Folkestone & Hythe
District Council

Report Number **A/23/27**

To: **Council**
Date: **3 April 2024**
Status: **Non Executive Decision**
Chief Executive: **Dr Susan Priest**
Personnel Committee Chair: **Councillor Connor McConville**

SUBJECT: VOLUNTARY REDUNDANCY

SUMMARY:

This report provides information relating to the voluntary redundancy of employee 14290.

REASON FOR RECOMMENDATIONS:

Voluntary redundancy was agreed for employee 14920 in October 2023, however the final costs from the Local Government Pension Scheme have far exceeded the estimate meaning that this must now be brought to the attention of Council. Personnel committee has satisfied itself that the costs relate purely to the contractual obligations of the council when making a post redundant and officers recommend that council note this decision.

RECOMMENDATIONS

1.   To receive and note Report A/23/27.
2.   To note that the redundancy and associated costs for employee 14290 were agreed and paid from the Transformation Fund, as set out in the council report A/23/15 included in the 23/24 budget.

1. BACKGROUND

1.1 Personnel Committee considered the report (P/23/07) from the Chief Officer – People & Customer Services detailing that the permanent post held by employee 14290 had been deleted due to a voluntary redundancy request by that post holder. The voluntary redundancy took place on 30th November 2023 in accordance with council procedures and the individual's contract of employment.

Report P/23/07 is attached as Appendix 1, along with an extract of the draft minutes from Personnel Committee on 12th March 2024 as Appendix 2.

1.2 The committee sought reassurances relating to the process and detailed costs of the action taken and was satisfied that the officers involved had taken all feasible and relevant steps to ensure that due process had been followed. The committee noted that on this basis the dramatic increase in pension costs could not have been foreseen and were clear that the issues lay with the administration of the Kent Pension Fund.

2. COSTS ASSOCIATED WITH THE REDUNDANCY

2.1 The redundancy payment is £9,616.56 and the final cost of the payment to be made to the Local Government Pension Scheme is £151,305.17. Therefore the total cost to the council is £160,921.73.

Guidance on the calculation of redundancy payments and the Local Government Pension Regulations are attached as Appendix 3 to provide assurance to members that the amount stated above is not subject to any enhancements.

2.2 Under the annually approved Pay Policy Statement there is a requirement to offer full council the opportunity to vote on exit packages which are greater that £100,000. In this particular instance the exit package comprising redundancy (paid to the employee) and pensions costs (to be paid to the Local Government Pension Scheme) have already been agreed and therefore Council is asked to **note** this information.

3. LEGAL / FINANCIAL AND OTHER CONTROLS / POLICY MATTERS

3.1 **Legal Officer's Comments (AK)**

The legal position is set out within the main body of this report.

3.2 **Finance Officer's Comments (OO)**

The financial costs associated with this report will be met from the Transformation Fund as set out in council report A/23/15 in the 23/24 budget.

3.3 **Diversities and Equalities Implications (ASm)**

There are no specific diversities and equalities implications arising from this report.

4. **CONTACT OFFICERS AND BACKGROUND DOCUMENTS**

Councillors with any questions arising out of this report should contact the following officer(s) prior to the meeting:

Dr Susan Priest, Chief Executive
Tel: 01303 853203
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Andrina Smith, Chief Officer – People & Customer Services
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The following background documents have been relied upon in the preparation of this report:

None

Appendices:

Appendix 1: Personnel Committee Report dated 12th March 2024 (P/23/07)
Appendix 2: Guidance Notes: calculating redundancy payments and the Local Government Pension Scheme regulations