

SCOTTISH POLICE
AUTHORITY

Meeting	Human Resources & Remuneration Committee
Date and Time	Friday June 3 2016
Location	Pacific Quay, Glasgow
Title of Paper	VR/VER - Update
Item Number	8.1
Presented By	Mr John Gillies
Recommendation to Members	For Consultation
Appendix Attached: Yes	Appendix A – Summary of Approved VR/VER & Demographic Breakdown Appendix B – NVRP Summary & Savings

PURPOSE

To provide members with an overview of the current VR/VER releases.

This paper is being submitted in accordance with the Scheme of Administration and the paper relates to a Standing Agenda Item of the Committee.

1. BACKGROUND

1.1 Since 1 April 2013 to date, a total of 1,246 VR/VER applications have been considered by the National Voluntary Release Panel (NVRP). Of these, 1,123 applications have been supported by SPA/Police Scotland for VR/VER release and a total of 1,040 offers of VR/VER release have been accepted by staff. A breakdown of the 1,040 releases made from April 2013 till May 2016, is detailed in Appendix A.

2. FURTHER DETAIL ON THE REPORT TOPIC

2.1 There are currently 802 live applications for VR/VER of which 343 applicants have confirmed interest in leaving the organisation via the backfill process.

2.2 Of the 1,246 considered at NVRP, 111 were not approved by panel and 12 individuals withdrew their application (refer Appendix B)

2.3 The breakdown of those approved for release at NVRP shows that 623 fall into the VR category and 500 applications were eligible for VER. 61 individuals have declined the offer of release and 22 are still to accept their offer (refer Appendix A for details).

2.4 Details of the cost of confirmed VR/VER releases for 2013/2014, 2014/15, 2015/16, and 2016/17, together with full and part year savings, and return on investment period are summarised in Appendix B.

- 2.5 In respect of 2016/17, the cost of the 22 releases still pending is c£1.07m, with full year savings of c£0.76m and therefore a return on investment period of 1.41 years. If those pending do accept, the total cost of releases will be c£2.15m, with full year savings of c£1.57m, a return on investment of 1.37 years (refer Appendix B).
- 2.6 The combined total cost of the 1,040 confirmed VR/VER releases since April 2013 is c£33.6m, with full year savings of c£31.5m. Therefore the return on investment period is currently 1.06 years.
- 2.7 Progress continues to be made to release applicants for VR/VER, with the NVRP meeting on a regular basis.

High ROI/High Cost

- 2.8 A total of 54 applications were progressed for additional review by a Sub Group of NVRP. This additional review is necessary due to the cost of release of an individual exceeding £100k and/or the return on investment being 3 years or more. These applications have been reviewed against the normal business criteria used by the panel to support release. Consequently, 44 of the 54 applications have been approved and released. The total cost of release of was c£5.2m with average cost of release at c£0.11m and average ROI of 2.7 years.
- 2.9 It should be noted that since the last HR&RC a further six applications have been reviewed by the NVRP Sub Group, three of which have accepted and their costs are included in para 2.8. The costs for the remaining three individuals will be added to the next update report to HR&RC as and when this is realised.
- 2.10 There have been no high cost/high ROI backfill applications considered by the sub-group since the last HR&RC report.

Geographical Analysis

- 2.11 A breakdown of the 1,123 VR/VER applications by geographically area is detailed in Appendix A.

Gender Analysis

- 2.12 Of the 1,123 VR/VER applications that have been approved, 791 (70%) were from female applicants and 332 (30%) were from male applicants.

Demographics

- 2.13 Of the 1,123 VR/VER applications that were approved, 623 (66%) were VR (indicating that the majority of applicants were under 50-55 years of age), and the remaining 500 applicants (44%) came under the VER category.
- 2.14 A breakdown of the gender of applicants approved at NVRP is included in Appendix A.

3. FINANCIAL IMPLICATIONS

- 3.1 The Committee is asked to note the financial savings indicated in this paper and the associated costs of the VR/VER scheme which are met from the Reform Budget.

4. PERSONNEL IMPLICATIONS

- 4.1 The personnel implications in respect to VR/VER have been outlined within this paper. Business continuity planning continues throughout the Service to ensure that impacts of voluntary release continue to be effectively managed. This work runs concurrent to the broader organisational change programme which will lead to the opportunity to release more staff on VR/VER once fully implemented.

5. LEGAL IMPLICATIONS

- 5.1 All releases that have been approved by the NVRP have been voluntary therefore risk of legal challenge is mitigated. Consideration will, however, always be given to whether any particular release could pose a risk to the service and in these circumstances release would be subject to settlement agreement.

6. REPUTATIONAL IMPLICATIONS

- 6.1 The Service continues with business continuity planning to reduce the risk of any negative reputational impacts of VR/VER release. However, individual members of staff or the Trade Unions may disagree with some of the VR/VER savings that the Service is, or will be willing to progress. Therefore, there remains a risk of negative publicity over VR/VER release. The Service continues to communicate with Trade Unions and Staff to mitigate this risk.

7. SOCIAL IMPLICATIONS

- 7.1 The social implications of VR/VER releases are complex and highly variable, dependent on the communities that releases take place within; further, the type of release is a factor. For instance, ER releases may have less negative impact as individuals' continue to have a reduced but regular income. VR releases in areas of high employment may have less impact in communities as individuals can find alternative work. However, in communities where there are less

employment opportunities there is always a risk that individuals who chose VR on the basis of finding alternative employment may struggle to do so. The Redeployment / Supernumerary SOP will mitigate any potential implications by offering an alternative route to employee wishing to stay within the Service and monitoring will continue as the redeployment pool is populated to look at what patterns may emerge.

8. COMMUNITY IMPACT

- 8.1 Community impact will vary across different business areas and geographical locations. Where change is confined to small departments within the organisation community impact could be minimal. However, where it involves closing of an entire Police Estate or something of similar magnitude, the impact could be significantly more.

9. EQUALITIES IMPLICATIONS

- 9.1 The primary equalities implications derived from this report (refer 2.12 to 2.14) illustrated that the profile of leavers suggests a higher proportion of female staff exiting the organisation. The current ratio of female to male Police staff is circa 63:37 as against the VR/VER leavers at 70:30. This will continue to be monitored.

10. ENVIRONMENT IMPLICATIONS

- 10.1 There are no environmental implications associated with this paper.

RECOMMENDATIONS

Members are requested to note the progress made in relation to VR/VER releases to date and associated savings.