

TONBRIDGE & MALLING BOROUGH COUNCIL

GENERAL PURPOSES COMMITTEE

20 October 2016

Report of the Director of Central Services

Part 1- Public

Delegated

1 UPDATE OF THE FLEXIBLE RETIREMENT POLICY

The Flexible Retirement Policy is set out in Annex 1 to this report. This policy was last updated in October 2013. All of the Council's Personnel policies are periodically reviewed to ensure that they are fit for purpose and continue to be legally compliant. This report recommends a couple of minor amendments to the Policy and proposes the updated policy in Annex 2 to this report (the amendments are highlighted in italics).

1.1 Recommended changes

- 1.1.1 It is **RECOMMENDED** that a new Section 2, entitled "Principles", is added to the existing policy. This gives a more detailed overview than the current policy of the considerations taken into account when considering requests for flexible retirement. Furthermore it provides a contingency for any future changes to the Local Government Pension Scheme Regulations that may become effective between scheduled meetings of this Committee. The recommended new section also reinforces the Council's ongoing commitment to equality issues.
- 1.1.2 Section 2:3 of the current Flexible Retirement Policy states that one of the criteria for agreeing to a request for flexible retirement will be that there is "no cost to the Council". Successive legislative changes to the Local Government Pension Scheme entitlements over a number of years mean that such a blanket requirement would now constitute age discrimination (as in all likelihood only those who reached their 60 birthday on 1 April 2016 could meet the "no cost" criterion). It is therefore **RECOMMENDED** that the phrase "where there is no cost to the Council" is replaced by "where there are clear financial or operational advantages".
- 1.1.3 Members will have noted that the updated Policy no longer stipulates a requirement to pro rata the Essential Car User allowance for those who are flexibly retiring. This amendment is **RECOMMENDED** to align the entitlement to this allowance with other categories of part time workers within the Council, and thus avoid potential age discrimination.

1.2 Legal Implications

- 1.2.1 The recommended amendments to the Flexible Retirement Policy are compliant with the Local Government Pension Scheme Regulations 2007 and 2014, and the Equality Act 2010.

1.3 Financial and Value for Money Considerations

- 1.3.1 It is imperative that the Council has HR policies that are transparent and fair not only in the interests of natural justice, but also in order to avoid costly legal challenge.

1.4 Risk Assessment

- 1.4.1 The recommendations outlined in Sections 1:1:2 and 1:1:3 above mitigate against challenges of age discrimination.

1.5 Equality Impact Assessment

- 1.5.1 The recommendations outlined in this report make a positive contribution to promoting equality.

1.6 Recommendations

- 1.6.1 Members are **RECOMMENDED** to adopt the updated Flexible Retirement Policy as set out in Annex 2 to this report.

Background papers:

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Nil

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