

NEWCASTLE-UNDER-LYME BOROUGH COUNCIL
EXECUTIVE MANAGEMENT TEAM'S REPORT TO THE
CABINET

Date: 5th June 2019

1. **Report Title** **Mutually Agreed Resignation Scheme (MARS)**
- Submitted by:** **Alyson Podmore, Interim Head of HR**
- Portfolio:** **Corporate and Service Improvement, People and Partnerships**
- Wards affected:** **All**

Purpose of the Report

The purpose of this report is to propose implementing a Mutually Agreed Resignation Scheme (MARS) which will enable the Council to target service areas and / or specific jobs whereby organisational change is envisaged.

Recommendations

It is recommended that Cabinet approve the proposed MARS policy.

Reasons

MARS enables the Council to:

- Address periods of change
- Service redesign
- Make budgetary savings
- Provide development opportunities
- Avoid compulsory redundancies

2. **Background**

2.1 MARS is a well-known scheme which enables organisations to address periods of change by allowing its employees to voluntarily leave the Council in return for a severance payment. These schemes enable organisations to redesign its service areas / departments, provide develop opportunities and avoids compulsory redundancies.

2.2 Newcastle Under Lyme Borough Council currently does not have a MARS policy in place.

3. **Consultation / Negotiation**

3.1 The Interim Head of HR has met with EMT and unions to discuss this policy and have informally agreed to the proposed policy (attached).

3.2. The unions were initially concerned that this policy would replace any typical settlement agreements that arose from employer relations issues. The interim Head of HR has confirmed that this policy is not designed or intended to replace those typical agreements.

4. **Proposal**

4.1 The proposed policy outlines a framework which:

- Allows the Council to offer MARS applications from employees which is on a voluntary basis to help increase flexibility and to address periods of change
- Acceptance of any application of MARS will be entirely at the Council's discretion
- Provides a clear and transparent process including an application form and payment table
- Exits from the Council will be legally compliant as this will be completed via a Settlement Agreement

5. **Recommendations**

5.1 For Cabinet to approve the proposed MARS policy (Appendix X) for Newcastle Borough Council.

6. **Legal and Statutory Implications**

6.1 None

7. **Equality Impact Assessment**

7.1 N/A

8. **Financial and Resource Implications**

8.1 N/A

9. **Major Risks**

9.1 N/A

10. **Management Sign-Off**

10.1 EMT, Trade Unions and JNCC have approved in principle the proposed MARS policy.