

EMPLOYMENT INFORMATION SCHEDULE

Please refer to explanatory notes below before completion as accurately recorded information will reduce processing time. Where public bodies are experiencing difficulty in obtaining some of the information required, they should contact the Sponsor Team to seek assistance or clarification.

Explanatory Notes

Items believed to be self-explanatory are indicated by '....'

1. Employee Detail

This section sets out to record some basic information on the employee.

1.1 First name

1.2 Last name

1.3 Job title

1.4 Length of Continuous Service *This means with the same employer. Within the civil service this may span any number of roles and departments / agencies etc. With non-civil service organisations, moving from one body to another often means a change of employer with the start date for continuous service beginning again. If an employment dispute were taken to an Employment Tribunal, length of service might be considered within the decision-making process and the value of any award made to the employee.*

1.5 Full Time Equivalent. *This is calculated by dividing the number of contracted hours for the staff member by the full time hours for the grade. E.g. if contracted hours are 20 per week and full time hours are 37, the Full Time Equivalent is 0.54. Knowing what the contracted hours are as a proportion of full time hours for the grade will assist judgements on reasonableness and proportionality of the proposal.*

1.6 Age

1.7 Current Grade. *This, together with the job title and information on remuneration provides an indication of the level of seniority of the employee within the organisation.*

1.8 Contractual Notice Period (weeks). *Confirms how much notice is due to the employee on termination. This will be the greater of what the employee is entitled to under statute or as set out within their terms and conditions of service.*

2. Employment Benefits and Costs Arising Through Normal Course of Employment

This section sets out to collect information from two perspectives. (1) Before tax and deductions. (2) The total cost of employing the individual. The perspective provided by

each measure will help shed light on whether the terms of a proposed Agreement might be seen as reasonable and proportionate.

Remuneration Received by Employee Before Deductions (£)

NB - travel, subsistence, expenses and relocation costs should not be included below as they are considered as compensation for costs incurred by the employee for travel or moving location.

2.1 Current annual salary rate. *As at the date the Business Case is signed.*

2.2 Non-consolidated performance related payment received for latest pay year (if any). *Only the most recent payment should be recorded – if the most recent payment was made more than 2 years ago no figures should be entered.*

2.3 Allowances received (value over last 12 months). *There are a number of possibilities, for example, Recruitment & Retention allowances, Market Supplements, on call allowances etc. The value of these should be totalled. Care should be taken to adjust the value of those payments which are claimable on an ad hoc basis and where a number of 'stockpiled' claims have been submitted and processed representing payments due from periods outwith the 12 month timeframe. Similarly any payments that would count within the 12 month timeframe that are due but have not yet been processed through payroll should be taken into account.*

2.4 Overtime payments (value over last 12 months). *Include any payments for working additional hours whether called overtime or not – these should be totalled. Do not include elements such as time in lieu due to the employee as this is covered at Box 4.3. Care should be taken to make adjustments to reflect the correct timing of payments as they should have fallen due within the 12 month period (see 2.3).*

2.5 Any other remuneration received (specify) over last 12 months. *Anything classed as pay not mentioned above.*

Other Benefits Received (please state nil as required)

2.6, 2.7 *There may be other benefits received not already mentioned. Some employers provide for subsidised medical insurance for example.*

Employer On-costs of Remuneration & Benefits Received

2.8 Employer's Pension Contributions. *This is the cost of the employer's contribution to the pension scheme of which the employee is a member. Costs over the last 12 months to be entered.*

2.9 Earnings Related National Insurance Contributions (ERNIC). *Only enter the Employers' National Insurance Contributions costs over the last 12 months.*

2.10 Other (including VAT). *VAT may be payable on benefits that the employer purchases for use by the employee. Costs over the last 12 months to be entered.*

Remuneration Received by Employee After Deductions

3.1 *Remuneration after deductions i.e. (what the employee actually received). Remuneration over the last 12 months to be entered. This is net pay and should exclude payments to the employee for travel, subsistence, expenses, compensation for relocation costs and should add back in voluntary deductions for trade union membership, charitable giving etc. This measure provides an indication of the employee's disposable income after tax; national insurance and pension contributions have been made. It is a useful measure among others against which the reasonableness and proportionality of the proposed value of an agreement can be assessed.*

4. Termination Costs (contractual / through Civil Service Compensation Scheme or Non-Civil Service Employer Equivalent)

4.1 *Compensation In Lieu of Notice (CILON). This is payment to the employee for the balance of any contractual period of notice that remains to be served as at the time of the employee's last day of service. Notice of termination of appointments should not be delayed in order to generate compensation payments in lieu of notice.*

4.2 *Payment in Lieu of annual leave untaken. This is payment to the employee for the balance of any contractual period of annual leave that remains to be taken as at the time of the employee's last day of service. Ideally this should be zero.*

4.3 *Other. For example, payment at the end of employment for Time Off In Lieu that it was not possible for the employee to take.*

Benefits received by employee from Civil Service Compensation Scheme / Non-Civil Service Employer Equivalent (please state nil as required)

Occasionally an employment situation that is subject to a proposal is extant at the time that an employee is leaving through a published Compensation Scheme. If this is the case careful consideration should be given to whether, given the employee's departure on Compensation Scheme terms, a further agreement that involves significant additional and non-contractual benefits for the employee should be pursued.

4.4 *Pension / Year. The estimate of what the employee would receive in pension were they to leave and draw their pension immediately, whether through the Civil Service Compensation Scheme (or other employer's equivalent) or through receiving a pension with an actuarial reduction applied. This should be completed only where the employee would potentially benefit through immediate payment of pension under the pension scheme rules applying to them.*

4.5 *Pension Lump Sum. As 4.4 above.*

4.6 *Compensation Lump Sum. If leaving through the Civil Service Compensation Scheme (or potentially other employer's equivalent), a Compensation Lump Sum may be due calculated on pay and length of service. If leaving through the Civil Service Compensation Scheme and pension and lump sum are to be paid on an unreduced basis, this will require the employee to contribute to making up any shortfall using some or all of their compensation lump sum. If any of this lump sum*

remains payable to the employee following this contribution being made, the value should be entered in this box. If the employee does not contribute their compensation lump sum in order to receive unreduced pension, the entire value of the lump sum due to them should be entered in the box.

4.7 Employer cost of making up any pension shortfall (if applicable). Under the terms of the Civil Service Compensation Scheme (or potentially other employer's equivalent) if the employee opts for an unreduced pension and use of the employee's compensation lump sum is not sufficient to make up any shortfall that exists due to an actuarial reduction, it may be possible for the employer to 'make up' for any reduction that might otherwise be applied to the employee's pension. This requires the employer to pay a lump sum into the Pension Scheme. The value should be recorded here.

4.8 Other costs (please specify, if any). For example, pre-retirement course provision etc paid by the employer.

5. Estimate of Other Relevant Costs

This information helps inform the decision about a proposal by estimating the likelihood of the employer being faced with legal action if not already launched, the chances of the employee being successful and what they might gain as an award from an Employment Tribunal or court. Factored in would be the prospective costs of preparing and defending the case. Estimates are expected to be 'in the round' rather than seeking absolute precision. In some cases it is possible that no legal action from the employee is currently envisaged, in which case this section need not be completed.

5.1 What is the likelihood of the employee pursuing legal redress? (%). If the employee has already lodged a claim, this will be 100%. If not and in the absence of detailed information, 50% should be assumed. There will be an element of subjectivity where no claim has yet been submitted and it can only be estimated with the best knowledge of those involved in relation to the potential strength of the employee's motivation etc.

5.2 What is the estimate of their chances of winning their case (%)? In the absence of detailed information, 50% should be assumed. Legal advisors should be able to indicate.

5.3 What is the estimate of what the employee might receive if s/he won their case? While certain kinds of discrimination cases might not have limit of award, in practice public domain data is available that indicates the average award made by Employment Tribunals for such cases. This information should be factored in unless there are clear reasons for doing otherwise.

5.4 What are the estimated costs of defending a case if one was lodged? Include legal and management costs and any VAT. The employer's legal advisors should be able to supply an estimate of the potential legal costs. Management costs including preparation of witnesses with legal advisors, collation and submission of evidence, appearance at the Tribunal and someone to instruct legal advisors at the hearing can be estimated in round terms.

Total This weights the estimated costs by the likelihood of a claim being pursued and won by the employee. $(5.1) \times (5.2) \times ((5.3) + (5.4))$.

6. Proposed Terms of Agreement

These should represent the negotiating mandate proposed to be given by the employer to the employer's representative and represents the maximum to be offered during negotiations. Any payments or benefits will be non-contractual in nature, i.e. not receivable in the normal course of employment. Settlement Agreements can be reached without special payments or benefits in some cases. The business case should contain the range within which a settlement will be negotiated based on the elements below. Any proposal to exceed the upper ceiling on this range must be resubmitted for consideration with clear supporting evidence to justify the increase

6.1 Maximum gross value of any lump sum to be offered (£). *Sums of this kind must not be made pensionable under any circumstances as this will greatly inflate costs to the public purse and the costs, correctly calculated, of the agreement, also raising questions of propriety.*

6.2 Net value of any lump sum after any tax deducted. (£). *Sums offered as compensation are not subject to employee National Insurance contributions. Sums of less than £30,000 are not subject to UK income tax. Sums over £30,000 – any excess above £30,000 is taxable (information accurate as at February 2014).*

6.3 Maximum value of employee support for legal assistance (£). *In order to make a Settlement Agreement binding, the employee **must** receive independent advice from a relevant adviser. Normally this will be a trade union representative trained in the matter, or a legal representative. Advice provided to the employee from a trade union representative of a Trade Union of which s/he is a member should be at no cost. Typically an employer will offer a cost-capped contribution if an employee takes up advice that would otherwise be wholly at their own cost. The financial assistance should be inclusive of VAT. The employee securing independent advice from a relevant advisor is not a statutory requirement in relation to agreements that are not statutory Settlement Agreements. The employer may nonetheless wish to consider offering the facility on the same basis as for a Settlement Agreement if it were to materially assist with reaching an agreement and / or demonstrating that the terms of the agreement were fair.*

6.4 Other (e.g. cost of outplacement support for employee not available through normal course of employment). Include any VAT. *If the individual is leaving through a published Compensation Scheme and s/he would receive support such as for Outplacement or Retirement Preparation through that route in the normal course of events, this cost should not be included here. If this type of support forms part of the terms of the proposal only, it should.*

6.5 What are the estimated costs of negotiating and concluding an agreement if one was pursued?

Include legal and management costs and any VAT.

The employer's legal advisors should be able to supply an estimate of the potential legal costs, for example, providing a template for the agreement or providing specific advice.