

Report to: Governance Committee

Date of meeting: 20 September 2019

By: Chief Operating Officer

Title: Re-engagement of Previously Redundant Employees

Purpose: To consider changes to the Council's Managing Change Policy and Voluntary Severance Scheme regarding the circumstances under which redundant employees can later be re-engaged.

RECOMMENDATIONS

The Governance Committee is recommended to approve the changes to the Council's Managing Change Policy and Voluntary Severance Scheme as set out in the report.

1 Background

1.1 As part of the Council's employment policies, we have in place a Managing Change Policy, setting out the agreed approach to managing organisational changes, including compulsory redundancies.

1.2 The Council also operates a Voluntary Severance Scheme (VSS). This is open on an ongoing basis, and allows employees to apply for redundancy, subject to there being a sound supporting business case which meets set criteria.

1.3 Both the Managing Change Policy and the VSS are periodically reviewed to ensure that they still meet the organisational needs of the Council. While both policies are generally fit for purpose, it is proposed that the wording around re-engagement of redundant employees is updated, to better reflect the scale and pace of change facing the organisation.

2. Proposed changes

2.1 Both the Managing Change Policy and the VSS work on the explicitly stated presumption that redundant employees will not later be re-engaged. This presumption against re-engagement helps ensure that the Council does not make a redundancy payment to an individual only to later re-engage them, thereby ensuring Council funds are used appropriately, as well as protecting the organisation from potential reputational damage.

2.2 However, given the level of organisational change over recent years and the continuing financial challenges, the scale of reductions may mean that there are occasions where an individual has been appropriately made redundant and that some months/years later, a role for which the previous employee has the necessary knowledge, skills and experience is advertised and the previous employee is the best candidate.

2.3 At present therefore, the Managing Change Policy and VSS provide scope to re-engage employees who have been made redundant, subject to the following conditions:

- the re-engagement should be for a fixed term, not exceeding one year (in exceptional circumstances this may be extended);
- the rate of pay applied to the work undertaken by the re-engaged employee should be that appropriate to the work to be done and not the grade which applied to the employee in the employment that they were made redundant from; and,
- the arrangement must provide financial/operational advantage to the County Council and must be approved by the appropriate Chief Officer.

2.4 The restriction around individuals who have previously been made redundant to be re-engaged on a fixed term basis for one year has, on occasion, limited the Council's ability to appoint the best person to the post. In order not to restrict or limit the Council's options in relation to filling roles, it is proposed that this requirement is removed. This will give greater flexibility to re-engage previously redundant employees where there is a sound business reason to do so and will also ensure that talented and experienced previous employees who have been made redundant are not unfairly precluded from returning to work for us.

2.5 In order to ensure that the decision to re-engage is made close to the area of business activity, whilst retaining an appropriate level of scrutiny, it is proposed to update the level of authorisation for re-engagement to be in line with other policies so that the decision to re-engage must be approved by the appropriate Assistant Director in conjunction with the Head of Human Resources and Organisational Development, rather than by the Chief Officer, as present.

3. Recommendations

3.1 The Governance Committee is recommended to approve the amendments to the Managing Change Policy and VSS so that:

3.1.1 the current restriction around individuals who have previously been made redundant to be re-engaged on a fixed term basis for one year is removed, and

3.1.2 approval for any decision to re-engage a previously redundant individual is made by the appropriate Assistant Director in conjunction with the Head of Human Resources and Organisational Development.

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