

**21<sup>st</sup> April, 2009 - This report was originally considered in Part 2 as it contained confidential Information. The Unions have now agreed the content and the report can be released to the public.**

**WILTSHIRE COUNTY COUNCIL**

**AGENDA ITEM NO. 13**

**IMPLEMENTATION EXECUTIVE  
9<sup>th</sup> July, 2008**

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## **SEVERANCE ARRANGEMENTS**

### **Purpose**

1. To consider the Trade Union representations in respect of the Implementation Executives decision on severance arrangements.

### **Background**

2. At its meeting in March the Implementation Executive considered and adopted the attached paper, also recommending it for adoption by each of the constituent authorities as soon as practicable

3. Paragraph 22 of the attached paper states “

“The proposals in this paper have not yet been the subject of any consultation with the Trade Unions. They would need to be. It is therefore proposed that whatever arrangements are adopted in principle by the Implementation Executive should be subject to consultation with the outcome of that consultation reported back at the earliest opportunity.”

### **Trade Union Consultations and Comments**

4. There have now been consultations with the Trade Unions through the Joint Consultative Committee. Their position is as follows:-
  - 4.1 They generally welcome the approach as fair and reasonable.
  - 4.2 They are seeking that the choice open to those aged 50 years and over as set out in paragraph 17.2 and 17.3 of that earlier report be amended so that capping be at the level of the Discretionary Compensation Regulations with the multiplier of four rather than at the level of the lower cost to the employer of the two options.
  - 4.3 There is doubt whether service restructuring and consequent changes to staffing levels will have been achieved within two years of vesting day and are therefore requesting that the review be conducted later than April 2011.

### **Considerations**

5. The Trade Union position in respect of capping at the level of Discretionary Compensation Regulations with a multiplier of four appears to have some merit.
  - 5.1 It would apply the same arrangements to those aged over 50 years who choose Discretionary Compensation Regulation as to those aged under 50 years.
  - 5.2 Although it has never been tested in the Courts, it would avoid any possible challenge that the arrangements approved previously constitute unfair age discrimination, i.e. those Discretionary Compensation Arrangements relatively disadvantage those aged over 50 years as against those aged under 50 years (although of course those aged over 50 years do have the additional benefit of choice of augmentation or Discretionary Compensation Regulations).
  - 5.3 As paragraph 15 of that earlier report indicates, at this stage severance costs can only be estimated and financial provision of £7,000,000 has been made. The Treasurer doubts whether agreement to the Trade Union side representations would have any significant impact upon costs and affordability. (The examples and appendices A1 and A2 of the attached report support this view).
6. If the review takes place in April 2011 the Trade Unions will have the opportunity at that time to make whatever representations they wish to make.

### **Recommendation**

7. The Implementation Executive is asked to consider the Trade Union side representations.

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