

Agenda Item No:

Report No:

**Proposed Voluntary Early Retirement Policy:
On The Grounds of Efficiency**

Introduction

Lewes District Council employees may apply for voluntary early retirement or voluntary severance on the grounds of efficiency. This may appeal more to staff over 55 who are in the pension scheme because of the access to immediate pension entitlement.

This decision is subject to the approval of the Chief Executive/ Officer scrutiny panel.

Under 55s

The voluntary severance scheme is also open to staff below the age of 55 but it should be noted that pension entitlement will not be available.

Please note that for employees entitled to immediate pensions benefits, it is not possible to enhance pension entitlement other than as set out above e.g. if an employee had 38 years service, the Council is not allowed to make this up to 40 years.

Criteria for Consideration

Voluntary retirement on the grounds of efficiency will be considered carefully by the relevant Director and if supported referred to the Chief Executive. The Chief Executive will scrutinise and decide the matter, in discussion with the Head of HR and the Director/Head of Finance. *Very costly or very senior cases may also be subject to approval from the Leader.*

The scheme is entirely discretionary on the part of management and the final decision will be made by the Chief Executive/Scrutiny Panel with due regard to the following:

- (1) The potential loss of skills, experience and knowledge to the Council with regard to whether the individual concerned can be replaced adequately or if work can be reorganised.
- (2) Compassionate grounds or special circumstances.

The Council will be cognizant of the following in considering applications for early retirement:

- (3) Whether, as a result of re-organisation:
 - (a) the employee's ability to perform a job has been affected by changes mean it is difficult for the employee to adjust
 - (b) the job requires new skills or competencies which the employee does not have and where re-training or redeployment would not be appropriate
 - (c) the retirement could lead to internal job opportunities and create room for succession planning
 - (d) savings/efficiency gains can be made
 - (e) compulsory redundancy can be avoided

- (f) the Council is meeting or enhancing its statutory obligations e.g. the Disability Discrimination Act 1995.

The Process

The aim of this policy is to seek to reach agreement with the individual concerned for the mutual termination of the contract of employment. There is no dismissal in law or any stigma attached as the policy does not cover issues of performance.

Early retirement is not a 'soft option' as an alternative to termination on the grounds of ill health or capability.

The process must be initiated by the individual concerned. The employee should speak to their line manager and a rationale written for allowing or refusing the request. There should be a discussion with the relevant Director. The Director will then make a recommendation:

- a) to seek approval which must include arrangements following the loss of the individual, for continuity of, or changes to the relevant service.
- b) To decline the request, this should include the considerations made. These may relate to cost, skill retention, service continuity etc.

The Director/Chief Executive may wish to see the individual concerned and negotiations may ensue. However, management will use its best endeavours to:

- (a) Wherever possible to agree terms in no more than 8 weeks and
- (b) to agree an appropriate termination date with the individual.

There is no appeal against refusal to release staff under this scheme.