

 Employment Committee – 27th October 2009		Agenda Item No.
Title	Flexible Retirement Policy	
For further information about this report please contact	Karen Warren, HR Manager	
Service Area	Chief Executive's Office	
Wards of the District directly affected	N/A	
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006		
Date and meeting when issue was last considered and relevant minute number		
Background Papers	SMT 16.9.09	

Contrary to the policy framework:	Yes/No
Contrary to the budgetary framework:	Yes/No
Key Decision?	Yes/No
Included within the Forward Plan? (If yes include reference number)	Yes/No

Officer/Councillor Approval		
With regard to officer approval all reports <i>must</i> be approved by the report authors relevant director, Finance, Legal Services and the relevant Portfolio Holder(s).		
Officer Approval	Date	Name
Relevant Director		
Chief Executive	16.9.2009	Chris Elliott
SMT	16.9.2009	Chris Elliott, Andy Jones, Bill Hunt
Section 151 Officer	18.9.2009	Mike Snow
Legal	16.9.2009	Peter Oliver
Finance	18.9.2009	Mike Snow
Portfolio Holder(s)	19.10.2009	Michael Doody

Consultation Undertaken	
Please insert details of any consultation undertaken with regard to this report.	
Both GMB/MPO and UNISON have been consulted in relation to the proposal. Joint Communication Forum 12-10-2009	
Final Decision?	Yes/No
Suggested next steps (if not final decision please set out below)	

1. **SUMMARY**

- 1.1 The report introduces a policy in relation to Flexible Retirement which allows members of staff in the pension scheme to reduce their hours or grade and draw a pension early. Warwick District Council has the discretion to not apply a reduction to a pension if it is drawn early, or it may chose to not apply a reduction only in certain circumstances.

The Local Government Pension Scheme regulations allow employers the discretion to waive the pension reduction. It is proposed that this will only be possible in exceptional circumstances, for example, on compassionate grounds or as an alternative to retirement on grounds of redundancy or efficiency, if there is a strong business case. The Council has adopted the following definition of “compassionate grounds” for waiving pension reductions which is;

- compelling domestic reasons which will affect the ability of the individual to continue with his/her present working arrangements
- ill-health which does not meet the ill-health retirement criteria for an enhanced pension e.g. a member of staff who has experienced health problems is able to carry on working but would benefit from a reduction in hours or duties.

2. **RECOMMENDATION**

- 2.1 The Committee supports the recommendations contained in the report and Policy for Flexible Retirement. On a pilot basis with a review in January 2011.

3. **REASONS FOR THE RECOMMENDATION**

- 3.1 In accordance with the provisions of the Local Government Pension Scheme contained in the LGPS (Amendment) Regulations 2006, Warwick District Council is obliged to have a policy in relation to its discretion regarding flexible retirement. It is proposed that the recommendation to waive the reduction in pension benefit is only applied in the instances given above. These are designed to both support the organisation in meeting its business aims and the individual in times of genuine difficulty.

4. **ALTERNATIVE OPTION CONSIDERED**

- 4.1 It is possible not to waive the reduction in pension in any circumstances.

5. **BUDGETARY FRAMEWORK**

- 5.1 Requests granted on compassionate grounds, as an alternative to redundancy or efficiency of the service and to those who would fall within the Scope of Regulation 31 will incur costs that would have to be met by the Early Retirement Reserve. A business case would therefore need to be presented to the Employment Committee and Executive on an individual basis.

6. **POLICY FRAMEWORK**

- 6.1 This sits within Warwick District Council policy framework in relation to managing staff.