

TONBRIDGE & MALLING BOROUGH COUNCIL



EXECUTIVE SERVICES

Chief Executive

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NB - This agenda contains proposals, recommendations and options. These do not represent Council policy or decisions until they have received proper consideration through the full decision making process.

Contact: Committee Services
committee.services@tmbs.co.uk

16 June 2017

To: MEMBERS OF THE GENERAL PURPOSES COMMITTEE
(Copies to all Members of the Council)

Dear Sir/Madam

Your attendance is requested at a meeting of the General Purposes Committee to be held in the Civic Suite, Gibson Building, Kings Hill, West Malling on Monday, 26th June, 2017 commencing at 7.30 pm

Yours faithfully

JULIE BEILBY

Chief Executive

A G E N D A

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To confirm as a correct record the Minutes of the meeting of General Purposes Committee held on 6 March 2017

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Any other items which the Chairman decides are urgent due to special circumstances and of which notice has been given to the Chief Executive.

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Any other items which the Chairman decides are urgent due to special circumstances and of which notice has been given to the Chief Executive.

MEMBERSHIP

Cllr O C Baldock (Chairman)
Cllr L J O'Toole (Vice-Chairman)

Cllr M A C Balfour
Cllr Mrs S Bell
Cllr P F Bolt
Cllr M A Coffin
Cllr Mrs M F Heslop
Cllr B J Luker

Cllr D Markham
Cllr S C Perry
Cllr R V Roud
Cllr C P Smith
Cllr Ms S V Spence
Cllr M Taylor

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Apologies for absence

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Declarations of interest

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TONBRIDGE AND MALLING BOROUGH COUNCIL

GENERAL PURPOSES COMMITTEE

Monday, 6th March, 2017

Present: Cllr O C Baldock (Chairman), Cllr L J O'Toole (Vice-Chairman), Cllr M A C Balfour, Cllr P F Bolt, Cllr M A Coffin, Cllr N J Heslop, Cllr R V Roud and Cllr C P Smith

Councillors Mrs J A Anderson, M C Base, D Lettington, M Parry-Waller, H S Rogers and T C Walker were also present pursuant to Council Procedure Rule No 15.21.

Apologies for absence were received from Councillors Mrs S Bell, Ms S V Spence and M Taylor

PART 1 - PUBLIC

GP 17/1 DECLARATIONS OF INTEREST

There were no declarations of interest made in accordance with the Code of Conduct.

GP 17/2 MINUTES

RESOLVED: That the Minutes of the meeting of the General Purposes Committee held on 20 October 2016 be approved as a correct record and signed by the Chairman.

GP 17/3 MINUTES OF ELECTORAL REVIEW WORKING GROUP

RESOLVED: That the Minutes of the meeting of the Electoral Review Working Group held on 22 November 2016 be received and noted.

MATTERS FOR RECOMMENDATION TO THE COUNCIL

GP 17/4 MEMBERS' ALLOWANCES

The report of the Management Team set out details of a review undertaken by the Joint Independent Remuneration Panel (IRP) on the Scheme of Members' Allowances and summarised the key recommendations arising from the Panel. Management Team advised that the recommendations of the Panel, if adopted, would produce a saving of circa £30,000 when compared to the budget included within the 2017/18 Estimates.


The Committee recognised the considerable work undertaken by the Panel in evaluating the role undertaken by Members and acknowledged

the case made for a reduction in the basic allowance. However, the Committee felt that it was neither appropriate nor fair to reduce the basic allowance mid-term and that the reduction should not be implemented until after the next Borough Council Election in 2019.

Members were reminded that, since the last review in 2013, the Council was now required to formally appoint a Deputy Leader on an annual basis and the report set out details of the Special Responsibility Allowance to be applied to this role.

Members recognised the value and role of the vice-chairmen and considered it appropriate to maintain an allowance to vice-chairmen based on 25% of the relevant chairman's allowance.

Following a comprehensive debate it was

RECOMMENDED: That, as summarised in the attached matrix at Annex 1, 

- (1) the Joint Independent Remuneration Panel's recommendations be accepted in full, effective after the Borough Council elections in 2019;
- (2) however, effective from the 2017 Annual Council and during the 'interim period' until the Borough Council elections in 2019:-
 - (a) the Basic Allowance remain at its current level of £5,283 and protected until after the next Borough Council Election in 2019;
 - (b) with regard to the Special Responsibility Allowances (SRA)
 - (i) the Leader's SRA remain at its current level of £18,384;
 - (ii) the SRA for the Deputy Leader be introduced and the figure for 2017/18 be £14,000;
 - (iii) the Opposition Leader's SRA be set at £2,250 (this being a flat sum of £1,250 per annum to recognise the collaborative way of working within the Council, plus £250 per member in the group);
 - (iv) Cabinet member's SRA remain at the current level of £8,400;
 - (v) the SRA in respect of chairmen of the Overview and Scrutiny, Licensing and Appeals, Joint Standards and Audit Committees be set at £2,500 per annum;

- (vi) the SRA in respect of chairmen of the three Area Planning Committees be set at £2,500 per chairman per annum;
 - (vii) the SRA in respect of chairmen of the General Purposes Committee and programmed Advisory Boards be set at £1,300 per annum;
 - (viii) with the exception of the Area Planning Committees, vice-chairmanship allowances for committees be retained and based on 25% of the relevant chairman's allowance until the Borough Council Election in 2019; and
 - (ix) the vice-chairmanship allowances for the Area Planning Committees be set at £325 per annum for each of the three vice-chairmen;
- (3) the level of Childcare and Dependent Carers Allowances be set as recommended by the JIRP;
 - (4) the level of Mileage Allowances and Subsistence Allowances be set as recommended by the JIRP;
 - (5) the principle of annual indexation of allowances in line with the staff pay award be retained. However, during the 'interim period' indexation should not apply; and
 - (6) it be confirmed that individual members should not receive more than one Special Responsibility Allowance (excluding group leaders)

***Referred to Council**

GP 17/5 LOCALISM ACT - PAY POLICY

The report of the Director of Central Services advised that the Localism Act 2011 required local authorities to review their pay policy statements for each financial year. The report summarised the requirements of the Act and presented an updated Pay Policy Statement for 2017/18. It was noted that there had been no changes in the Council's remuneration policy and the substantive content of the updated statement was identical to that adopted by the Council in February 2012.

RECOMMENDED: That the Pay Policy Statement 2017/18 set out in Annex 1 to the report be commended for adoption by the Council. ◀

*** Referred to Council**

DECISIONS TAKEN UNDER DELEGATED POWERS IN ACCORDANCE WITH PARAGRAPH 3. PART 3 OF THE CONSTITUTION

GP 17/6 ANNUAL REVIEW OF WHISTLEBLOWING POLICY

The report of the Director of Finance and Transformation gave details of the outcome of the annual review of the Council's Whistleblowing Policy and its consideration by the Audit Committee on 23 January 2017. The Committee noted that the Policy, once approved, would be circulated to all staff with computer access and made available on the Council website.

RESOLVED: That the Whistleblowing Policy set out at Annex 1 to the report be approved.

MATTERS SUBMITTED FOR INFORMATION

GP 17/7 2018 REVIEW OF PARLIAMENTARY CONSTITUENCIES

The report of the Chief Executive confirmed details of the response made to the Boundary Commission for England to the consultation on the 2018 Review of Parliamentary Constituencies.

RESOLVED: That the report be received and noted.

GP 17/8 APPRENTICESHIP UPDATE

The report of the Director of Central Services set out details of national changes to apprenticeship funding and the application of 'apprenticeship targets' to public bodies from April 2017.

RESOLVED: That the report be received and noted.

MATTERS FOR CONSIDERATION IN PRIVATE

GP 17/9 EXCLUSION OF PRESS AND PUBLIC

The Chairman moved, it was seconded and

RESOLVED: That as public discussion would disclose exempt information, the following matters be considered in private.

PART 2 - PRIVATE**GP 17/10 ESTABLISHMENT CHANGES****(LGA 1972 Sch 12A Paragraph 1 – Information relating to an individual)**

The report of the Director of Central Services presented for approval a number of establishment changes within the Exchequer team, Finance and Transformation Services arising from the on-going operational management of the Council's services. It was noted that the proposals would result in net savings of £39,431, which had been incorporated into the 2017/18 Estimates presented to the Finance, Innovation and Property Advisory Board on 4 January 2017.

RESOLVED: That the proposals and establishment adjustments set out in the report be endorsed as follows:

- (1) the hours of post DF0403 (Exchequer Services Manager, M8) be reduced from 37 to 22.5 hours per week with effect from 1 April 2017; and
- (2) the hours of post DF0404 (Payroll Officer, Grade 6/SO) be reduced from 37 to 21 hours per week with effect from 1 January 2017.

The meeting ended at 8.28 pm

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Recommendations from GP Committee - Members' Allowances

Allowance	Effective: From Annual Council 2017 until BC Elections 2019	Effective: After Borough Council Elections 2019
	£	£
Basic Allowance	5,283	5,000
Special Responsibility (SRA):-		
Leader	18,384	20,000
Deputy Leader	14,000	15,000
Opposition Group Leader	2,250 #	2,250 #
Cabinet	8,400	8,500
Chair		
Overview & Scrutiny	2,500	2,500
Standards	2,500	2,500
Licensing & Appeals	2,500	2,500
General Purposes	1,300	1,600
Audit	2,500	2,500
Area Planning x 3	2,500	1,665
Programmed Advisory Board	1,300	1,600
Vice Chair		
Overview & Scrutiny	625	0
Standards	625	0
Licensing & Appeals	625	0
General Purposes	325	0
Audit	625	0
Area Planning x 3	325	333
Programmed Advisory Board	0	0

Note: Opposition Group Leader Allowance made up of £1,250 lump sum plus £250 per member of group. For illustrative purposes, figures above assume group composition remains the same.

- 1 Childcare and Dependent Carers Allowances be set as recommended by the JIRP
- 2 Mileage Allowances and Subsistence Allowances be set as recommended by the JIRP
- 3 Principle of annual indexation of allowances in line with the staff pay award be retained. However, during the 'interim' period (Annual Council 2017 to Borough Council elections 2019) indexation should not apply
- 4 Individual members should not receive more than one SRA (excluding group leaders)

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TONBRIDGE & MALLING BOROUGH COUNCIL

GENERAL PURPOSES COMMITTEE

26 June 2017

Report of the Director of Central Services

Part 1- Public

Matters for Recommendation to Council

1 HUMAN RESOURCES STRATEGY UPDATE

The Human Resources Strategy (HR Strategy) provides an overview of the Council's approach to managing its employees. It is updated annually to identify "improvement priorities", such as changes to the Council's personnel policies.

The updated Hr Strategy attached as Annex 1 to this report advises the Committee on progress in achieving the improvement priorities in the Human Resources Strategy (HR Strategy) for April 2016 – March 2017, and identifies actions to be implemented in the period April 2017 – March 2018. The updated Strategy in Annex 1 also contains the statutory equality monitoring required by the Equality Act 2010.

1.1 Overview of updates to the HR Strategy

1.1.1 Section 3 of the updated HR Strategy lists progress against the improvement priorities identified in 2016/17. The Committee will note that actions have been identified and achieved.

1.1.2 Section 4 of the HR Strategy reports the outcomes of equality monitoring of staffing issues in 2016/17. There is no evidence of discrimination against any of the protected characteristic groupings listed in the Equality Act 2010.

1.1.3 Section 5 of the HR Strategy advises the Committee of the improvement priorities that have been so far identified for 2016/17. This section is referred to as The Workforce Development Plan (WDP) because periodically various external agencies, government departments etc. request information about the Council's WDP.

1.2 Legal Implications

1.2.1 The reporting of the outcomes of the Council's HR equalities monitoring is a statutory requirement of the Equalities Act 2010.

1.3 Financial and Value for Money Considerations

1.3.1 All of the actions listed in Section 5 of the attached Annex will be resourced from existing budgets.

1.4 Risk Assessment

1.4.1 The Workforce Development Plan in Section 5 of the HR Strategy complies with one of the recommended requirements of the Annual Governance Statement (part of the statement of accounts).

1.5 Recommendations

1.5.1 The Committee is commended to note the outcomes of the equality monitoring as reported in Section 4 of the HR Strategy and to recommend the actions listed in Section 5 to Council.

Background papers:

contact: Delia Gordon

Nil

Adrian Stanfield
Director of Central Services

Annex 1

HUMAN RESOURCES STRATEGY (incorporating the Pay and Workforce Strategy)

1 The Council's Vision

The Council's vision for the next two years is:

To be a financially sustainable Council that delivers good value services, provides clear leadership and, with our partners, addresses the needs of the Borough.

2 Human Resource Strategy

The Human Resources Strategy is about recognising and developing the crucial contribution of every employee. This is prompted by the expectation/aspiration that all employees will:

- be customer focused
- be corporately aware
- demonstrate a "can do" approach to work
- appreciate the Council as a good employer
- consider themselves as colleagues in a joint endeavour to achieve the corporate vision.

Working with partners, external service providers, and other authorities, the Council will give ongoing consideration to the further development of the Strategy. The Strategy will be updated annually and will identify improvement priorities for the year ahead. The annual update will also report on the achievement of the improvement priorities identified the previous year.

Four key "building blocks" are used to inform and direct human resource activities. These are:

- Leadership and Management
- Effective Recruitment and Retention
- Communication and Team Working
- Workforce Development.

The Sections below provide an overview of the Council's current approaches to developing these "building blocks".

Leadership and Management Development

We want managers and supervisors throughout Tonbridge & Malling Borough Council to meet their responsibilities to their colleagues by providing leadership, direction, purpose and support.

- Managers and supervisors will be expected to proactively seek out opportunities for service transformation and to set standards.
- All managers and supervisors will contribute to developing an organisational climate that encourages innovation, by encouraging their staff to engage positively in service transformation and in developing new ways of working.
- Corporate working will be promoted throughout the Council.
- All managers and supervisors will be expected to behave in accordance with the Council's Supervisory and Management Capability Checklists.
- Up to date advice, training and support on Council policies and procedures for dealing with a range of employee relations issues will ensure consistency of management style.
- New managers and supervisors will be equipped for their role by participating in appropriate training and development activities.
- Throughout their careers with the Council managers and supervisors will have opportunities to attend training and development events that reflect their responsibilities.

Effective Recruitment & Retention

We want an employment package that attracts and retains capable people who are committed to delivering excellent services to the community.

- We will balance internal progression with external recruitment so that the Council continuously reinvigorates its talent pool, and that appropriate succession planning ensures an appropriately skilled workforce for the future.
- We will endeavour to attract suitable applicants by clear job descriptions, person specifications and advertisements.
- There will be a fair and consistent recruitment and selection framework that supports diversity within the workforce and that is regularly inspected by our internal audit team. Our workforce broadly reflects the ethnic and gender distribution of the residents of the borough.
- We will offer employees a fair and competitive rate for the job that reflects the principles of equal pay. We will ensure equal status for part-time staff.

In 2016/17 of a workforce of 266 permanent employees, 109 are employed on a part time basis.

- Wherever possible, we will offer employees flexible working opportunities that reflect the diversity of the workforce and facilitate a healthy Work Life Balance.
- We will ensure that working environments are safe and healthy. The Council is currently accredited with the ROSPA Gold Award.
- We will foster a supportive management ethos that recognises and values everyone's contribution.
- We will offer employees suitable training and development opportunities.

Communication and Team Working

We want to create a climate of trust, honesty and involvement. We recognise the need for open and honest two-way communication.

- We will maintain a system of annual individual appraisals and regular team briefings across the organisation.
- We will maintain a constructive relationship with accredited employee representatives and the Trade Union (Unison). There is an effective Joint Employee Consultative Committee which provides an opportunity for elected members, managers and employees to debate staffing issues.
- We will honour the Council's commitment to trust, honesty and involvement by working through employee relations issues according to the procedures specified in the Grievance, Disciplinary, Capability, Anti-Bullying and Harassment and Confidential Reporting Codes of Practice/Procedures.
- We will ensure that corporate information is easily accessible and will continue to develop the use of information technology for this purpose. All employees can access relevant corporate policies and e-learning modules on the Council's intranet.
- We will encourage development of a culture of corporate and co-operative working across the Council.
- We will encourage employees to influence the shape of future service delivery in an environment that embraces transformation and partnership working.

Workforce Development

We want employees to know how their contribution fits into the bigger picture, and to have the skills, knowledge and information they need to do their job effectively. We want them to feel committed to the Council and to enjoy coming to work.

- We will provide new employees with information about their job and employment package.
- Every new employee will undergo a customised induction process.
- All employee's will have an annual performance appraisal which will review their performance over the past year, set personal objectives for the year ahead, and identify any training and development needs.
- All employees will have access to training and development activities that are linked with their individual objectives as well as those of the service to which they belong.
- We will deal firmly and fairly with poor performance.
- On return from absence due to sickness, all employee's will engage in a return to work interview with their line manager that will attempt to identify any organisational factors which may have contributed towards their illness.

3 Achievement of Improvement Priorities for the period April 2016 to March 2017

Action	Progress
<p><u><i>Developing leadership capacity</i></u></p> <p>i) Provide structured development opportunities that enhance management capacity and enable succession planning that takes account of the anticipated departure of many senior staff over the next 5 years.</p>	<p>The Environmental Protection Manager and the Health Improvement Manager have undertaken a short course entitled "An Introduction to Management". The Head of Housing Services and the Street Scene Leisure and Technical Services Manager have completed a course in Digital Leadership. The Street Scene Manager has successfully completed the Certificate in Business Continuity Management.</p> <p>Many other opportunities have been taken to develop managerial capacity through project work and the re-distribution of duties when colleagues flexibly retire.</p>

<p><u>Developing the skills and capacity of the workforce</u></p> <p>i) Support the development of appropriate officers in skill sets required to meet current legislation/service requirements.</p>	<ul style="list-style-type: none"> ➤ There have been 191 instances of employees undertaking off the job seminars, workshops or short courses, and 256 e-learning courses were completed. ➤ The Housing Options and Support Manager has successfully completed the CIH Level 5 Diploma in Housing. The Internal Auditor is part way through the CIA Internal Audit qualification. The Licensing Inspector has completed the Professional Licensing Practitioner Qualification. One of the Help Desk Support Officers has completed further modules that contribute towards a BSc in Computing, and the Planning Officer (Apprentice) has completed further units in the BA Urban and Environmental Planning .
<p><u>Organisational development</u></p> <ul style="list-style-type: none"> ➤ Continue to re-align the Council's Establishment with its re-defined priorities. ➤ Continue to develop the knowledge base of elected Members in response to changes in legislation, Government initiatives etc. 	<ul style="list-style-type: none"> ➤ 44 adjustments to job roles, changes in working patterns, re-grades, and deletions of posts have been agreed at the meetings of the General Purposes Committee in June, and October 2015 and February 2016. ➤ Officers have provided Member briefings on a range of topics such as planning (including the Local Plan), housing, special expenses, the Council Tax Reduction Scheme, business rates, probity, and, licensing, at Committee and Advisory Board meetings. In addition, the Leader and the Leader of the Opposition attended the annual conference of the Local

	Government Association in order to provide up to date guidance on national trends etc.
<p><u>Resourcing, recruitment and retention</u></p> <p>i) Provide work placements to local schools.</p> <p>ii) Continue to provide apprenticeship placements for Customer Services at NVQ Level 2.</p>	<p>➤ Numerous work placement opportunities have been provided for Year 10 and 11 students.</p> <p>➤ 2 placements were provided in partnership with K College and 1 was successfully “filled”. The success of the programme has been evidenced by the subsequent employment within the Council of this apprentice as a DC Planning Clerk..</p>
<p><u>Pay and Reward</u></p> <p>The Council continues to adhere to the public sector pay restraint set by The Government.</p>	<p>The Council awarded a 2% two year pay settlement.</p>

4 Equalities Monitoring 2016/17

In accordance with Equality legislation, the Authority is legally obliged to consider how our activities as an employer affect people who share different protected characteristics.

The information included in the tables below shows the outcomes of this monitoring for the period 2016/17. For the sake of comparison, a percentage analysis of the demographic profile of the Borough according to gender, ethnicity and disability is shown in Table 10 and a breakdown of the race, disability, gender and age distributions of the workforce in Tables 11 & 12.

In accordance with commitments made in the Equality Impact Assessment of the Flexible Working Policy the outcomes of the monitoring of the return rates

from maternity leave and applications for flexible working are included in Tables 8 & 9.

Table 1 – Analysis of applications for jobs

Total Applicants	559
Male	222
Female	337
Disabled	21
Ethnic Minority	79

Shortlisted	71
Male	31
Female	40
Disabled	5
Ethnic Minority	8

Appointed	20
Male	7
Female	13
Disabled	4
Ethnic Minority	3

Table 2 – Analysis of Promotions

Promotions	13
Male	5
Female	8
Disabled	0
Ethnic Minority	0

Table 3 – Analysis of Disciplinary Hearings

Hearings	6
Male	3
Female	3
Disabled	0
Ethnic Minority	0

Table 4 – Analysis of Capability Hearings

Hearings	6
Male	3

Female	3
Disabled	0
Ethnic Minority	0

Table 5 – Analysis of Grievance Hearings

Cases	2
Male	0
Female	2
Disabled	0
Ethnic Minority	0

Table 6 –Instances of staff within the Council receiving training for which a direct cost has been incurred.

Total	White	Non White	Male	Female	Disabled
167	160	7	65	102	6

Table 7 – Applications for changes to working patterns and flexible working, and success rates

Nature of the request	Requests	Requests granted
Flexible retirement	2	2
Reduction/increase in working hours or change in working pattern	14	14

Table 8 – Return rates from maternity leave

Category	Number
Number of employees on maternity leave in 15/16	5
Number still on maternity leave in 2016/17	2
Number of employees who left the Council's employment on or shortly after returning from maternity leave	0
Number who returned to employment with the Council.in 15/16	3

Table 9 – Demographic analysis of the Borough

Equality Characteristic	Percentage
Male	48
Female	52
White	96

Ethnic Minority	4
Permanently sick or disabled	3

Table 10 – Gender, disability and race distribution of the workforce

In March 2016 there were 266 employees, of which 109 were part time.

Equality Characteristic	Headcount
Gender	Male – 95 Female - 171
Disability	Employees who consider themselves to be disabled – 5
Ethnicity	White – 227 Black – 4 Asian or Asian Black – 4 Other Asian – 0 Mixed - 0

Note – any discrepancies in the totals above are due to employees not disclosing personal information.

Table 11 – Age distribution of the workforce

Age range	Number of employees
Up to 19	2
20 - 25	9
26 - 35	30
36 - 45	63
46 - 55	89
56 - 65	65
Over 65	8

5 Workforce Development Plan April 2017 – March 2018

Developing leadership capacity

- Continue with the provision of structured development opportunities that enhance our management capacity and enable succession planning that takes account of the potential departure of many experienced staff over the next five years.

Developing the skills and capacity of the workforce

- Continue to support the ongoing professional development of staff, and to equip them with the knowledge and skills required to deliver services, to

respond to changes introduced by the Government, and to the Council's transformational agenda. Specific areas of need will be identified during the 2017/18 performance appraisal process.

Organisational Development

- Consider the impact on the Council's policies of any proposals from the Government to amend existing employment legislation, and re-align the Council's HR policies with the timetable for any proposed amendments.
- Continue to provide briefings for Members on legislative change etc. at Committee meetings and Advisory Boards, and, where appropriate commission dedicated training sessions on cross cutting corporate issues such as safeguarding children and vulnerable adults.

Resourcing, recruitment & retention

- Continue to re-align the Council's Establishment with its re-defined priorities.
- Continue to explore options with other Councils for shared service delivery.
- Continue to ensure that work placements are provided to local schools, and opportunities are identified to offer apprenticeships in accordance with the targets set by the Government..

Pay and Reward

- Track the benefits package offered by our competitors for staff and keep the Council's package under review (ongoing).
- Review the Pay Policy Statement (by March 2018).

TONBRIDGE & MALLING BOROUGH COUNCIL

GENERAL PURPOSES COMMITTEE

26 June 2017

Report of the Director of Central Services

Part 1- Public

Delegated

1 AMENDMENTS TO THE FLEXIBLE RETIREMENT POLICY

Summary

This report requests Members to agreed amendments to the Flexible Retirement Policy.

1.1 Introduction

1.1.1 In order to comply with the provisions of the Pension Scheme Regulations, a Flexible Retirement Policy was created in 2014.

1.1.2 In the light of recent experience of operating the policy, it is felt appropriate to make some amendments to the policy to ensure that employees are fully informed concerning the operation of the policy.

1.1.3 The revised policy is at Attachment 1 and the amendments include: the note at 3:4 that such arrangements must commence on the 1st of any month; and the inclusion of paras 3:7 and 3:8.

1.2 Legal Implications

1.2.1 There are no direct legal implications.

1.3 Financial and Value for Money Considerations

1.3.1 There are no direct financial considerations.

1.4 Risk Assessment

1.4.1 The amendments to the Flexible Retirement Policy are to ensure transparency and reduce the risk of the policy being wrongly interpreted.

1.5 Equality Impact Assessment

1.6 The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

1.7 Policy Considerations

1.7.1 Human Resources

1.8 Recommendations

1.8.1 It is recommended that the amendments to the Flexible Retirement Policy be agreed.

Background papers:

contact: Charlie Steel

Nil

Ext.6015

Adrian Stanfield
Director of Central Services

Flexible Retirement Policy

1 Introduction - The retirement routes for members of the Local Government Pension Scheme

- 1:1 There are various retirement routes available to employees who have contributed to the Local Government Pension Scheme (the LGPS). The Normal Retirement Age when employees can retire and receive full pension benefits from the LGPS is their state pension age.
- 1:2 Voluntary retirement is permitted from the LGPS at any point between age 55 and 75. However, unless they are protected by the “Rule of 85 years” those who retire before their Normal Retirement Age will receive a reduced pension to fund the “cost” to the LGPS of their early retirement. Likewise, their pension will increase if they retire later.
- 1:3 The LGPS rules require pension benefits to be drawn by the age of 75.
- 1:4 Flexible retirement enables employees to draw their pension benefits and to continue working for the Council, receiving a salary, in accordance with Regulation 30(6) of the Local Government Pension Scheme Regulations 2013. Flexible retirement can enable an employee to phase into retirement by:
- reducing their working hours and/or
 - moving to a job on a lower salary.

Employees who have been a member of the Local Government Pension Scheme for at least 3 months (or have transferred in previous pension benefits), and have attained at least age 55, have the right to make a formal request for flexible retirement. The procedure for making and considering such requests is set out in Section 2 below.

- 1:5 Requests for a reduction in working hours from employees who are not members of the LGPS will be considered in accordance with the Flexible Working, Home Working and Time Off Policy.

2 Principles

- 2:1 The Council will consider all requests for flexible retirement, and will reach a decision by taking into account a range of factors including; the financial implications, impact on service delivery, skills and skills retention, and employment law.
- 2:2 Each decision will be made free from discrimination on the grounds of any protected characteristic – age, disability, gender reassignment, marriage or civil partnership, pregnancy and maternity, race, religion or belief, sex, sexual orientation.

2:3 Decisions relating to flexible retirement and the release of pension benefits will be in line with the current pension regulations. These regulations may be updated from time to time and the Council will default to the regulations if the policy is not explicit on any current or future regulation.

3 Flexible Retirement Procedure

3:1 Individual circumstances are very different and actual pension benefits will be based on entitlements built up over a period of time, and, in some cases, will include pension “pots” that have been transferred into the LGPS. Therefore, employees considering applying for flexible retirement should contact Personnel Services who will obtain a *full estimate* of their pension benefits. This will include details of any reductions to these benefits if drawn before Normal Pension Age, and will specify any pension fund cost that there would be to the Council if it agreed to the request for flexible retirement.

3:2 Only one request per individual per annum may be made for an estimate of pension benefits. It is also recommended that once the estimate has been obtained those considering applying for flexible retirement should seek independent financial advice concerning the potential long term impact of “early retirement” upon their overall income levels.

3:3 Requests for flexible retirement will normally be agreed to only where the reduction in hours and/or grade achieves an immediate overall reduction in salary of at least 40% and where there are clear financial or operational advantages.

3:4 If an individual decides to make a request for flexible retirement it should be in writing to the Service’s relevant Chief Officer and should address the following points:

- What is your proposed flexible retirement working pattern – i.e. do you propose to transfer to an identified lower graded position within the Council, or to reduce the number of hours that you work? How will this new working pattern, reduction in hours etc., benefit both yourself and the service?
- When would you like this new arrangement to begin? (Such arrangements can only start from the 1st of any month)
- Bearing in mind that there is no longer an age for compulsory retirement, how do you intend to “phase” your retirement – i.e. how long do you envisage working the requested pattern and when do you intend to fully retire?

You should attach the *full estimate* obtained by Personnel Services (referred to in Section 3:1 above) to the request to enable the Chief Officer to assess whether there will be a pension fund cost to the Council.

- 3:5 The relevant Chief Officer, in consultation with the Personnel Manager, will consider requests on business grounds in accordance with the needs of the service and based on the case put forward. This consideration will include an assessment of whether the flexible retirement would have a detrimental effect on the Council, its service recipients or other employees; it would also identify and consider any arrangements that might need to be made to ensure continuity of service.
- 3:6 In circumstances where there is a cost to the Council, incurred by waiving the pension reduction for those who retire before Normal Pension Age (because the Council may need to make an upfront lump sum payment to the pension fund to “pay for” the retirement), the decision as to whether or not to agree to the flexible retirement will need to be authorised by the Chairman of the General Purposes Committee and the Cabinet Member for Finance, Innovation and Property.
- 3:7 In circumstances where the employee elects to defer payment of all or part of their pension entitlement, there is likely to be an increase in the cost to the Council from the cost specified in the original estimate. As an increase in cost may adversely impact the coherency of the original business case, the Council reserves the right to reconsider flexible retirement applications where there is a difference between the original estimate and the final settlement cost to the Council.
- 3:8 In circumstances as in 3:7, or where the flexible retirement involves a service restructure, or when there is a delay in obtaining estimates or costs from KCC Pensions Section, for whatever reason, the Council reserves the right to amend the effective date of retirement.
- 3:9 Once a decision has finally been reached, the Chief Officer will advise the employee in writing on the outcome of their request for flexible retirement.
- 3:10 There is no trial period for flexible retirement because once it has been agreed; the decision cannot be reversed due to the direct impact upon the pension benefits.
- 3:11 Employees may raise any complaint they may have about the operation of this policy through the Council’s Grievance Procedure.
- 3:12 Use of Tonbridge & Malling’s Flexible Retirement Policy will be subject to equalities monitoring. Any data gathered for this purpose will not identify individual employees and will be anonymous.

4 Implications of Flexible Retirement to the employee

- 4:1 The annual pension and lump sum retirement grant are paid with effect from the date of flexible retirement Additional Voluntary Contributions (AVCs) may be drawn if the employee so chooses.
- 4:2 Employees taking flexible retirement may contribute to the LGPS in the new or part time job in the form of an additional pension that will be drawn when they finally retire. This “new” pension will be a separate pension accrual.
- 4:3 If the employee reduces hours in the same job, or if there is no break in service and they start a new job, they will retain the recognition of continuous service for purposes of annual leave and sick pay, and for employment rights such as protection against unfair dismissal. The annual leave allowance will be based on the entitlement of the post in which the flexible retiree is working, and will be reduced pro rata for the number of hours worked.
- 4:4 Employees granted flexible retirement on the basis of reduced hours, and who have an entitlement to a leased car under the Council’s scheme, will have their “Limit of Three Year Cost” in the scheme reduced pro rata to their reduction in hours. This reduction will take place on the same date as the reduction in hours takes effect.
- Similarly a pro rata reduction in allowance will apply to flexibly retiring employees who have opted into the Leased Car Cash Alternative Scheme, and who are eligible for a telephone allowance. (Agreed by MT 15/1/2008).
- 4:5 In cases where the individual starts a new job, the entitlement to various allowances will be that pertaining to the new job. The changes in entitlement will take place on the same date that the reduction in hours or new job takes effect.
- 4:6 The amended terms and conditions will be specified in a variation to contract document to be signed by the employee and retained on their personnel file.

April 2014

Amended October 2016, May 2017

Agenda Item 6

Any other items which the Chairman decides are urgent due to special circumstances and of which notice has been given to the Chief Executive.

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Agenda Item 7

The Chairman to move that the press and public be excluded from the remainder of the meeting during consideration of any items the publication of which would disclose exempt information.

**ANY REPORTS APPEARING AFTER THIS PAGE CONTAIN EXEMPT
INFORMATION**

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Agenda Item 10

Any other items which the Chairman decides are urgent due to special circumstances and of which notice has been given to the Chief Executive.

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