determination of areas of savings, and in the development and implementation of these procedures.

4.1.3 Potential for achieving savings in all areas of staff costs will be examined, including working patterns and practices and the interpretation and application of terms, conditions and allowances.

4.1.4 Staff reductions will be sought on a voluntary basis where possible.

4.1.5 Compulsory redundancy will be considered when all reasonable alternative voluntary means have been exhausted.

5.0 Outline Procedure - Voluntary Severance

5.1 Services will attempt to identify volunteers for severance whose release would enable a compulsory redundancy to be avoided. Services should note however, that any Superannuation STRAIN payment is currently directly chargeable to the base service. (The voluntary severance scheme is documented separately.)

6.0 Identify Posts Vulnerable to Compulsory Redundancy

6.1 The Assessor will identify and advise Human Resources of the numbers, types and locations of posts potentially compulsorily redundant. This should include the total number of such posts within the relevant group. (For example, 4 operatives' posts to be lost from a workforce of 50 operatives within the service and location, or linked locations between which individuals regularly move in the course of their jobs).

7.0 Redeployment Opportunities

7.1 The Assessor will implement internal re-arrangements within the service, which would facilitate the identification of redeployment opportunities. This should include a review of temporary, casual and over-time working within the service where redundancies are threatened, to reduce where possible, the use of these practices to avoid redundancy of permanent staff. In doing this, the Assessor should be sensitive to the rights and expectations of long term temporary or casual staff with more than one years' continuous service. Human Resources will advise in such situations.

7.2 Human Resources will collate a list of individuals based upon information supplied by the Assessor of who would be prepared to accept severance if a suitable internal replacement could be found with a subsequent job becoming redundant. Managers responsible for these jobs should complete a brief pro-forma list of the essential and desirable qualities required, based upon the job profile for each post. Guidance and standard format for this will be provided by Human Resources.

7.3 Human Resources will co-ordinate a list of current vacancies and circulate to those identified as suitable for redeployment.

7.4 Staff who are transferred into suitable alternative employment which carries a lower salary will do so on a cash conserved basis for a period of 6 months from the date of transfer to allow for adjustment to the lower salary. After this period has expired, payment will be 'rate for the job'.

8.0 Redeployment Process

8.1 The aim is to achieve as streamlined and speedy a process as possible consistent with fair and equal consideration for all individuals involved.

8.2 The Assessor will attempt to reconcile redeployment needs and opportunities within the service in the first instance. In doing this, restricted recruitment may be necessary among a specified group of staff. The process to be followed should be made clear to the individuals involved, and be the subject of local consultation with staff representatives.

8.3 The following steps should be adopted in each situation.

a) Individuals in the defined surplus groups (as described in Paragraph 4 above) will be provided with a summary of the available posts and requirements of the posts.

b) These individuals would all be invited to consider voluntary severance, and will be invited to volunteer for redeployment by indicating their interest and order of preference for the available posts. In each case they should complete a brief Pro Forma (provided by Human Resources) showing how they meet the requirements of each post which is of interest to them.

c) The response / responses will be collated and people selected for redeployment interviews, based on achieving the maximum number of redeployments of suitable candidates.

d) Managers will interview and decide appointments on the basis of assessing candidates for suitability, with the best candidate from the potential redeployees being appointed. Where a candidate meets the minimum criteria, an appointment should be made - in other words, Managers should not decline to make an appointment on the grounds that in free open advertising they may be able to recruit an even better candidate. Any retraining costs will be identified and met by the base service.

e) Managers should record and feedback reasons for decisions to Human Resources who will then collate the results and prepare a list of any residual surplus areas, types and numbers of posts where reductions still need to be achieved.

f) A similar process, on a service-wide basis, including vacancies as well as posts available to staff will be collated to aim to redeploy any individuals who remain.

9.0 Compulsory Redundancy

9.1 When all voluntary means are exhausted, and surplus groups remain the Valuation Joint Board's compulsory redundancy selection criteria would then be applied to achieve the balance of necessary redundancies. These will be applied within groups of staff within services as identified at the start of the process.

9.2 Selection for redundancy among a defined group of staff will be on the basis of assessment against a number of common criteria including qualifications and performance, attendance, disciplinary record and length of service. Given the aim to retain the workforce best equipped to deliver services, greater weight will be on job related factors.

9.3 Assessments will be carried out by managers, assisted by Human Resources. An assessment sheet, which sets out the criteria and the weighting to be given to each one will be completed in discussion with each member of staff involved. Those who are assessed as the lowest scoring in the group would be selected for redundancy. A copy of the assessment sheet, together with guidance for managers in carrying out the process is contained in Section 11.0 below.

9.4 Contractual notice of termination of employment by reason of redundancy would be served to those individuals identified through this process. Endeavours to find alternatives to compulsory redundancy of an individual will continue until the effective date of termination.

10.0 Consultation and Communication

10.1 At each stage of the process, trade union representatives will be consulted as will staff in the affected groups. At the outset, the relevant trade unions will be invited to confirm the route by which they wish consultation to take place.

10.2 Consultation should be based on the following:-

- start when proposals are at a formative stage;
- contain adequate information on which to respond;
- give adequate time in which to respond;
- conscientious consideration by the authority to the response to consultation.

Services and Human Resources should act jointly in consultation processes to help ensure a corporate perspective and consistent approach.

10.3 Where any compulsory redundancy results in the removal of Assessor, Depute Assessor, or statutory depute Assessor from post the relevant legislation should be taken into account [Section 27(6) Local Government (Scotland) Act 1994]

11.0 Compulsory Redundancy Employee Assessment - Manager's Guide

11.1 Introduction. The purpose of this process is to ensure consistent treatment of all staff in a group where redundancy is required, to ensure that the selection is fair and is based as far as possible on objective evidence of job related factors.

11.2 Redeployment / suitable alternative employment.

11.2.1 The format should be an interview discussion with each individual together with their Line Manager and Human Resource Adviser at which the factual position in each of the factors described below should be confirmed. Line Manager in this context will be Assessor, Depute Assessor, Assistant Assessor, Depute ERO

11.2.2 The assessment sheet lists the factors to be considered, and shows the weighting to be applied to each one. The process is based on the assessors awarding a score against each factor. The total scores are compared across the group and the lowest scoring individuals selected for redundancy.

11.2.3 It is important that the evidence on which the assessment is based is accurate and consistent. Guidance on this part of the process is set out below:-

12.0 Scoring Assessment Factors

12.1 Essential Qualifications and Competencies:

The scoring for this factor is divided into qualifications and competencies with an overall maximum of 50 points.

Essential qualifications should be taken from the Job Profile.

Level	Points
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Fully Qualified	15
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Partly Qualified	10
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Studying Toward OR

Other Relevant Qualification	5
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12.2 The management team should develop a list of around 6 key competencies which are a requirement of the job and use the guidelines below for assessment.

Assessment by manager based on interview and discussion of job performance. Formal assessments / appraisal should also be used whenever available.

Scale	Scoring	Points
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Exceptional	46 - 60	35
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Fully Effective	31 - 45	25
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Effective	16 - 30	15
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Not Effective	0 - 15	0
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12.3 Attendance (Source: service record)

Absence in Last 3 Years	Points
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Less than 4% in 3 episodes or less	20
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Less than 4% in more than 3 episodes	10
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4% or more 3 episodes or less	0
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4% or more in more than 3 episodes -10

12.4 Discipline(Source: personal record)

Spent discipline record is disregarded.

Warning	Points
Oral	-2
Written	-5
Final Written	-10
None	+10

12.5 Length of Service (Source: personal / payroll records and Redundancy Modification Order)

Years	Points
0 and up to 2	+4
over 2 but up to 5	+8
over 5 but up to 10	+12
over10 but up to 15	+16
more than 15	+20

12.6 Guidance In Scoring Competencies

Consider which of the following sets of description most closely fits the individual. All may not be relevant to a particular job.

Exceptional (10 points)

- Always meets or exceeds the most challenging objectives
- Is an example to others and motivates others to perform well individually or in teams
- Regularly exceeds high quality standards
- Demonstrates a higher level of skill / knowledge than normally expected in comparison to others at the same level
- Can carry responsibilities and achieve excellence at a level greater than currently employed
- Takes on more challenging work than normally expected at this level: given most difficult / complex tasks at this level.
- Is highly innovative
- Significantly enhances the reputation of the organisation.

Fully Effective (7 points)

- Consistently meets all objectives and sometimes exceeds them.
- Delivers to high quality standards
- Establish good working relationships, internally and externally
- Demonstrates effective skills / knowledge / behaviour, sometimes in excess of what is normally expected
- Prioritise work
- Contributes effectively to team on a personal level and encourages others
- Performs effectively with minimum supervision - can be relied upon to deliver. Responds to challenge or dealing with difficult tasks

Effective (5 points)

- Meets most objectives and acts to prevent slippage
- Usually delivers work to agreed or acceptable quality standards
- Has sufficient technical skills, behavioural skills and experience to do the job effectively in most areas, though more time may be needed to develop skills in certain areas
- Can be relied on to get the job done, but may require some guidance when dealing with the unfamiliar
- Generally develops good working relationship, but may sometimes be unaware of wider effect of actions
- Objectives set are in line with normal expectations

Not Effective (0 points)

- Does not achieve targets
- Does not have the skills / knowledge / behaviour to effectively perform in the job
- Rarely delivers to quality standards expected
- Displays poor judgement
- Cannot manage time which has an adverse impact on others
- Does not contribute to team
- Does not develop good working relationships with colleagues / customers
- Cannot be relied upon
- Requires supervision and guidance to a degree that adversely impacts on work of others

Redundancy Selection Assessment Sheet

NAME:		
JOB TITLE:		
LOCATION:		DATE:

This "Detailed Employee Assessment Sheet" is part of the procedure in securing a fair and reasonable decision on the proposed redundancy both for the member of staff and the Valuation Joint Board.

As part of the procedure in selecting one or more members of staff for redundancy, consideration to the following criteria below will be made. Using reasonable objectivity, a weighting will be allocated to each of the areas listed below:

Criterion	Weighting	Score	Comments
Qualifications and Competency:	50		
Attendance (Last 3 yrs):	20		
Disciplinary Record:	10		
Length of Service:	20		
Total	100		

Assessors	Date	Job Title
Signature:		
Signature:		
Reviewer	Date	Job Title
Signature:		

Central Scotland Valuation Joint Board

Voluntary Severance Policy

1.0 Voluntary Severance Policy

1.1 Notes: "Assessor" includes "ERO"

1.2 The Valuation Joint Board recognises that due to financial pressures it may look to achieve reductions in staff costs through the mechanism of Voluntary Severance.

1.3 The Valuation Joint Board will aim to maintain a balanced workforce with the skills, qualifications and competence to ensure effective execution of its and the Assessor's functions.

1.4 The Assessor will consult with the Staff Consultation Forum in the development and implementation of these procedures. This consultation will commence as early as practicable in the process.

1.7 The Assessor, in conjunction with Human Resources at Clackmannanshire Council will seek applications for voluntary severance from employees.

2.0 Severance Payments Management Guidelines

2.1 **Eligible Staff.** To be eligible for consideration under this Scheme, members of staff must either be a member of the Local Government Pension Scheme or be eligible to be a member and must be a permanent member of staff.

2.2 The eligibility for pension and compensatory benefits is determined by reference to the age and length of service as follows:

Age at Date of Severance	Length of Service at Date of Severance	Pension Benefits (if applicable)	Compensatory Benefits
50 and over	less than 1 year	Refund of contributions/transfer of contributions	None
50 and over	at least 1 but less than 2 years	Refund of contributions/transfer of contributions	Immediate lump sum payment
55 and over	at least 2 years but less than 5 years	Immediate Pension and Lump Sum	None
55 and over	at least 5 years	Immediate Pension and Lump Sum	Compensatory added years

Aged between 50 and 54 and a member of LGPS on 5th April 2006	at least 2 years but less than 5 years	Immediate Pension and Lump Sum	None
Aged between 50 and 54 and a member of LGPS on 5th April 2006	at least 5 years	Immediate Pension and Lump Sum	Compensatory added years

If a member has more than two years membership and is aged between 50 and 54 and was **not** a member of the LGPS as at 05/04/2006 they would not receive immediate pension benefits but instead would be entitled to a deferred pension payable reduced at age 60 or in full at pensionable age.

Length of service for the purpose of calculating compensatory benefits is continuous local authority service. For the purpose of calculating pension benefits, it is the period of scheme membership together with any transferred in pensionable service.

The maximum number of Compensatory Added Years that can be awarded is the shortest of the following periods:

- The number of years required to make up the persons service to 40 years.
- The period between the date of cessation and the persons 65th birthday.
- A period equal to the person's accrued service.
- 3 years.

Compensatory Added Years in respect of part-time staff will be based on the actual hours worked.

The number of compensatory added years can be reduced or not granted at all in order to ensure that revenue budget saving is achieved within 2 years.

2.3 Calculating the Severance Package

Please see the attached appendix which outlines package based on age and length of service for lump sum payment.

Employees aged from 23 and over to under 50

May receive a lump sum of up to the maximum sum equal to 66 weeks pay.

Employees aged 50 and over and not a member of the pension scheme

Depending on the length of service an employee may receive a lump sum of up to a maximum sum equal to 66 weeks salary.

In addition to one of the above packages, the member of staff may also receive up to 12 weeks' notice dependant on their length of service (one week per year served up to a maximum of 12 weeks). They will be expected to work their notice period. However, by mutual agreement they may be able to waiver or shorten their notice period. Any outstanding annual leave or floating days will require to be taken before the employee leaves the Board's Service.

2.4 Re-Employment

Severance packages are normally justified by demonstrating the Valuation Joint Board will secure a financial benefit. On this basis the employee will be asked to accept that no future employment opportunities will be offered to the employee by the VJB following termination of the current employment.

2.5 Tax and Deductions

2.5.1 A compensatory lump sum may be subject to the deduction of income tax depending on the level of the termination package.

2.5.2 It is a condition of the policy and a term of the employee's contract of employment that any outstanding payments due to the Valuation Joint Board will be deducted from the final salary and/or compensatory package.

3.0 Administration Process

3.1 Introduction.

The following sets out a draft process in the application of the Severance Scheme. The process ensures that the member of staff receives the maximum possible benefits within the boundaries of the Pension Regulations and the financial implications to the Valuation Joint Board.

3.2 The Process

3.2.1 Severance Form and general template letter provided by Human Resources, amended as appropriate by the Assessor, to be disseminated to "staff.

3.2.2 The member of staff submits Severance Form to Human Resources indicating an interest in voluntary severance.

3.2.3 The Assessor decides whether or not the request is eligible for further consideration.

3.2.4 The Assessor will prepare a comprehensive assessment of the service delivery implications which will include proposals on the future execution of the work, to ensure that there is not an unacceptable detrimental effect on existing or future service provision as a result of granting the severance application.

3.2.5 The Assessor consults Human Resources to consider all personnel issues in connection with the potential retiral. .

3.2.6 Human Resources will firstly request information from Clackmannanshire Council Finance Services (Payroll) and then details of the financial implications from the Pensions Section.

3.2.7 The Pensions Section calculates benefits making up the package and forwards the financial implications to Human Resources for onward transmission to services.

3.2.8 The Service accountant and Assessor appraise the financial implications of granting severance based on service requirements, long term financial savings to the Valuation Joint Board, service improvement savings etc, against the Valuation Joint Board Policy.

3.2.9 The Assessor determines final package available to the member of staff in consultation with Human Resources who will advise the Pensions Section. The Assessor's decision is final on the matter and there is no right of appeal.

3.2.10 On obtaining final approval of the package to be offered to the member of staff, the Pensions Section will formally issue an offer to the member of staff.

3.2.11 The member of staff will, within two weeks of receiving the offer, formally notify Human Resources in writing whether the offer is accepted or rejected.

3.2.12 Human Resources advise the Pensions Section of the member of staff's decision and if accepted, confirm termination information.

3.2.13 Human Resources will issue the formal letter confirming the agreed severance arrangements to the member of staff leaving under this policy.

DRAFT

ENHANCED VOLUNTARY SEVERANCE**APPENDIX 1****This calculation can be used for the following :**

- (i) Under 50 years of age and a member of the Pension scheme (Pensions funds cannot be accessed)
- (ii) Under 50 years of age and NOT a member of the Pension scheme
- (iii) Over 50 and NOT a member of the Pension scheme

AGE	COMPLETED YEARS SERVICE																														
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	
18	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
19	-	1/2	1/2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
20	-	1	1	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
21	-	1 1/2	2	2	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
22	-	2	2 1/2	3	3	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
23	-	4	6	8	10	10	10	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
24	-	4	6	8	10	12	12	12	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
25	-	4	6	8	10	12	14	14	14	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
26	-	4	6	8	10	12	14	16	16	16	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
27	-	4	6	8	10	12	14	16	18	18	18	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
28	-	4	6	8	10	12	14	16	18	20	20	20	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
29	-	4	6	8	10	12	14	16	18	20	22	22	22	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
30	-	4	6	8	10	12	14	16	18	20	22	24	24	24	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
31	-	4	6	8	10	12	14	16	18	20	22	24	26	26	26	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
32	-	4	6	8	10	12	14	16	18	20	22	24	26	28	28	28	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
33	-	4	6	8	10	12	14	16	18	20	22	24	26	28	30	30	30	-	-	-	-	-	-	-	-	-	-	-	-	-	
34	-	4	6	8	10	12	14	16	18	20	22	24	26	28	30	32	32	32	-	-	-	-	-	-	-	-	-	-	-	-	
35	-	4	6	8	10	12	14	16	18	20	22	24	26	28	30	32	34	34	34	-	-	-	-	-	-	-	-	-	-	-	
36	-	4	6	8	10	12	14	16	18	20	22	24	26	28	30	32	34	36	36	36	36	-	-	-	-	-	-	-	-	-	
37	-	4	6	8	10	12	14	16	18	20	22	24	26	28	30	32	34	36	38	38	38	38	-	-	-	-	-	-	-	-	
38	-	4	6	8	10	12	14	16	18	20	22	24	26	28	30	32	34	36	38	40	40	40	-	-	-	-	-	-	-	-	
39	-	4	6	8	10	12	14	16	18	20	22	24	26	28	30	32	34	36	38	40	42	42	42	42	-	-	-	-	-	-	
40	-	4	6	8	10	12	14	16	18	20	22	24	26	28	30	32	34	36	38	40	42	44	44	44	44	-	-	-	-	-	
41	-	4	6	8	10	12	14	16	18	20	22	24	26	28	30	32	34	36	38	40	42	44	46	46	46	46	-	-	-	-	
42	-	7	9	11	13	15	17	19	21	23	25	27	29	31	33	35	37	39	41	43	45	47	49	51	51	51	-	-	-	-	
43	-	10	12	14	16	18	20	22	24	26	28	30	32	34	36	38	40	42	44	46	48	50	52	54	56	56	56	-	-	-	
44	-	10	15	17	19	21	23	25	27	29	31	33	35	37	39	41	43	45	47	49	51	53	55	57	59	61	61	61	-	-	
45	-	10	15	20	22	24	26	28	30	32	34	36	38	40	42	44	46	48	50	52	54	56	58	60	62	64	-	-	-	-	
46	-	10	15	20	25	27	29	31	33	35	37	39	41	43	45	47	49	51	53	55	57	59	61	63	65	-	-	-	-	-	
47	-	10	15	20	25	30	32	34	36	38	40	42	44	46	48	50	52	54	56	58	60	62	64	-	-	-	-	-	-	-	
48	-	10	15	20	25	30	35	37	39	41	43	45	47	49	51	53	55	57	59	61	63	65	-	-	-	-	-	-	-	-	
49	-	10	15	20	25	30	35	40	42	44	46	48	50	52	54	56	58	60	62	64	-	-	-	-	-	-	-	-	-	-	
50	5	10	15	20	25	30	35	40	45	47	49	51	53	55	57	59	61	63	65	-	-	-	-	-	-	-	-	-	-	-	
51	5	10	15	20	25	30	35	40	45	50	52	54	56	58	60	62	64	-	-	-	-	-	-	-	-	-	-	-	-	-	
52	5	10	15	20	25	30	35	40	45	50	55	57	59	61	63	65	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
53	5	10	15	20	25	30	35	40	45	50	55	60	62	64	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
54	5	10	15	20	25	30	35	40	45	50	55	60	65	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
55	5	10	15	20	25	30	35	40	45	50	55	60	65	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
56	5	10	15	20	25	30	35	40	45	50	55	60	65	-	-	-	-	MAXIMUM 66 WEEK'S PAY APPLIES										-	-	-	-
57	5	10	15	20	25	30	35	40	45	50	55	60	65	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
58	5	10	15	20	25	30	35	40	45	50	55	60	65	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
59	5	10	15	20	25	30	35	40	45	50	55	60	65	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
60	5	10	15	20	25	30	35	40	45	50	55	60	65	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
61	5	10	15	20	25	30	35	40	45	50	55	60	65	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
62	5	10	15	20	25	30	35	40	45	50	55	60	65	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
63	5	10	15	20	25	30	35	40	45	50	55	60	65	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
64 *	5	10	15	20	25	30	35	40	45	50	55	60	65	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	

Expressed in number of weeks pay

MAXIMUM 66 WEEK'S PAY APPLIES

*N.B. Maximum payable must not exceed one week's pay for each complete week between the date of termination and the Employee's Normal Retirement Date .

VOLUNTARY SEVERANCE

Employee Fact Sheet

The Board and the management team in consultation with staff and the Trade Union have been working hard over a number of years to deliver our budget in what has been a challenging financial climate. This challenging environment continues and our priority as an employer is to protect as many jobs as possible and achieve a balanced budget, but in order for us to do this we have to reduce the overall wage bill over the next few years.

We are now in a position where staff if they are interested are invited to put forward their interest in Voluntary Severance to allow the Board to realise efficiency savings in relation to the overall wage bill.

Given continued budget pressures management team are not clear whether the Board will be in a position to sustain further Voluntary Severance on the current terms beyond the proposed round.

If you are, or think that you might be interested in a Voluntary Severance Package then the following process will apply.

- You should complete and submit an expressions of interests form to Diana Kerr, HR Advisor at Clackmannanshire Council.
- If you are eligible to receive your pension Clackmannanshire Council's payroll team will produce a form (S22) which will be sent to the Falkirk Pension scheme in order to obtain the relevant costs.
- If you are eligible to a lump sum this will be calculated by the Clackmannanshire Council's Finance Section.
- Once the costs are received either from our pension provider or Clackmannanshire Council Finance Section these will be shared with you and the Assistant Assessor and Assessor with regards to what your package would be.
- The Assistant Assessor and Assessor will then consider the overall costs and make a decision as to whether or not your application for VS is being accepted.
- The final decision will be taken by the Assessor.

If your VS is approved by the Assessor then HR will then process the necessary paperwork to expedite your VS, they will write to you confirming the details of your VS along with a Settlement Agreement which you must complete prior to leaving your employment. If you do not return the relevant paperwork this will result in your VS application being withdrawn.

This fact sheet has been put together to give you some more information to help you decide about voluntary severance.

VOLUNTARY SEVERANCE

Employee Fact Sheet

Your application for VS will be dependent upon 2 main things:-

- 1) **Service delivery/business need** - i.e. can the Assessor/ERO allow you to leave without seriously affecting service delivery?
- 2) **Affordability** - can the severance costs be recovered within 2 years?

Where a Voluntary Severance form is completed this does not necessarily mean that your application will be accepted, e.g. it may be that your application will still be refused because it would cost too much to let you go.

The deadline for supported applications to be submitted to Diana Kerr at HR is 10th July 2015

How much might you receive under VS?

The severance package will be dependent upon the following:-

- 1 Your age: are you over or under 50 years?
- 2 Your length of Service
- 3 Whether or not you are a member of the Pension Scheme

Severance Package calculations:

1. Employee aged between 23 and under 50 years: Depending on your length of service you may receive a lump sum of up to a maximum sum equal to 66 weeks' salary. As a general rule, the longer your service, the greater the sum. This applies whether or not you are a member of the pension scheme.

2. Employee aged 50 years plus and a member of the pension scheme:

See Table below:

VOLUNTARY SEVERANCE

Employee Fact Sheet

Age at Date of Severance	Length of Service at Date of Severance	Pension Benefits (if applicable)	Compensatory Benefits
50 and over	less than 1 year	Refund of contributions/transfer of contributions	None
50 and over	at least 1 but less than 2 years	Refund of contributions/transfer of contributions	Immediate lump sum payment
55 and over	at least 2 years but less than 5 years	Immediate Pension and Lump Sum	None
55 and over	at least 5 years	Immediate Pension and Lump Sum	Compensatory added years
Aged between 50 and 54 and a member of LGPS on 5th April 2006	at least 2 years but less than 5 years	Immediate Pension and Lump Sum	None
Aged between 50 and 54 and a member of LGPS on 5th April 2006	at least 5 years	Immediate Pension and Lump Sum	Compensatory added years

If a member has more than two years membership and is aged between 50-54 and was not a member of the LGPS as at 05/04/2006 they would not receive immediate pension benefits but instead would be entitled to a deferred pension payable reduced at age 60 or in full at pensionable age.

Length of service for the purpose of calculating compensatory benefits is continuous local authority service. For the purpose of calculating pension benefits, it is period of scheme membership together with any transferred in pensionable service.

The maximum number of Compensatory Added Years that can be awarded is the shortest of the following periods:

- The number of years required to make up the persons service to 40 years.
- The period between the date of cessation and the persons 65th birthday.
- A period equal to the person's accrued service.
- 3 years.

VOLUNTARY SEVERANCE

Employee Fact Sheet

Compensatory Added Years in respect of part-time staff will be based on the actual hours worked.

The number of compensatory added years can be reduced or not granted at all in order to ensure that revenue budget saving is achieved within 2 years.

3. Employee aged 50 yrs plus and not a member of the pension scheme :

Depending on your length of service you may receive a lump sum of up to a maximum sum equal to 66 weeks' salary. As with 1 above, typically the longer your service, the greater the sum. This would not apply if you are a member of the pension scheme.

Standard Conditions:

Notice Period. If you opt for Voluntary Severance you will be entitled to up to 12 weeks notice dependant on your length of service (one week per year served up to a maximum of 12 weeks). You will be expected to work your notice period. However, by mutual agreement you may be able to waiver or shorten your notice period.

Annual Leave. You will be expected to take any outstanding annual leave before your departure.

Board Property. Before you leave you must make sure that all Board property (incl PC, Laptops, Palmtops, Mobile Phones, publications, keys and passes) are returned to your Manager

If you have any questions please contact Jane Wandless (x2204) or Diana Kerr at HR (01259 452180)

Issued by the Assessor

June 2015