

Meeting:	Licensing and General Purposes Committee
Date:	8 June 2009
Subject:	Voluntary Severance Scheme progress Update
Responsible Officer:	Myfanwy Barrett – Corporate Director of Finance David Ashton – Leader of the Council and Portfolio holder for Strategy, Partnership and Finance
Portfolio Holder:	
Exempt:	No
Enclosures:	Appendix A

## **SECTION 1 – SUMMARY AND RECOMMENDATIONS**

Report provides background on Voluntary Severance Scheme (VSS) and update on savings and cost to pension fund.

### **FOR INFORMATION**

## **SECTION 2 - REPORT**

### **2.1. Background**

The global economic downturn and poor Local Government settlement have provided the Council with additional financial challenges. The Council has made significant progress over the past two years in reducing spend, but it needed to find other mechanisms to further reduce revenue expenditure. The Voluntary Severance Scheme (VSS) was developed to assist in reducing staffing revenue cost.

Maximising savings through the VSS would be dependent on timely action and taking of decisions. It was anticipated that regular assessment of business cases will be required over the period February through to April 2009 and quite possibly beyond. The current arrangement of calling ad hoc meetings of the Early Retirement Sub-Committee would have both detracted from expediting decisions and resulted in additional administrative expense.

On 3 February 2009 an Urgent Action was signed by Councillor Champagnie and Councillor O'Dell. The urgent action provided for the following delegation and reporting instructions, for VSS cases instigated between 2 February – 30 April 2009:-

1. Delegate authority to the Corporate Director of Finance, in consultation with the Officer Review Board, solely for the duration of the Voluntary Severance scheme, to determine requests from employees leaving in accordance with that scheme to receive their pension benefits under Regulation 30 of the Local Government Pension Scheme Regulations 2007.
2. Instruct the Divisional Director Shared Services to report, monthly, to Councillors Champagnie and O'Dell, detailing number of VSS cases and savings.
3. Instruct the Divisional Director Shared Services to report all costs incurred to the Pension Fund and savings achieved from the Scheme to the Licensing and General Purposes Committee.

### **2.2 Current Position**

Councillors Champagnie and O'Dell received update reports on 8 April 2009 and 22 May 2009.

**Appendix A** provides the current position.

Members will wish to note that VSS cases are still being processed and that the figures provided in Appendix A do not reflect the final position.

### SECTION 3 - STATUTORY OFFICER CLEARANCE

Name: Myfanwy Barrett	<input checked="" type="checkbox"/>	Chief Financial Officer
Date: 22 May 2009.		
Name: Hugh Peart	<input checked="" type="checkbox"/>	Monitoring Officer
Date: 22 May 2009		

### SECTION 4 - CONTACT DETAILS AND BACKGROUND PAPERS

**Contact:** Greg Foley, Divisional Director Shared Services, 0208 424 7673

#### **Background Papers**

**Urgent Action February 2009**

**IF APPROPRIATE, does the report include the following considerations?**

1.	Consultation	YES/ NO
2.	Corporate Priorities	YES / NO