Finance and Resources Committee

10.00am, Thursday 17 March 2016

Re-employment and Re-engagement of staff

Item number 7.4

Report number Executive/routine

Wards All

Executive summary

The purpose of this report is to seek approval in relation to the re-engagement or reemployment of former employees who have left employment with the Council through Voluntary Early Release Agreement (VERA) or Voluntary Redundancy (VR).

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Report

Re-employment and Re-engagement of staff

Recommendations

- 1.1 It is recommended that the Committee agree the proposed time bar of one year (from date of leaving) before re-engagement or re-employment of former employees who have left employment with the City of Edinburgh Council via Voluntary Early Release Agreement (VERA) or Voluntary Redundancy (VR); and
- 1.2 To refer this report to the Governance, Risk and Best Value Committee to consider as part of its work-plan.

Background

- 2.1 As part of the Transformation Programme it is estimated that up to 2,000 staff will leave the Council through VERA and VR.
- 2.2 In relation to employees who leave via VERA our current position is that the Council will not normally re-engage in a similar role or as a consultant in the 6month period after leaving.
- 2.3 In relation to VR, the Council's current position is that we will not automatically exclude or refuse to accept an application for a vacancy from a former employee who has received a redundancy payment.

Main report

- The current position on re-engagement of employees who have left via VERA or VR are within current Voluntary Early Release Arrangements (VERA) (paragraph 7.3) and the current Redundancy Procedure (RP) (paragraph 12.4).
- 3.2 It is recognised that a number of employees will be leaving over the coming months therefore, it is necessary that a consistent position is taken and is communicated and understood by staff, recruiting managers and recruitment suppliers regarding the possible re-employment of staffing leaving through VERA/VR arrangements
- 3.3 It is recommended that the Council agree a time bar of one year (from date of leaving) before re-employment or re-engagement of employees who have left employment with the City of Edinburgh Council via VERA or Voluntary

- Redundancy. This includes permanent positions, fixed term contracts and agency/temporary posts.
- 3.4 There may be exceptional circumstances to this and these will be approved by the relevant service area Executive Director to ensure this approach is not seen as a form of blanket exclusion. An example of this, might be in certain roles which are difficult to recruit too (although the Council will always seek to resource plan in advance to mitigate such situations), and this position will be kept under review.
- 3.5 The proposed length of exclusion has been considered against the backdrop of the City of Edinburgh Council's Pledges Providing for Edinburgh's economic growth and prosperity; reducing poverty, inequality and deprivation. A period beyond one year may be seen to counter these very objectives given the Council is the second largest employer in the city.
- 3.6 Benchmarking of other local authorities. Of the 14 local authorities who provided benchmarking data:
 - three have no time bar; and
 - the remaining 11 have time-bars in place ranging from 6 months to never employing again (with 5 having a position of the ex-employee not being employed by the Council again in any capacity).
- 3.7 Consultancy arrangements are covered by Procurement Guidance and it is not proposed that this recommendation includes the treatment of individuals who tender for public contracts because of the current and new procurement rules in force as from 18 April 2016. The Public Contracts (Scotland) Regulations 2015 and the Procurement (Scotland) Regulations 2016 regulate the treatment of potential providers tendering for public contracts. These Procurement Regulations set out the grounds when a provider must be excluded and when they may be excluded. These grounds are strictly limited to instances such as fraud, non payment of taxes, bankruptcy, professional misconduct, conflicts of interest and serious misrepresentation etc. As the instances are limited it would not be possible to include additional grounds in order to exclude potential providers who have received VERA/VR.

Measures of success

4.1 The Council's ability to monitor and enforce this on a consistent basis and for employees leaving the Council's employment to be aware of this requirement prior to agreeing to VERA or VR terms.

Financial impact

5.1 None.

Risk, policy, compliance and governance impact

6.1 Risk, policy, compliance and governance impact is integrated within the proposal.

Equalities impact

7.1 The proposal incorporates outcomes related to the Council's commitment to reducing inequality and providing employment.

Sustainability impact

8.1 The proposal incorporates outcomes related to the Council's commitment to develop Edinburgh as a Sustainable Capital City, particularly as a key employer.

Consultation and engagement

9.1 The proposal has been developed consultation with stakeholders, including the Corporate Leadership Team (CLT), Trade Unions, and will be embedded through clear communication cascade.

Background reading / external references

External benchmarking across 14 local authorities as to their practice on time bar for reengagement and re-employment of employees following voluntary redundancy or VERA.

Redundancy policy

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