

## FLINTSHIRE COUNTY COUNCIL

**REPORT TO:**           **CABINET**  
**DATE:**                 **17<sup>th</sup> JUNE 2014**  
**REPORT BY:**         **CHIEF OFFICER - PEOPLE AND RESOURCES**  
**SUBJECT:**           **FLEXIBLE RETIREMENT**

### **1.00 PURPOSE OF REPORT**

1.01 To recommend and secure Cabinet's support for a revised Flexible Retirement Policy.

### **2.00 BACKGROUND**

2.01 The current Flexible Retirement policy has been in place since October 2007. The policy offers employees who are aged 55 and over (subject to Council approval) to reduce their hours or salary and continue working and gain access to their pension. The combination of reducing working hours and receiving pension is a way of tapering towards a full retirement.

2.02 Flexible Retirements can bring benefits to both employees and the Council. Employees can achieve a better work life balance and take a 'stepping stone' towards full retirement. The Council can continue to benefit from the employee's experience and expertise on a part time and/or lower cost basis thereby achieving efficiencies and it can be used as a means of transferring skills, knowledge and expertise prior to full retirement.

2.03 In the financial year 2013 to 2014 there were 25 employees who have taken Flexible Retirement which was a sharp increase from 10 employees in 2012.

2.04 Under the current policy there is no minimum amount that an employee can request to reduce their hours or salary and consequently, the benefits of flexible retirement are not maximised from the Council's perspective. To remedy this, the Council is recommending a new criteria for the approval of Flexible Retirements and a revised policy.

2.05 From 1 April 2014, 'normal pension age' for the purposes of the Local Government Pension Scheme (LGPS) is linked to 'state pension age' and will not normally be before age 65. It is anticipated there will be an increased demand for flexible retirements due to the change in retirement age and the Council needs to have a robust policy that is fit for the future.

### **3.00 CONSIDERATIONS**

3.01 The following revisions to the Flexible Retirement policy have been made:

- To reduce contractual working hours / salary by at least 20% (or equivalent to 20% reduction)
- Reduction of hours / salary must apply for 12 months after implementation date.
- An employee must give an indication of their planned or projected retirement date.

3.02 Following the implementation of the new Operating Model and the Chief Officer team, the consideration of Flexible Retirement applications will take place via a retirement panel involving the relevant portfolio Chief Officer, the Chief Officer for People and Resources and the Chief Finance / S151 Officer.

3.03 Flexible Retirement applications will be considered in accordance with the following criteria:

- The needs of the employee, reasons for request and future retirement plans;
- Cost and associated savings arising from allowing the request (the outcome should be cost neutral within the current financial year);
- Service implications;
- Ongoing workload management implications;
- Structural implications (which should normally be the subject of consultation with the Trade Unions and affected employees before any decision is made);
- Whether any structural changes are proposed or underway;
- Whether any disciplinary, attendance management or capability procedures are underway in respect of the employee.

3.04 The revised policy stipulates that the Council will only consider applications where there is no service requirement to backfill reduced hours and where identified savings will be released to the corporate centre.

### **4.00 RECOMMENDATIONS**

4.01 That the revised Flexible Retirement Policy and associated procedures be supported and approved.

### **5.00 FINANCIAL IMPLICATIONS**

5.01 The approval of all Flexible Retirements will be undertaken corporately following careful consideration of the financial implications and affordability.

### **6.00 ANTI-POVERTY IMPACT**

6.01 None arising from this report.

## **7.00 ENVIRONMENTAL IMPACT**

7.01 None arising from this report.

## **8.00 EQUALITIES IMPACT**

8.01 All decisions relating to Flexible Retirements will be made transparently and fairly, in accordance with the Council's policy, and a clear audit trail kept.

## **9.00 PERSONNEL IMPLICATIONS**

9.01 The Flexible Retirement policy will be published on the Council's Infonet and circulated across the Council once agreed.

## **10.00 CONSULTATION REQUIRED**

10.01 Please see below.

## **11.00 CONSULTATION UNDERTAKEN**

11.01 Consultation has taken place with Trade Union and Human Resources and Organisational Development colleagues.

## **LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985**

**Background Documents:** Flexible Retirement Policy 2014 v2.3

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