

**SCOTTISH POLICE
AUTHORITY**

Meeting	HRRC
Date and Time	3 June 2016
Location	Pacific Quay Glasgow
Title of Paper	Redundancy Modification Order Update Paper
Item Number	3
Presented By	Steve Simpson
For Approval / For Information	For Information
Appendix Attached:	No

PURPOSE

The purpose of this paper is to provide Members of the Scottish Police Authority (SPA) with an update on current RMO position.

This paper is presented in line with the Scottish Police Authority/Police Scotland Scheme of Administration – reference 5 (Police Scotland & SPA Policy and Strategies for HR).

1. BACKGROUND

- 1.1 Members are aware of the background associated with the RMO issue, and the provisions by Scottish Government to indemnify Local Authorities against the cost of statutory redundancy pay for effected individuals in relation to previous local government and Scottish Police Authority service. The indemnity period expired on 28 February 2016.

2. DETAIL ON REPORT

- 2.1 Since expiry of the indemnity arrangements provided for, The Scottish Government (SG) have written to SPA Chief Executive on 19th April 2016, to confirm the lapse in this provision.
- 2.2 SG confirm matters are still progressing with the UK Government in order to advance a permanent solution.
- 2.3 At present, while attempts are progressing to resolve the issue, to have SPA/PS included within the scope of the RMO, SPA/PS have continued to act within the spirit of the Order and count any relevant service as 'reckonable' for new staff joining the organisation(s). Similarly, for any of SPA/PS staff who leave the organisation(s) and would normally have been entitled to have service recognised as 'reckonable' – PS have advanced

discussion with the 'importing' employer(s) to request that they also act within the spirit of the Order and recognise the service of eligible staff.

2.4 Members are invited to note and consider the potential implications of the non-inclusion of SPA/PS on the RMO, if that is the eventual outcome and determination on the matter:

2.4.1 **Employees leaving SPA/PS** (and previously eligible for the provision(s) set out in the Order) – will lose the statutory right to reckonable service for the purposes of a potential future redundancy payment.

2.4.2 **New recruits joining SPA/PS from a public authority** (who meet the criteria for recognition of reckonable service). The SPA will want to consider the continuation of such service recognition and the associated liability (potential future redundancy payments) given that there would be potentially no statutory obligation to do so. SPA/PS also recognise reckonable service for the purposes of other entitlements, for example the qualification period for sick pay and annual leave entitlement, which is common policy and practice in the public sector. Overall the employee benefits and protection derived from the recognition of reckonable service, if lost, may impact on future recruitment from the public sector.

3. FINANCIAL IMPLICATIONS

3.1 There are no financial implications associated with this update paper.

4. PERSONNEL IMPLICATIONS

4.1 Whilst the probability of individual impact is low, the consequence is potentially highly impactful for individuals, particularly those with long service. To date only a small number of individuals have had the potential to be impacted, and these cases have been resolved through 'good will' of the new employers via (employment) contract – on the understanding that the matter is being progressed to resolution. On that basis, there has not been a requirement to call down the indemnity arrangements put in place by Scottish Government.

5. LEGAL IMPLICATIONS

5.1 The legal implications are identified within the paper.

6. REPUTATIONAL IMPLICATIONS

6.1 There are potentially reputational issues identified if the RMO issue remains unresolved.

7. SOCIAL IMPLICATIONS

7.1 There are no social implications identified with this paper.

8. COMMUNITY IMPACT

8.1 There are no community implications associated with this paper.

9. EQUALITIES IMPLICATIONS

9.1 There are no equality implications associated with this paper.

10. ENVIRONMENT IMPLICATIONS

10.1 There are no environmental implications associated with this paper.

RECOMMENDATIONS

Members are invited to note current status and potential impact if the RMO issue remains unresolved.