

**WRITTEN QUESTION TO THE CHIEF MINISTER BY THE DEPUTY OF ST. MARY
ANSWER TO BE TABLED ON TUESDAY 1st MARCH 2011**

Question

“Would the Chief Minister explain to members the arrangements for civil servants and other public sector employees ending their employment due to incapacity of any kind, including but not limited to ‘golden handshakes’ and pensions?”

Answer

There are a number of potential ways that employment can be ended due to some form of incapacity, which route was followed would depend on the circumstances of a particular case. In the event that the person becomes medically unfit, and this is supported through the independent Occupational Health Service as a medical retirement then the individual would receive a medical pension in accordance with the Scheme Regulations as set out under the provision for Medical Retirement. The cost of this would be funded from the pension fund and not met by the employer, but stringent conditions must be met. The employer would not make any additional payment.

There is provision under a new Voluntary Severance policy recently introduced by the SEB for management to agree with an individual that, in the interests of the public service because of incapacity of some sort, an arrangement may be reached for the employee to leave employment with a compensation payment. Such a payment may be agreed up to a maximum of six months pay plus contractual notice paid in lieu. This replaces the more costly scheme of Alternative Voluntary Early Retirement which was previously in place and which was occasionally used in these circumstances. Under the alternative VER terms an individual could have received their accrued pension immediately on leaving the organisation again in accordance with the Scheme Regulations. The new Voluntary Severance arrangements could be used in circumstances for example where an individual has a medical condition that falls short of the requirements for a full medical retirement but where the degree of incapacity is such that it impairs the individual's ability to fulfil the requirements of the job. It could also be used in the following cases:

Changes in Responsibility i.e. the responsibilities of a post have changed in some fundamental way and the postholder, a long serving member of staff, finds that s/he no longer has the appropriate skills or ability to perform these responsibilities adequately. In this case the postholder will need to have adequately performed his/her duties in the past, and it will need to be clear that the new demands of the job are beyond his/her capacity.

Long Service i.e. the postholder has been a long serving member of staff and has previously received no adverse reports with regard to the performance of duties, but the current standards of performance are now found to be inadequate but not to the extent that it would warrant disciplinary action.

Lack of Re-Certification i.e. if there is a regular process of re-certification for a member of staff which governs whether he can continue to perform his duties and the postholder fails this process through no fault of his own.

N.B. *In all of the above cases a person will be adjudged to be a 'long serving member of staff', if he has been employed by the States of Jersey for approximately 20 years. It would also be expected that adequate training and other support would be offered, and any opportunities to be redeployed would be fully considered before reaching an agreement to terminate employment.*

No cases have yet been agreed under this scheme.

There are no general contractual provisions for “golden handshakes” and pension benefits would be limited to those that an individual would be entitled to based on contributions made into the PECRS scheme during their employment, plus the transfer value of any pension they may have arranged to bring with them from a previous employer. Leavers would not be granted any additional pension over and above this entitlement.