

Report to: **Governance Committee**
Date: **4 September 2009**
By: **Director of Law and Personnel**

Title of report: **Managing Change Suite of Policies**

Purpose of report: **1. To set out changes to employment legislation and the impact on the County Council's Managing Change Suite of Policies.**
2. To highlight proposed amendments to the Managing Change Suite of Policies and to the Regulatory Committee responsibilities and functions in light of the above.

RECOMMENDATIONS

The Committee is asked to approve the following for recommendation to the County Council:

1. To approve the changes to the Managing Change Suite of Policies, in particular the Restructure and Redundancy Policy and the Redeployment Policy; and
 2. To approve the changes to the Regulatory Committee responsibilities and functions as laid out in the County Council's Constitution.
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1. Financial Appraisal

1.1 There are no direct financial implications arising from this report.

2. Background

2.1 The Employment Act (2008) came into force on 6 April 2009 following recommendations from Michael Gibbons' 2007 national review of employment dispute resolution procedures.

2.2 The Gibbons' review found that the statutory procedures increased the number of cases going to Employment Tribunal and created a more adversarial situation, exacerbating disagreement which could otherwise have been resolved informally. Changes in legislation were therefore intended to streamline and simplify current processes, reduce the number of disputes, deal with those that do arise more quickly and efficiently, and to cut costs associated with dealing with such disputes.

2.3 The Act repealed the statutory dispute resolution procedures which had previously laid out steps that employers legally had to follow when dealing with disputes.

2.4 In light of these legislative changes it is now an appropriate time to review those policies affected by it, specifically the Restructure & Redundancy Policy and the Redeployment Policy contained within the Managing Change Suite of Policies.

3. Rationale for Changing the Policy

3.1 Before April 2009, employees dismissed by reason of redundancy or the non-renewal of a fixed term contract had a legal right of appeal against the decision under the statutory dispute resolution procedures.

3.2 Any appeals were considered by a panel of Members drawn from the Regulatory Committee as laid out in Table 4 of the Constitution - Regulatory Committee responsibility and functions.

3.3 Following the repeal of the statutory procedures on 6 April 2009, dismissals due to redundancy and non-renewal of fixed term contracts are now governed by the same law that applied before October 2004.

3.4 Legally employers are no longer required to provide a right of appeal against a dismissal in these circumstances. It is, therefore, proposed to amend the Managing Change Suite of Policies to reflect the current legal requirements and to revert to those procedures which existed pre 2004 (Appendix 1).

3.5 These proposals have been shared with the recognised Trade Unions and in the event that comments are received, these will be tabled on the day.

3.6 As a result of these changes the Regulatory Committee responsibilities and functions would need to be amended specifically to exclude appeals against redundancy and the non-renewal of fixed term contracts. (A copy of the revised section of the County Council's Constitution is attached in Appendix 2.)

4. Recommendations

4.1 The Governance Committee is asked to approve the following recommendations to the County Council:

1. To approve the changes to the Managing Change Suite of Policies.
2. To approve the changes to the Regulatory Committee responsibilities and functions as laid out in the County Council's Constitution.

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Local Members: All
Background Docs: None



Managing Change Suite of Policies

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Managing Change

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This policy sets out the way in which the County Council expects change in the workplace to be managed.

The policy does not apply to employees working in schools.

Key points

- This policy will enable the County Council to respond effectively to change in order to maintain a highly skilled workforce to deliver its services.
- The management of change should be conducted in full consultation with staff and trade unions
- Where there are staff reductions, alternative employment should be sought wherever possible
- Principles of equality and fairness will always be maintained.
- The Managing Change suite of policies comprises; [Re-structure and Redundancy](#), [Redeployment](#) and [Retirement Policy and Pension Benefits for Leavers](#).
- The [Managing Change Toolkit](#) is available for reference.

1. Introduction

1.1 Why Change?

- 1.1.1 The pace of change is now more rapid than ever. East Sussex County Council is committed to the continuing transformation of its services and to ensuring the organisation can respond flexibly to the new challenges and opportunities it faces. This means that we are often seeking new ways of working to make the best use of staff and resources.

2. Statement of Intent

- 2.1 Our staff are the Council's most significant and valuable asset. East Sussex is committed to providing job security for its employees as far as possible. The County Council recognises that it is important to have the optimum level of staff with the right skills mix and expertise to deliver excellent services to the residents of East Sussex. In order to achieve this, workforce plans are developed which help to determine the future workforce requirements.

- 2.2 Where staffing levels need to be reduced the following principles will be applied:

- Full consultation with the appropriate trade unions
- Compliance with the relevant legislation
- Discussions with trade unions about an appropriate method for selecting for redundancy
- Use of the redeployment Policy to seek suitable alternative employment for affected staff.
- Restrict recruitment using the Vacancy Control Procedure
- Attempt to avoid the need for compulsory redundancies

3. Managing Change Effectively

- 3.1 It is important to identify the staffing implications that arise from any proposals for change, at the earliest possible opportunity.
- 3.2 Managing change successfully is complex and the approach to change may well be influenced by the local context.
- 3.3 The [Managing Change Toolkit](#) is a collection of sources of support and practical insights for managing your team through change.

4. Equality and Diversity

- 4.1. The County Council has a legal duty to:

- eliminate unlawful discrimination
- promote equality of opportunity

and

- promote good employee relations

4.2 Managers must ensure that managing change does not have the effect of discriminating directly or indirectly against employees on the grounds of:

- gender or gender identity
- marital status
- sexual orientation
- race, language, ethnic or national origins
- faith or religion
- disability
- medical condition, including living with HIV or AIDS
- age
- trade union membership or activity
- political view or affiliation

For more information you can refer to [Promoting Diversity and Equality of Opportunity in Employment](#).

5. Consultation

5.1 There is a general duty to consult with employees over changes to organisational structures and jobs. Staff and recognised trade unions must be made aware of proposals for organisational change and the rationale, at the earliest possible opportunity, **regardless of whether any redundancies are likely to occur.**

5.3 Where redundancies are anticipated, please refer to the [Restructure and Redundancy](#) and [Redeployment](#) policies.

6. Support from Personnel & Training

6.1 PAT should be consulted as soon as the need for change is anticipated so that the impact on staff can be identified and will offer guidance to managers throughout the change management process.

Re-structure and Redundancy Policy

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Date last reviewed: August 2009
 Contact: Personnel and Training / HR Strategy Team

The procedure to be used when dealing with large or small re-structures to ensure that any re-organisation is carried out as fairly and equitably as possible.

Key points

- This procedure should be used to effect any organisational changes to structures.
- Full information will be provided to staff likely to be affected, in a timely fashion and meaningful consultation will take place both with staff and trade unions.
- Posts within the scope of the restructure will only be advertised externally once internal candidates affected by the restructure have been considered and after the County Council's Vacancy Control Procedures have been followed.
- When there are staff reductions arising from the re-structure, alternative employment will be sought, where possible.
- This policy should be used in conjunction with the County Council's personnel policies, in particular, [Managing Change](#), and [Retirement Policy and Pension Benefits for Leavers](#).

1. Introduction

- 1.1 All teams within organisations at some point in time find themselves in the situation where they need to change their existing structure(s). It is therefore important to have an agreed procedure and set of guidelines established to ensure that any re-organisation is carried out as fairly and equitably as possible, and in accordance with the County Council's Equal Opportunities policies.
- 1.2 Full consultation about the proposals will be undertaken by the Chief Officer, and/or a Senior Management representative, with the recognised Trade Unions, and the staff likely to be affected by any changes. This should take into account the requirement to consult where the re-structure is likely to involve redundancies.
- 1.3 This policy was designed to be flexible, adapting to changing circumstances, and it is important that during any re-structuring process all those involved keep an open mind and are prepared to consider different ideas and approaches.
- 1.4 All proposed re-structures should be discussed with the County Council's Personnel and Training Service at the earliest opportunity.
- 1.5 Where levels of staffing need to be reduced, the County Council will attempt to avoid the need for compulsory redundancies.

2. Consultation

- 2.1 In situations where there is the potential for redundancies as a result of the restructure, there is an obligation to carry out a full and timely consultation. Consultation should be undertaken for any restructure, no matter how small, even if no redundancies are anticipated.

- 2.2 Individual staff members and relevant recognised Trade Unions should be made aware of the proposals for organisational change, and the reason, at the earliest opportunity. Before starting any restructure or redundancy process, advice should be sought from Personnel.
- 2.3 An initial meeting will take place at the outset of the process, outlining the reasons for the change (staff should be given reasonable notice of this meeting).
- 2.4 During the consultation staff should receive the following information:
- Details of the proposals including in the case of potential redundancies, the proposed method of selecting the employees who may be redundant;
 - A clear communications strategy, with details of how feedback will be accepted;
 - Proposals for implementation;
 - A timetable, including dates of meetings; and
 - Information about what support is available to employees.
- 2.5 The volume and complexity of this information will vary according to the size and complexity of the restructure.
- 2.6 All employees affected by any re-structure will have access to relevant proposed structure charts, job descriptions, person specifications and grades at the outset of the process.
- 2.7 The County Council will allow the trade unions sufficient time to properly consider the proposals and to consult with their members as well as consulting directly with the employees affected over the proposals so that they understand fully the matters about which they are being consulted and the implications of the proposed changes (both personally and collectively).
- 2.8 In some circumstances it may be helpful to hold additional individual consultation meetings with staff at risk of redundancy to answer any outstanding questions that they may have or allay fears or concerns.
- 2.9 Trade unions and employees will be given reasonable time to formulate and formally put forward any counter proposals for consideration if they wish and very careful deliberation will be given to any formal responses put forward.
- 2.10 Employees and trade unions should be provided with a response to any feedback that they have submitted on the proposals and should be provided with details of the proposed final structure.

3. Collective Redundancies

- 3.1 A collective redundancy situation arises where it is proposed that 20 or more employees may be made redundant within a ninety day period.
- 3.2 'Contemplated redundancies', means possible termination of employment of an individual, so would apply even where restructuring would cause no overall loss

of total people employed because of new recruits. It also includes a situation where employees are to be redeployed on such radically different terms and conditions of employment that accepting those posts amounts to dismissal and re-engagement.

- 3.3 Consultation should begin in good time and be completed before any decision is made that results in a member of staff being made redundant. In this regard staff members will be invited to a meeting at the outset of the process (see para 2.3). In addition, where 20 or more redundancies are contemplated, consultation must begin in line with the timescales given in the table below:

No. of contemplated redundancies in any 90 day period	Period of Consultation
20-99 possible redundancies	At least 30 days before the first dismissal takes effect.
100+	At least 90 days before the first dismissal takes effect.

3.4 Notification to the Department for Business Innovation and Skills (BIS)

- 3.4.1 It is a legal requirement to notify the BIS in writing of a proposal that may result in 20 or more employees being made redundant. Notification must be made on form HR1. Advice should always be sought from Personnel.

4. **Appointing to the New Staffing Structure**

- 4.1 With the exception of Chief Officers, no appointments will be made to a reorganised structure (complete or in part) until the proposals have been issued and consultation with those affected has taken place.
- 4.2 Appointments should be made in hierarchical order, e.g. management posts then non-management posts and it should be agreed during the consultation process whether this will happen simultaneously or consecutively.

4.3 Ring Fencing

- 4.3.1 As part of the consultation process, managers will consult their staff about the staffing of revised proposals for the new structure(s), identifying those posts which will be filled by:

- 4.3.2 **Direct appointment (Slotting in)** - employees will be slotted in, in circumstances where:

- the number of new posts after the restructure is greater than or equal to the number of eligible employees; **and**

- there is little or no change in the duties (i.e. they are 'similar' in that the duties match at least 80% between the current and the new post, in terms of grade and job content).

4.3.3 A directly appointed employee will be able to refuse such an appointment, in which case the post will be open to a competitive process, initially to others affected by the reorganisation. By excluding themselves at this stage it should be made clear that a substantive post might not be secured and any entitlement to a redundancy payment may be lost. If no appointment is made following the 'ring-fencing' exercise, the post will be advertised more widely.

4.3.4 Once an employee has been directly appointed to a post, they will not be permitted to apply for an alternative appointment during the rest of the restructuring process.

4.3.5 Managers will review the method of filling a refused direct appointment and will consult as appropriate.

4.3.6 ***Competitive Appointment (via a ring-fence)***

A competitive appointment situation usually occurs

either

where posts involve similar responsibilities but the number of employees in these posts exceed the number of new posts in the team, in which case a selection pool and criteria will be involved (downsizing).

or

where the new posts differ, either because they are of a higher grade, or where the tasks and responsibilities of new posts are dissimilar and less than 80% match with the original post(s).

4.3.7 Employees will normally be considered for posts in accordance with their substantive grade. This process will be termed '**Inner Ringed**'. The 'inner ring' will also include any employees who have been acting up or covering a post for more than twelve months.

4.3.8 If a post remains vacant after all employees in the 'inner ring' have been considered, it will normally be opened out to the '**Outer Ring**'. Employment stability is an underpinning principle of these policies and procedures. As such, this takes priority and will therefore be used to determine how the outer ring-fence is defined and the employees included within it. For example, where employees affected by a restructure have not secured a post through the operation of the earlier phases, they could be given a prior consideration to the wider County Council workforce through inclusion in an outer ring-fence.

4.3.9 Employees eligible for competitive appointment within similar job groups will be notified and asked to complete a Preference Pro-forma stating which post(s)

they are applying for, and outlining the skills and experience, they believe they have for each post.

- 4.3.10 Employees subject to the competitive appointment procedure will be able to express preferences for up to three appointments, indicating an order of priority. Normal selection procedures will then apply.
- 4.3.11 The procedure for competitive appointments will follow the pattern of any normal recruitment process, but the field of candidates will be restricted to the ring fence. The selection method(s) will be established as part of the consultation process. This will normally include a selection interview.
- 4.3.12 Competitive interviews may take place to fill the posts in the structure. Wherever possible, there will be **one interview**. The main focus of which will be on the employee's first preference. There will be an opportunity for other preferences to be considered, hopefully avoiding the need for a further interview.
- 4.3.13 Managers may feel the need to conduct more than one interview particularly if the posts require different skills, knowledge and experience, even within the same team. If multiple interviews are to be held the employees will be notified at the beginning of the process.
- 4.3.14 It is important that during the selection process the application of selection criteria is consistent.
- 4.3.15 Once an employee has been appointed to a post, they will not normally be allowed to apply for an alternative appointment during the rest of the restructuring process, except where such posts are being advertised more widely.

5. Absence during a Restructuring Exercise

- 5.1 Employees who are absent during a restructuring process e.g. due to sickness absence or maternity leave should be included, as far as reasonably practicable, in any consultation process which takes place. They should receive the same information as their colleagues.
- 5.2 Those who are absent should be contacted individually by the Manager, to discuss the most appropriate way of including them in the appointment process.
- 5.3 In principle, where an individual is unable to attend for interview they will be considered for posts in their absence. In these circumstances, detailed references will be sought from their line manager and the individual may be asked to hand in a written submission.

6. On Secondment during a Restructuring Exercise

- 6.1 Any employee who is seconded to a post within the County Council and has held this post for less than a year will, for the purposes of restructuring, be deemed to remain in their substantive post.

- 6.2 An employee who is seconded to an external post and has held this post for less than a year will, for the purposes of restructuring, be deemed to remain in their substantive post unless other specific agreements are in place.
- 6.3 Employees who have been in a seconded post within the County Council for over a year will be considered for posts which are 'Inner Ring Fenced' at their seconded level (see point 4.3.7).
- 6.4 It is essential to adhere to timescales throughout the process. To ensure that all employees receive information as quickly as possible, it will be sent to their home address, when necessary. It is, therefore, very important that we have a correct address. If an employee believes that this may not be the case they should contact Personnel immediately.
- 6.5 Posts will not be advertised externally until internal candidates affected by the re-structure have been considered.
- 6.6 Every effort will be made to avoid compulsory redundancy but no guarantee can be given. Following a restructuring exercise employees may find themselves in the following situations:
- **Without a substantive post** – the redeployment procedure will then be followed; (see [Redeployment Policy](#));
 - **In a lower graded post** – previous grade will be maintained with pay protection after which time the postholder will revert to the substantive grade of the post; (see [Redeployment Policy](#)) ;
 - **Refused a suitable alternative post** – if an employee refuses an offer of a suitable alternative post to their current job, so that they end up with no post, the employee may lose their entitlement to a redundancy payment.

7. [Redundancy Selection](#)

- 7.1 Where redundancies need to be made the “pool” of employees from which potential redundancies may result must be defined. This might be one team within a Department, a group of employees doing the same job, usually working to the same or similar job description, or those performing a particular function across a number of departments. This will be done through a ring-fencing exercise (see section 4). Managers should seek advice from Personnel.
- 7.2 All individuals will be informed about the ring-fence into which they fall and in the event that an individual is in disagreement about the ring-fence into which they have been identified as falling within, or do not feel that it is appropriate that their post has been identified as being from within the pool from which the redundancies will be drawn, they should put this in writing to their manager. Any such notice will be considered as part of the consultation process.

8. Redundancy Selection criteria

8.1 Volunteers

8.1.1 The Council may consider requests for voluntary redundancy from employees. Each request will be carefully considered so that compulsory redundancies can be avoided or kept to a minimum. It should be stressed, however, that the overriding consideration should be the continued efficient running of the Council and the maintenance of an appropriate and high quality skills base. Therefore, the Council reserves the right to reject requests from volunteers where it is believed that it is in the Council's best interest to retain their skills.

8.1.2 The criteria used for redundancy selection must be clear and objective and be based on the future needs of the service/business. It should be applied fairly and consistently and must not discriminate on the grounds of:

- gender or gender identity
- marital status, full or part time employment
- sexual orientation
- race, language, ethnic or national origins
- faith or religion
- disability
- medical condition, including people living with HIV or AIDS
- age
- trade union membership or activity
- political view or affiliation

8.2 Examples of redundancy selection criteria

8.2.1 Each case is different so this does not provide an exhaustive list:

- Selection based on merit, individual employees being measured against a person specification that reflect the requirements for skills, qualifications and experience in the new posts.
- Interviews can be used to appoint to a new post and this can involve the use of aptitude for work tests that are relevant to the requirements of the new posts.
- Attendance record, disciplinary and capability/performance records

8.2.2 As a reasonable adjustment, absences relating directly to an employee's disability may be discounted when using attendance as a selection criteria.

8.2.3 Managers selecting for redundancy might wish to use a scoring matrix, including some or all of the above criteria. It is essential that all selection methods are objective and supported by documentation.

- 8.2.4 The proposed redundancy selection criteria should be shared with staff members potentially affected and the trades unions as part of the formal consultation processes and in advance of putting it into effect.
- 8.2.5 Once redundancy selection criteria have been put into effect, employees will be advised whether they have been provisionally selected for redundancy and provided with an opportunity to comment on their redundancy selection assessment. Should an individual disagree with their individual assessment or feel that selection criteria have been unfairly applied in their case, they should put this in writing to their manager or another Senior Manager as appropriate and the manager will review any individual concerns in the decisions made.

9. Formal Notification of Redundancy

- 9.1 Should the decision be to dismiss on the grounds of redundancy, notification of redundancy will be given to employees providing details of appropriate notice periods.

10. Notice Periods

- 10.1 The notice period will be an individual’s contractual or statutory notice period, whichever is greater. (See table below):

<u>Continuous Service</u>	<u>Statutory Notice</u>
1 month but less than 2 years	1 week
2 years but less than 12 years	1 week for each year of continuous employment
12 years or more	Not less than 12 weeks

- 10.2 The [Redeployment Policy](#) should be applied **throughout the consultation process** and during the period of notice. This is particularly relevant to the search for suitable alternative employment and subsequent trial period (see paragraphs 12 and 13, below).

11. Suitable Alternative Employment

- 11.1 The Council will make every effort to establish whether suitable alternative employment is available and offer such employment to the individual(s) concerned. Further details about this can be found in the [Redeployment Policy](#). Records of such efforts should be maintained. If “suitable alternative employment” is not available, redundancy terms will apply, as detailed in the [Retirement and Pension Benefits for Leavers Policy](#).
- 11.2 The factors which must be considered in determining whether a particular post offers “suitable” alternative employment include: relevance of an employee’s skills, qualifications, abilities and experience to the requirements of the post, the practicality and cost of re-training, location and comparability of salary and other terms and conditions.

- 11.3 The manager of the redundant employee, the Personnel Officer supporting the case and the employee concerned, supported by their trade union where appropriate, each have a responsibility to ensure a successful outcome.
- 11.4 If an employee expresses an interest in a job that is a potentially suitable alternative post, the employee should meet the recruiting manager who will explore whether there is a skills match.
- 11.5 If an employee refuses an offer of alternative employment which the Council deems suitable and the refusal is considered to be unreasonable, the individual could forfeit the redundancy payment.
- 11.6 The County Council will give prior consideration for suitable alternative employment, in advance of all other candidates, to all employees accepted for redeployment provided the employees' skills and abilities match the essential criteria of the post.

12. Trial Period

- 12.1 Where an employee takes up an offer of alternative work he/she will be provided with a trial period of 4 weeks for both sides to determine whether it is a suitable match. This can be extended by mutual agreement by up to three months to enable retraining, where appropriate. **During the trial period, the employee's salary should be maintained at least at the previous level. Further guidance on this is set out in the [Redeployment Policy](#).**

13. Employee Support and advice

13.1 Time Off for Attending Interviews

13.1.1 To ensure that this policy is consistently applied, the following is recommended:

- the relevant department manager should agree time off in advance.
- at least 24 hours notice should be given.
- a letter confirming the interview appointment or the training arrangements should, as far as possible, support the request for time off.

13.2 Staff Counselling

13.2.1 It is acknowledged that employees who are involved in reorganisations can feel vulnerable. Should any employee wish to speak to someone in confidence they can access counselling via the Staff Counselling Network. This is a confidential and independent service accessed through Occupational Health, tel: 01273 481738.

13.3 Additional support

13.3.1 Managers should consider offering support to employees affected by reorganisations, e.g. training on how to apply for posts and interview techniques.

Consideration may also be given to providing further support to redundant employees (e.g. help with CVs, retraining, outplacement, personal support/accessibility). Personnel and Training can advise on these options.

13.4 Reasonable Adjustments

13.4.1 Those employees covered by the DDA should be given the opportunity to request reasonable adjustments at every stage of the process. All requests and subsequent action should be appropriately recorded.

14. Redundancy Payments

14.1 Please refer to the [Retirement Policy and Pension Benefits for Leavers](#).

15. Withholding Redundancy Payments

15.1 If an employee, under notice of redundancy, receives an offer of work (in local government or a related employer, to commence the fifth Monday following the date of termination, there will be no entitlement to a redundancy payment. Related employers are those covered by the redundancy modification order (<http://www.opsi.gov.uk/si/si1999/19992277.htm>) including an offer of a suitable alternative post at East Sussex County Council.

16. Continuity of Service

16.1 The employee's continuity of service **will not** be broken if the employee receives and accepts an offer of employment with an organisation covered by the Redundancy Modification Order, <http://www.opsi.gov.uk/si/si1999/19992277.htm> before their employment ends with East Sussex County Council and they start their new job before the 5th Monday following the date of termination of employment. However, in these circumstances, they will not be entitled to a redundancy payment.

16.2 Where a redundancy payment is made, continuity of service will be broken for the purpose of calculating a future redundancy payment. However, there is an entitlement to count previous service for notice periods, annual leave, sickness payments and maternity leave, provided that the break has not exceeded 2 years.

17. Re-engagement of retired employees

17.1 Any arrangement to re-engage a former employee who retired early on grounds of redundancy with an enhanced pension should be on the following basis:

- (a) the employment should be for a fixed term, not exceeding one year. In exceptional circumstances this may be extended;

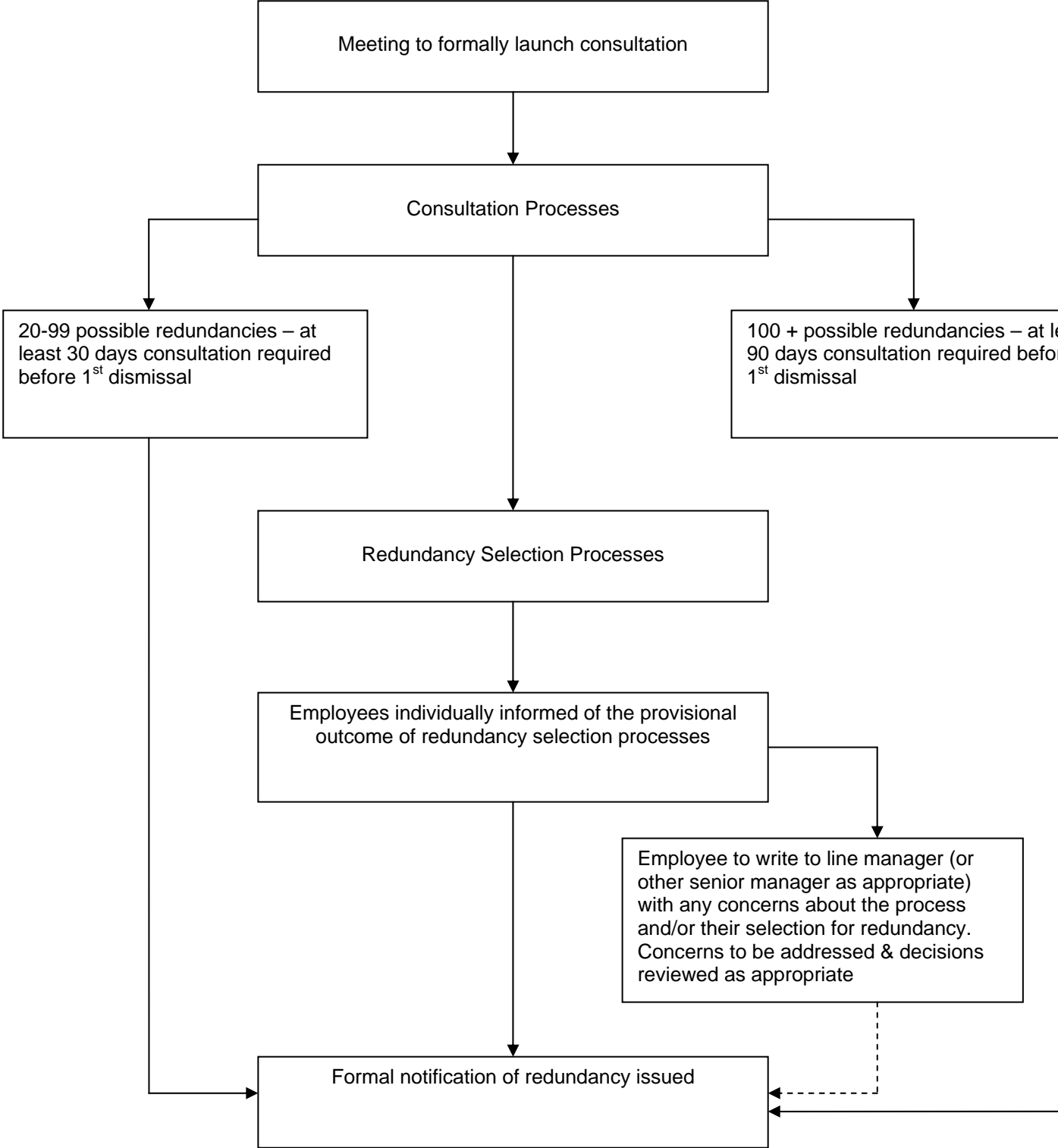
- (b) the re-engaged pensioner should be employed, with a contract of employment. Abatement of the pension should be applied where appropriate;
- (c) the rate of pay applied to the work undertaken by the re-engaged pensioner should be that appropriate to the work to be done and not the grading which applied to the pensioner before retirement;
- (d) the arrangement must provide financial/operational advantage to the County Council.

17.2 Pensions abatement is a formula that is applied when an employee with a local government pension is re-employed in local government (or with an associated employer). The level of earnings in the new job, added to the annual pension, must not exceed the salary on which the local government pension was calculated. For advice or further information please contact the County Council's pension provider, SERCO. (01825 744544, email: escc.pensions@serco.com)

18. Unfilled posts

18.1 If there are posts in the new structure which remain vacant at the end of this process, they will then be advertised and filled in the usual way.

APPENDIX 1 (of the Restructure and Redundancy Policy)



Redeployment policy

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Procedure for redeploying people within the County Council who are affected by changing circumstances.

Key points

- The County Council will make every reasonable effort to redeploy employees who are identified as being at risk of redundancy or of losing their job for other reasons, for example ill health, disability or the application of a formal policy or procedure.
- Any job opportunity considered must be a suitable match for the employee's skills and experience and comparable in terms and conditions of employment. In such cases the employee will be interviewed on a priority basis and not in open competition.
- Protection of pay and travelling costs might apply, depending on the circumstances.
- This Policy should be used in conjunction with the County Council's Personnel policies, in particular, [Managing Change Policy](#), [Restructure and Redundancy Policy](#), and [Attendance Management Procedure](#).

1. Introduction

- 1.1 The County Council recognises that some employees will be affected by changing circumstances during the course of their employment which may result in them being unable to continue in the job they were employed to do.
- 1.2 This policy enables the County Council to meet its legal obligations as an employer in respect of redundancy, expiry of fixed term contracts of one year or more, disability and lack of capability due to ill health.
- 1.3 When these circumstances are beyond the employee's control, the County Council will make every practicable effort to find suitable alternative employment. Examples of these circumstances include redundancy and the inability to carry out their role due to ill health or other issues.
- 1.4 This policy gives managers a clear, step by step approach to redeployment and complements other County Council policies relating to [Managing Change](#), for example, [Restructure and Redundancy Policy](#), [Management of Unacceptable Performance](#) and [Attendance Management Procedure](#).
- 1.5 The County Council invests in its staff and redeployment provides an opportunity, wherever possible, to safeguard this investment and retain valuable skills, experience and competencies within the organisation.
- 1.6 Redeployment is a formal process involving the transfer of an employee from his/her current job to an alternative post within the County Council. This may be managed within Departments or with assistance from the Personnel and Training Service if there are no vacancies immediately available in the employing department or in the event of a large-scale organisational change.
- 1.7 Change, whether related to redundancy, ill health or disability can be an unsettling experience for an employee and redeployment can provide an opportunity to rebuild a career or enable employees to gain new skills.
- 1.8 Whilst the County Council will make every reasonable attempt to redeploy an individual, there will be occasions where this is not possible. There can be no guarantee of an alternative job and in such circumstances the final outcome may be termination of employment. Please refer to the [Retirement Policy and Pension Benefits for Leavers](#).

2. Reasons for redeployment

- 2.1 The County Council aims to provide continuity of employment by seeking suitable alternative employment for employees identified as being at 'risk of redundancy' or following notice of redundancy because of organisational change, or because the job will come to an end on expiry of a fixed term or temporary contract.

2.2 The policy also applies to the following situations:

- Where an employee becomes unable to carry out their role due to ill health or disability and it is clear that no practicable adjustments to the current role can be made;
- Where a member of staff has been the subject of one of the County Council's formal policies or procedures e.g. Grievance (Dignity at Work).

2.3 There might be other circumstances in which redeployment is sought as an alternative to termination of employment. These should be discussed with the Personnel & Training Service when referring an employee for redeployment.

3. Prior Consideration for alternative employment

3.1 The County Council will give prior consideration, in advance of other candidates, to all employees accepted for redeployment provided the following criteria are satisfied:

- the employee's skills, qualifications, abilities and experience must match the essential criteria of the post. The employee should complete an application form for the job. PAT will maintain a redeployment database and use it to assist employees to find alternative employment with the County Council.
- In cases of redeployment for reason of redundancy, priority will only be given where the alternative post is deemed "suitable" (see paragraph 4.3, below).
- An employee without specific experience but with transferable skills will be considered provided the experience can be acquired within a short induction period in the job.

3.2 The law provides that if there is a suitable alternative vacancy it must be offered to the employee on maternity leave in preference to others. Priority will then be given to those whose jobs are redundant, or where a disability that potentially meets the provisions of the Disability Discrimination Act renders them unable to perform their job duties.

4. Redeployment for reasons of redundancy

4.1 An employee under notice of redundancy should be given a reasonable amount of paid time off during working hours for the purposes of seeking new employment or to make arrangements for training for future employment.

4.2 As an alternative to redundancy, an employer may offer "suitable alternative employment" to be available no later than four weeks after the dismissal date. An employee will be allowed a four-week trial period in the new job.

- 4.3 The factors which must be considered in determining whether a particular post provides “suitable alternative employment” include:
- relevance of an employee’s skills, qualifications, ability and experience to the requirements of the post;
 - practicality and cost of retraining the employee to function effectively within a reasonable period of time;
 - salary difference between the original contract of employment and the alternative job offered. Not more than 10% salary difference between the posts will be protected; other than in exceptional circumstances.
 - location; and
 - comparability of conditions of service between the original job and the alternative post.
- 4.4 If an employee expresses an interest in a post, he/she should meet the recruiting manager to explore whether there is a skills match and whether it is a suitable alternative post.
- 4.5 If there is more than one person at risk, for whom the post may be suitable, a selection process will be necessary.
- 4.6 If, following an interview, an employee is offered a post, which the employing department does not consider to be a “suitable alternative post”, but the employee nevertheless wishes to take up the appointment, there will be no pay protection.
- 4.7 If an employee is **offered** and **unreasonably** refuses a post, which the employing department considers to be a suitable alternative, the redeployment process will cease. The employee should be advised that he/she may not be entitled to a redundancy payment, if consequently made redundant.

5 Trial Period

- 5.1 Employees offered redeployment into new posts are entitled to a ‘settling in’ or trial period of 4 weeks. A trial period may be extended beyond 4 weeks to enable retraining, where appropriate. If the trial period proves unsuccessful or unsatisfactory, the employee will revert to being ‘at risk’ of redundancy, or redundant if the notice period has expired. (See [Restructure and Redundancy](#) and [Benefits and Compensation on Termination of Employment Policies](#)).
- 5.2 A right to a trial period exists where an offer of redeployment is made during an employee’s notice period and the employment is to commence at the end of the notice period. In these circumstances a 4 week trial period should be included in the offer. If, at the end of or during the trial period, the post is not suitable and

this is accepted by both the individual and the line manager, the redundancy payment is made as if the employee had left on the expiry of their notice period.

6. Salary Protection in cases of redundancy

- 6.1 Salary protection will normally only apply in cases of redundancy.
- 6.2 Where the salary of the alternative post is lower than the employee's current salary and the post is deemed to be a suitable alternative, as defined in paragraph 5, pay protection will apply for three years, at the incremental point at the date of transfer. Annual pay awards will not be applied.
- 6.3 If, during a period of salary protection, a suitable vacancy arises at the original grade, the County Council reserves the right to transfer the employee to this post, provided it is a suitable alternative post and there is a good match of skills and experience. If the employee unreasonably refuses to transfer, the salary protection will cease. Any concerns raised by the employee will be considered carefully and the trade unions involved where a second transfer is proposed affecting one of their members.
- 6.4 Where the difference in salary between the two posts is substantial, pay protection would not normally apply, subject to exceptional circumstances, on the basis that it is unlikely to be considered as a 'suitable alternative'. Where the conditions of service vary substantially between the two posts, protection will be applied so far as practicable.
- 6.5 Where an entitlement to excess travel arises, the provisions of the County Council's excess travelling scheme will be applied. Costs will be met by the original employing department. Travelling time is not protected.

7. Redeployment Procedure

- 7.1 In the event of large-scale redundancies being notified to Personnel & Training (PAT), departments must clear their vacancies with PAT prior to advertising them externally so that all employees facing redundancy will have an opportunity of prior consideration if they meet the essential requirements of the post.
- 7.2 Where appropriate, PAT will maintain a redeployment register containing information on the key skills, abilities, qualifications and experience of employees and conduct a preliminary matching exercise against the County Council's vacancies on the day that they are received.
- 7.3 If there is a potential match, the recruiting department will be asked to conduct a redeployment exercise, with prior consideration, provided the candidate meets the essential criteria of the post.

8. Stage One – Redeployment within Departments

- 8.1 A manager wishing to consider the redeployment of an employee should consult the relevant policies relating to the individual's circumstances and decide whether redeployment will be sought in advance of giving notice.

- 8.2 The manager, with assistance from PAT should first check the vacancy list for suitable alternative posts and match the employee's skills, qualifications, abilities and experience with the requirements for any potentially suitable jobs identified.
- 8.3 The employee should be provided with details of any potentially suitable job. If the employee considers the post to be unsuitable, the job details should be filed on the employee's personal file and the reason for refusal should be recorded with a statement from the manager as to whether or not the refusal is considered to be reasonable. The employee should be informed of the implications of refusing a post deemed to be suitable by the employer.
- 8.4 If the employee wishes to be considered for the post, he/she should complete an application form which will be given to the recruiting manager, who should decide whether he/she fulfils the essential criteria of the post, or could do so with a limited period of training and experience.
- 8.5 If there is a suitable match, the recruiting manager should arrange to interview the employee on the basis of prior consideration, giving precedence to those facing termination of employment on grounds of redundancy or where the DDA may apply. It will be appropriate to obtain references at this stage. A decision may then be made as to the employee's suitability for the post.
- 8.6 If the employee is unsuccessful in his/her application, the recruiting manager should record the reasons for not interviewing/appointing him or her and offer feedback before proceeding to recruit to the vacancy.

9. Stage Two – Redeployment within the County Council

- 9.1 If the employing department has no suitable vacancies, PAT should be notified so that the employee may be assisted with redeployment. Arrangements should be made for the employee to have access to the County Council's weekly vacancy sheet which is now available on the website.
- 9.2 A PAT representative will arrange to interview the employee to ascertain his/her transferable skills and abilities.
- 9.3 Where appropriate, PAT will conduct a job search across the County Council in order to identify suitable vacancies. This will include circulating information summaries showing the key skills, abilities, qualifications and experience of employees on the register, with their consent. If an employee has skills that could be relevant for job vacancies in schools, Children's Services' Personnel Team will be notified.
- 9.4 PAT will liaise directly with the manager of the individual seeking redeployment and if a potentially suitable vacancy arises will arrange for the employee to be considered for the post on the basis of prior consideration within the redeployment policy if the essential requirements of the job are met. Employees facing redundancy or a disability meeting the definition of the Disability Discrimination Act will take precedence.

- 9.5 If the employee is unsuccessful in his/her application, the recruiting manager should record the reasons and pass these to the PAT representative, who will arrange for the employee to receive feedback from the recruiting manager.
- 9.6 The line manager will arrange for a review meeting with the employee every 4-6 weeks accompanied by a PAT representative if required.

10. Conclusion of the redeployment process

- 10.1 The redeployment process will be concluded following any successful redeployment interview which results in a job offer, subject to the successful completion of the requisite trial period on both sides.
- 10.2 If the employee has been given notice of termination of his/her employment, the redeployment exercise will cease at the date of termination.

Retirement Policy and Pension Benefits for Leavers

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Date last reviewed:	March 2009
Contact:	Personnel and Training / HR Strategy Team

This policy covers the retirement policies, pension benefits and compensation that apply when the employment contract is terminated by either the employee or East Sussex County Council.

Employers are required to publish their policies and keep them under review. The decisions made within this policy are monitored against Best Value Performance Indicators and reported to County Council elected members, annually.

On retirement members of the Local Government Pension Scheme (LGPS) will receive an annual pension and pension scheme members pre-April 2008 will also receive a lump sum retirement grant on their service to that date. If a member resigns before he/she is eligible to retire and has more than three months' pension scheme membership, the pension benefits may be held in the Pension Fund (deferred benefits) or transferred to other funds, if applicable.

Employees made redundant will receive a redundancy payment as compensation and in some circumstances, employees whose jobs are changed substantially to achieve efficiency savings will be compensated, where it is agreed that they may retire early. In addition, those aged 55 or over with three months' service (or 50 for protected LGPS members up to 2010) are also eligible to access their pension benefits.

Please refer to [Local Government Pension Scheme](#) summary guide.

Key points

- The standard retirement age for all local government employees is their 65th birthday and there is the flexibility to retire earlier or later, with a minimum retirement age of 55. (50 for LGPS members pre-April 2008 until 2010). Personnel will contact employees approximately 7 months before their 65th birthday regarding their intended retirement date.
- Employees who were members of the LGPS before 1 April 2008 wishing to retire from the age of 60 with access to their pension benefits should discuss this with their manager and write a letter of resignation, giving the period of notice specified in their contract of employment.
- Voluntary retirement before the age of 60 (Rule of 85) requires the consent of the Chief Officer, who will need to be satisfied that the request meets the eligibility criteria in order that the pension benefits may be released. There will be a reduction to pension benefits if the rule of 85 is not met. The rule of 85 is being phased out and will not apply to new pension scheme members from 1 April 2008.
- The County Council might, on occasions, need to terminate employment contracts on grounds of redundancy. The overall compensation package includes a redundancy payment and those aged 55 or over (50 for members pre-April 2008 up to 2010) would have access to pension benefits, subject to eligibility.
- Other categories of early retirement include; efficiency of the service and ill health retirement. This policy gives details of the criteria to be met and benefits payable when employees retire early in these circumstances.

1. General Information about Retirement

1.1 When would I be able to retire?

- 1.1.1 Currently the state pension is paid when men reach the age of 65 and women age 60. Between 2010 and 2020 the statutory retirement age for women will gradually be brought into line with men, so that everyone will receive the state pension at age 65.
- 1.1.2 The standard retirement age for members of the Local Government Pension Scheme is 65 for both men and women. Please refer to paragraph 2, below, for details of the retirement procedure. Although women may currently retire at 60 with a state pension, they might gain, financially, from working longer to secure a better occupational pension.
- 1.1.3 The earliest age when immediate pension benefits are paid on leaving employment is 55 with protection for pre-2008 members who may retire from the age of 50 until 2010. When the employment is terminated for reasons of ill health, access to pension benefits is automatic, regardless of age, provided the member has a minimum of three months' membership in the LGPS (including transfer-in of other pension rights).. Please refer to the [III Health Retirement/Termination Policy](#).
- 1.1.4 The Local Government Pension Scheme now offers employees the flexibility to retire between the ages of 50 and 75 and may contribute to the Local Government Pension Scheme beyond the age of 65. In such cases, pension benefits will be increased using a formula based on actuarial tables. Pension benefits will be reduced if drawn before the age of 65*. Formal approval is required for any voluntary retirement before age 60.
- 1.1.5 The County Council also offers a flexible retirement policy, which enables employees to reduce their hours or their grade and draw their pension benefits. This must be supported by a business case with consent of their line manager and jointly authorised by their Chief Officer, Director of Corporate Resources and Law and Personnel.
- 1.1.6 **Protection arrangements: rule of 85**
- *All pension scheme members who joined before 1 October 2006 have some protection under the rule of 85. Those who wish to retire when they have satisfied the rule of 85 will have no reduction to their pension if they reach the age of 60 by March 2016. A 'tapered' reduction will then apply between 1 April 2016 and 31 March 2020. For all other members, the 85 year rule applies to all service up to 31 March 2008, with full reductions to later service. Please refer to Appendix 1 for further details.*
- 1.1.7 Further information concerning this rule is given in paragraphs 2.6 and 2.7, below.

1.2 What pension benefits are paid on retirement?

- 1.2.1 The Local Government Pension Scheme changed on 1 April 2008 and LGPS members before that date will receive an annual pension and lump sum retirement grant on retirement. The lump sum retirement grant ceased on 31 March 2008 and when they retire, LGPS members will receive the lump sum that they accrued up to that date
- 1.2.2 Pension benefits are calculated with reference to the length of pension scheme membership and the final year's pay. The accrual rate in the new pension scheme is $1/60 \times$ total membership and $1/80$ in the previous scheme that ceased on 31 March 2008. If you have been a member of both schemes your annual pension will be calculated on pre-2008 and post 2008 accrual.
- 1.2.3 For example, if you work for 30 years, you would receive a pension based on $30/60$ ths of your final year's pay and can expect an annual pension of approximately half your salary. Those who joined the pension scheme before April 2008 in these circumstances could receive a combined pension of $29/80$ of final pay and $1/60$ of final pay and a lump sum retirement grant of $3/80 \times$ membership \times final year's pay on their service to 31 March 2008
- 1.2.4 You may choose to commute some of your pension to a larger lump sum on a ratio of 1: 12 pension to lump sum, provided you notify Serco of your intention to do this **before** you retire.
- 1.2.5 In addition to pension contributions members of the Pension Scheme may pay Additional Voluntary Contributions (AVC's), which can be drawn at the same time as the pension. Further information about this may be obtained from Serco (01825 744544, email: esccpensions@serco.com) who administer the Pension Scheme on behalf of the County Council.
- 1.2.6 Membership of the Scheme is calculated in days. The membership of part time employees will accrue proportionately. For example, if you work half time you will accrue half a year's pension benefits for each year that you work. The pension calculation for the final year's pay is based on the **full time equivalent salary**.
- 1.2.6 The pension is paid monthly directly into the bank account of your choice on the last banking day of each month and the lump sum retirement grant is paid within 2-3 weeks of retirement.

1.3 What happens to my Pension Benefits on leaving if I cannot draw them?

- 1.3.1 These are known as 'deferred benefits' and may be drawn at age 65 or, for those who are eligible, from the age of 60, without reduction, once the rule of 85 is met.

2. Retirement Options

2.1 There are a number of different retirement options. A brief description of each 'type' of retirement is given below.

- Standard retirement at age 65 plus
- Voluntary Early retirement – without requiring the employer's consent
- Voluntary Early Retirement – with the employer's consent
- Efficiency of the Service
- Redundancy
- Flexible Retirement
- Ill Health

2.2 A table, summarising these options is attached at Appendix 1.

2.3 Standard retirement at age 65 plus

2.3.1 The Council's standard retirement procedure is to write to employees approximately seven months prior to their 65th birthday, asking them to complete a preference form which indicates whether they wish to retire at age 65 on their 'intended retirement date' or request to continue working. Requests to continue to work will be fairly and objectively evaluated and a response provided within a reasonable time frame.

2.3.2 The default retirement age for all local government employees is their 65th birthday. If the employee's request to continue working beyond their 65th birthday, or subsequent intended date of retirement, is declined then their employment with the Council will cease on their intended retirement date.

2.3.3 If the request is granted, a new intended retirement date will be set. Employees will be able to request to have this extended again, following the same process as set out above.

2.3.4 Please refer to the guidance on [requests to work beyond normal retirement age](#).

2.5 Accessing your pension

2.5.1 On retirement, pension benefits are administered through the pensions' payroll. An approach will be made in advance of the retirement from the Council's pension scheme administrator, Serco, regarding payment details for the pension and retirement grant, **If an employee wishes to commute part of the pension to lump sum, it is important to notify Serco before the date of retirement; otherwise the lump sum could be taxed. (01825 744544, email: escppensions@serco.com)**

2.6 Voluntary Early Retirement – *without* the requirement of your employer’s consent (age 60-65)

(Note: only applicable to LGPS members before 1 October 2006)

- 2.6.1 Employees may retire voluntarily on or after age 60 and before age 65, without reduction to pension benefits, provided that their age and length of pension scheme membership total at least 85 years. This rule is being phased out from 1 October 2006 and the protection arrangements are given below; *
- 2.6.2 Any member of the pension scheme may decide to retire from the age of 60 without the employer’s consent but if the rule of 85 is not met, there will be a reduction to pension benefits.
- 2.6.3 An employee wishing to retire between the ages of 60 and 65 should obtain an estimate of pension benefits from the Council’s pension scheme administrator, Serco, prior to giving written notice to their line manager. The Employer’s consent is not required.

2.6.4 *Protection arrangements: rule of 85*

**All pension scheme members who joined before 1 October 2006 have some protection under the rule of 85. Those who wish to retire when they have satisfied the rule of 85 will have no reduction to their pension if they reach the age of 60 by March 2016. A ‘tapered’ reduction will then apply between 1 April 2016 and 31 March 2020. For all other members, the 85 year rule applies to all service up to 31 March 2008, with full reductions to later service.*

2.7 Voluntary Early Retirement – *with* your employers consent (age 50-59)

(Note: only applicable to LGPS members before 1 October 2006)

- 2.7.1 Employees may retire between the ages of 50 and 59 with the employer’s consent without reduction to their pension benefits provided that their age and length of Scheme membership total at least 85 years. This rule is being phased out from 1 October 2006. Please refer to the protection arrangements in paragraph 2.2, above.
- 2.7.2 Please note that the minimum retirement age from 2010 will be 55.

2.8 Procedure for retiring aged 50-59 with the employer’s consent

- 2.8.1 Employees who will not have reached the age of 60 by the intended date of retirement should approach their line manager to seek the employer’s consent to early retirement. The application form should be completed by the line manager and passed to the Chief Officer for consideration. Advice may be sought from a Personnel Officer to assist with this process, including obtaining an estimate of pension benefits.

2.8.2 The Personnel Officer will check that the criteria have been met and seek approval to the retirement from the Director of Law and Personnel. Retirements under this option involve early payment of pension benefits and therefore the numbers have to be monitored to ensure that the Pension Fund is not subject to excessive demands.

2.9 Waiving a pension reduction on compassionate grounds (rule of 85)

2.9.1 If an employee aged 50-59 (55 from 2010) wishes to leave for personal reasons but does not meet the rule of 85, his/her pension benefits will be reduced. The County Council may consider waiving the actuarial reduction on compassionate grounds using the following definition of compassion;

- (i) compelling domestic reasons which will affect the ability of the individual to continue with his/her present working arrangements
- (ii) Ill-health which does not meet the criteria for ill-health retirement.

2.9.2 Such cases must be approved by the Director of Law and Personnel.

2.10 Early retirement on grounds of Efficiency of the Service

2.10.1 A Chief Officer may recommend to the Director of Law and Personnel/Director of Corporate Resources that an employee's employment should be terminated on grounds of efficiency of the service if it can be demonstrated that the service could be provided or organised more efficiently as a direct result of the retirement. The employee should be in agreement with the decision and be provided with an estimate of the pension benefits or compensation, if applicable.

2.10.2 The following criteria should be considered for each case:

- The financial benefits arising from revised working arrangements.
- The cost of the retirement compared with the savings arising.
- The extent to which a job has changed and the cost/time involved in training the employee to acquire new skills.
- Any cost implications arising from the decision affecting other staff and resources.
- Whether either redeployment or flexible retirement is a viable alternative solution.

2.10.3 This policy should not be used as an alternative to managing poor performance or attendance issues. Further guidance is available in the attendance management procedure and the procedure for the management of poor performance.

2.10.4 The Chief Officer has discretion to recommend to the Director of Law and Personnel and Deputy Chief Executive/Director of Corporate Resources whether an award of compensation in the form of additional pension scheme membership or a lump sum severance payment, is appropriate, having regard to the strength of the business case. In most cases such retirements will be granted on the basis of no additional compensation, but in approved cases, pension scheme membership may be increased by up to 3 years or, as an alternative, a lump sum compensation payment may be awarded up to a maximum of 66 weeks' pay, less the statutory redundancy payment of up to 30 weeks' pay (see Ready Reckoner on the intranet). The maximum payment will be 36 weeks' pay. The cost of compensation payments is met by the employing Department.

2.10.5 Any increased pension membership awarded will not exceed 3 years. If the employee has less than 3 years' service, his/her service may be matched.

2.11 Procedure for approval to terminate service on Efficiency grounds

2.11.1 A Personnel Officer in the Professional Services Team, will assist the Department with the completion of the early retirement form, stating the business case for early retirement and associated costs/savings.

2.12 Redundancy Compensation

2.12.1 Where an employee's job is redundant the Council has the discretion to award compensation, as outlined below. For further information about the redundancy definition or consultation process, please refer to the redundancy policy.

2.12.2 The County Council reserves the right to refuse requests from volunteers where it is believed that the individual's skills should be retained.

2.12.3 Employees made redundant will be offered compensation of **either**;

(i) Discretionary enhanced severance payment

This payment is equivalent to 2.2 times the statutory redundancy payment.

This will be a maximum of 66 weeks' pay. There is an option for employees to convert part of this payment to pension scheme membership. The Pensions Administrator, Serco, is able to provide information about conversion.

Or, in approved cases, depending on the strength of the business case;

(ii) Increased pension scheme membership (augmentation) plus statutory redundancy payment

2.12.4 The statutory redundancy payment is the minimum level of compensation that is paid to employees made redundant. It is calculated according to age and length of service and the maximum payment is 30 weeks' pay. The County Council's policy is to base the payment on the actual weekly rate of pay, averaged over a period of 12 weeks at the time of calculation.

2.12.5 In addition to receiving a statutory redundancy payment, employees who are made redundant at the age of 50 plus, with pension scheme membership of at least three months, are able to access their pension benefits.

2.12.6 In addition, if there is a strong business case, Chief Officers may wish to recommend to the Director of Law and Personnel and the Deputy Chief Executive/Director of Corporate Resources, that additional compensation of up to a maximum of 3 years' increased pension scheme membership be awarded. Examples of such cases might include; closure of an establishment or large scale workforce reductions.

2.12.7 The maximum level of compensation is the least of:

- the equivalent period of accrued pension scheme membership on last day of service
- 3 years

Note: Augmentation should be awarded and paid by the last day of service but the LGPS regulations allow a retrospective decision to be made within 6 months of leaving. This would normally be in circumstances such as a formal challenge, either through an appeal process or internal dispute resolution procedure.

2.12.8 Following consultation with the employee and the recognised trade unions, a Chief Officer may approve terminations of service on grounds of redundancy and seek approval to the terms of the redundancy from the Director of Law and Personnel and Deputy Chief Executive/Director of Corporate Resources. All redundancies must be approved in writing using the early retirement (Redundancy) form and filed on the personal file.

2.12.9 Where a proposal is in place for a Chief Officer, Deputy or Assistant Director to be made redundant, this must be referred to the Chief Executive, to seek member approval to the redundancy payments.

2.13 Flexible Retirement Policy

2.13.1 The Council operates a flexible retirement policy that enables employees to step down to retirement by reducing their hours in their current role and/or move to a lower graded post and at the same time, draw their accrued pension benefits. There must be a reduction in pay of at least 20%. Please refer to the [Flexible Retirement Policy and managers' guidance](#) for full details.

2.13.2 Any application for flexible retirement must be submitted by the line manager to the Chief Officer with a supporting business case, which includes details of resultant savings, benefits such as succession planning, improved operational efficiency and takes into account any pension strain costs.

2.13.3 This policy may be used to facilitate redeployment, where applicable.

2.13.4 The application must be jointly authorised by the Director of Law and Personnel and the Director of Corporate Resources.

2.14 Ill Health Retirement/Termination Policy

2.14.1 Employment may be terminated with access to pension benefits if an individual becomes permanently incapable of discharging his/her duties with a reduced likelihood of obtaining gainful employment. Such cases are considered by the Council's Occupational Health team. Please refer to the [Ill Health Retirement/Termination Policy](#).

SUMMARY OF RETIREMENT SCHEMES AND BENEFITS

Retirement package	Criteria	Pension benefits	Process
<p>1. Standard retirement (age 65 plus)</p>	<p>Age 65 or over on retirement</p>	<p>Annual pension and lump sum retirement grant, (where applicable) with an actuarial increase applied if retirement is later than age 65.</p>	<p>Personnel will write to individuals approx 7 months before their 65th birthday with a preference form and employees must respond within the time limit. If the employee wishes to retire, this will be actioned. If the employee wishes to continue working, the manager will consider the request and respond. If the request is granted, a new intended retirement date will be set and the process repeated at that time.</p>

Retirement package	Criteria	Pension benefits	Process
<p>2. (a) Voluntary Early Retirement (age 60-65) (Rule of 85)* Employer's consent not required Only applicable to LGPS members pre-October 2006</p>	<p>Any employee may retire from age 60 without the need to obtain their employer's consent.</p> <p>If an employee's age plus length of pension scheme membership totals 85 or more then all or part of the pension will be paid without reduction. This rule is commonly known as the 'rule of 85' and is being phased out from 1 October 2006.</p> <p><i>Protection arrangements: rule of 85</i></p> <p><i>*All pension scheme members who joined before 1 October 2006 have some protection under the rule of 85. Those who wish to retire when they have satisfied the rule of 85 will have no reduction to their pension if they reach the age of 60 by March 2016. A 'tapered' reduction will then apply between 1 April 2016 and 31 March 2020. For all other members, the 85 year rule applies to all service up to 31 March 2008, with full reductions to later service.</i></p>	<p>Annual pension and lump sum retirement grant (where applicable).</p> <p>If an employee wishes to retire but does not meet the rule of 85, pension benefits will be paid, but with a reduction, because they have been paid early.</p> <p>The pension reduction may be waived on compassionate grounds.</p>	<p>Employee needs to send letter of resignation via line manager.</p> <p>An application to waive the pension reduction is included in the rule of 85 application form. The form must be completed and passed to the line manager who, if he/she supports the case, will seek the approval of the Chief Officer. The Personnel Professional Services team should then be contacted to seek approval from the Director of Law and Personnel.</p>

Termination package	Policy Criteria	Criteria for receiving compensation or pension benefits	Amount of Compensation or Pension Benefits	Process
<p>2. (b) Voluntary Early Retirement aged 50-59 with the employer's consent</p> <p>(age 55 from 2010)</p> <p>(Rule of 85)</p> <p>Only applicable to LGPS members pre-October 2006</p>	<p>Requires the employer's consent</p> <p>If the employee has key skills or works in an area with known recruitment or retention difficulty, arrangements should be made to retain him/her until a successor is appointed.</p> <p>Consent will normally be given if savings would result, directly or indirectly, from the retirement or if poor health is significantly affecting performance.</p>	<p>Minimum age 50 to be able to draw pension benefits</p> <p>Rule of 85 If age and length of service equals 85 then all or part of the pension will be paid without reduction.* This rule is being phased out from 1 October 2006.</p> <p><i>Protection arrangements: rule of 85</i></p> <p><i>*All pension scheme members who joined before 1 October 2006 have some protection under the rule of 85. Those who wish to retire when they have satisfied the rule of 85 will have no reduction to their pension if they reach the age of 60 by March 2016. A 'tapered' reduction will then apply between 1 April 2016 and 31 March 2020. For all other members, the 85 year rule applies to all service up to 31 March 2008, with full reductions to later service.</i></p>	<p>Annual pension and lump sum retirement grant (where applicable)</p> <p>If an employee wishes to retire under the rule of 85 but is unable to meet the rule, retirement benefits can be paid, but will be subject to a reduction for early payment.</p> <p>The pension reduction may be waived on compassionate grounds.</p>	<p>Employee approaches Line Manager, who decides whether or not the criteria are met.</p> <p>Manager completes the Rule of 85 application form and makes a business case to the Chief Officer.</p> <p>If approved by the Chief Officer, the case is passed to Personnel to seek approval from the Director of Law and Personnel.</p>

Termination package	Policy Criteria	Amount of Compensation or Pension Benefits	Process
<p>3.</p> <p>Efficiency of the Service</p>	<p>Efficiency improvements must result from the retirement. E.g. replacing at a lower level, recruiting an employee with all of the skills required in the job.</p> <p>Individual circumstances will be taken into account, for example, poor health or difficulty of adapting to change</p> <p>This should not be used as an alternative to managing poor performance or attendance issues.</p>	<p>The employee is eligible to access his/her accrued pension benefits from age 55 (50 for protected LGPS members until 2010).</p> <p>Up to 3 years increased pension scheme membership may be awarded depending on the strength of the business case.</p> <p>Maximum compensation will be the least of</p> <ul style="list-style-type: none"> • 3 yrs increased pension scheme membership • equivalent pension scheme membership accrued on leaving employment <p>As an alternative to increased pension scheme membership a discretionary lump sum compensation payment may be made up to a maximum of 66 weeks' pay, reduced by the statutory redundancy payment of up to 30 weeks' pay.</p>	<p>The line manager should contact the Advisory Team in Personnel and Training, who will assist them to make a business case to the Chief Officer and Director of Law and Personnel and Director of Corporate Resources.</p>

Termination package	Policy Criteria	Pension or compensation benefits	Process
Redundancy	To qualify, the statutory definition of redundancy must be met (the need for work of a particular kind must have ceased or diminished) and for compulsory redundancy, statutory consultation procedures followed and an attempt made to find the employee a suitable alternative post.	<p>Either;</p> <ul style="list-style-type: none"> • a discretionary lump sum enhanced severance payment based on a multiplier of the statutory redundancy payment of 2.2 with the option of conversion to pension scheme membership. <p>or</p> <ul style="list-style-type: none"> • Statutory Redundancy Payment and • Augmentation of pension scheme membership by up to a maximum of 3 years. <p>NB There is automatic access to pension benefits on redundancy from the age of 55 (50 for protected LGPS members until 2010)</p>	The line manager should contact the Advisory Team in Personnel and Training, who will assist them to make a business case for approval by the Chief Officer, Director of Law and Personnel and Director of Corporate Resources.

Termination Package	Policy Criteria	Pension or compensation benefits	Process
<p>5. Flexible Retirement</p>	<p>A reduction in pay of 20% must apply.</p> <p>Continuous service is recognised and the abatement rules do not apply.</p> <p>Flexible retirement must be supported by a business case that takes into account any pension strain costs.</p> <p>Waiver of the pension reduction in exceptional circumstances only</p>	<p>Access to accrued benefits with or without reduction, as applicable.</p>	<p>The line manager should contact the Advisory Team in Personnel and Training, who will assist them with the business case for approval by the Chief Officer, Director of Law and Personnel and Director of Corporate Resources.</p>

Termination Package	Policy Criteria	Pension or compensation benefits			Process
<p>6. Ill Health Retirement/Termination</p>	<p>“<u>Permanently incapable</u>” of undertaking current duties until at least age 65</p> <p>and</p> <p>a reduced likelihood of obtaining “<u>Gainful employment</u>” (paid employment for not less than 30 hours per week for a period of not less than 12 months) within a three year period.</p> <p>There are 3 tiers of pension benefits with the third tier being subject to review after 18 months and will cease or move to tier 2 after three years.</p> <p>Former employees retired as tier 3 are required to notify the former employer if they resume working.</p>	Tier	Definition	Pension Benefits	<p>Ill health retirement/termination is considered through the medical enquiry procedure by an Occupational Health Physician and certified by an Independent Occupational Health Practitioner (IOHP)</p> <p>During this process, all options, including redeployment would have been explored.</p> <p>The IOHP will certify approval to ill health retirements and determine the tier that applies.</p> <p>Tier 3 cases will be subject to a medical review after 18 months.</p>
		1	No reasonable prospect of obtaining any gainful employment before normal retirement age (65)	100% enhancement of pension benefits between the date of leaving and normal retirement age (65)	
		2	No reasonable prospect of the employee becoming capable of obtaining gainful employment within three years of leaving but likely to do so before reaching normal retirement age	25% enhancement of pension benefits between the date of leaving and reaching normal retirement age.	
		3	Likely to be capable of obtaining gainful employment within three years of leaving.	Award of pension benefits accrued at the date of leaving, with a review after 18 months.	
<p>When life expectancy is less than one year, the ill health pension in excess of the member’s Guaranteed Minimum Pension may be commuted for a lump sum of 5 times the amount of pension given up.</p>					

6 (b). ILL HEALTH RETIREMENT BENEFITS – available to pre- April 2008 members who are 45 years or over as at 31.3.08

Consideration will be given to termination of employment on grounds of ill health if he/she becomes permanently incapable of discharging efficiently the duties of that employment and has a reduced likelihood of obtaining gainful employment until at least the age of 65. See III Health Retirement/Termination policy (link)

Length of membership of LGPS Including transferred service	Benefits Payable	
Less than 3 months	Refund of pension contributions or transfer these to another scheme	
3 months-5 years	Actual total membership only	
5 years or more	Pension benefits with enhanced membership	
5-10 years	Membership is doubled	
10 – 13 ¹ / ₃ years	Membership increased to 20 years	
13 ¹ / ₃ but less than 33 ¹ / ₃ years	Membership increased by 6 ² / ₃ years	
33 ¹ / ₃ years but less than 40 years	Membership increased to 40 years	
<p>Note:</p> <p>Ill health enhancement cannot exceed the employees' potential membership to age 65 or the completion of 40 years service. Account must also be taken of any previous ill health retirement awards that may have been granted within the local government scheme.</p> <p>The maximum award of enhanced membership in respect of all membership of the local government pension scheme cannot exceed ten years.</p> <p>The enhancement for part time membership will be calculated on a pro rata basis, but this is applied in different ways, depending on the length of previous service and combination of full and part time service. SERCO will be able to advise on the enhancement applicable in individual cases.</p>		

APPENDIX 2

Table 4 – Regulatory Committee responsibilities and functions

The following functions shall be undertaken only by members of the Regulatory Committee:

A. Planning Committee

1. to deal with all matters relating to the control of development and issues arising there from;
2. to exercise the statutory regulatory powers and duties of the Council in relation to rights of way, including the creation, stopping up and diverting of footways and bridleways, the duty to keep a definitive map and statement under review, the duty to re-classify roads used as public paths, the duty to protect the rights of the public to use them and the power in relation to the removal of obstructions;
3. to exercise the quasi-judicial and statutory regulatory powers and duties of the Council in relation to other highways (including the duty to assert and protect the rights of the public to use and enjoyment of highways, powers in relation to the removal of obstructions and the power to issue licences and consents and to take other action under Sections 115, 139, 142, 147, 169, 171, 172, 178, 179 and 180 of the Highways Act 1980 insofar as they are the responsibility of the County Council); and
4. to authorise the County Council as County Planning Authority to participate in planning obligations under Section 106 of the Town and Country Planning Act 1990; and
5. to consider objections received in relation to orders made under the Road Traffic Regulation Act 1984 and the Traffic Management Act 2004 and regulations made thereunder and make recommendations to the decision maker.

B. To exercise all the powers and duties of the Council in relation to:

1. the licensing and regulation of agencies for the supply of nurses;
2. approval of premises for the solemnisation of marriages;
3. explosives;

4. poisons;
5. the issues of licences relating to the movement and sale of pigs; the licensing of collecting centres for the movement of pigs and licences to move cattle from a market;
6. making, amending, revoking or re-making byelaws;
7. the employment of children;
8. safety certificates for sports grounds and regulated stands at sports grounds.

C. To approve and review as necessary a programme of training for members in relevant aspects of public administrative law to enable them to carry out their duties in accordance with the principles of natural justice and the law.

D. To issue guidance from time to time to assist members to carry out their duties and to improve procedures and working practices.

E. To provide the following panels to exercise the powers and duties of the County Council in relation to various quasi-judicial statutory functions:

1. Approved Marriage Premises Review Panel
2. Transport and Student Awards Panel
3. Employment Appeal Panel
4. Commons and Village Greens Registration Panel

Members of the panels listed above, except where indicated otherwise, are appointed by the Director of Law as the need arises. The County Council has agreed to waive the political balance provisions of the Local Government and Housing Act 1989 in relation to these panels, on the basis that they will comprise a member of each group where possible. The terms of reference of the panels are as follows:

i) Approved Marriage Premises Review Panel

Terms of Reference

To review decisions made by the Proper Officer for Registration and to make determinations in accordance with the Marriage (Approved Premises) Regulations 1995 where an applicant for, or holder of, an approval is aggrieved.

Membership

Three members of the Regulatory Committee.

ii) Transport and Student Awards Panel

Terms of Reference

1. To exercise the powers and duties of the County Council in relation to (i) the provision or payment of boarding and tuition allowances for individual pupils and (ii) awards to individual students for further and higher education, in both instances where the Director of Children's Services refers the case to the Panel for resolution rather than dealing with it under her delegated powers.
2. To consider individual cases and make arrangements on behalf of the County Council to pay for or provide transport to and from school for pupils whom the Director of Children's Services does not consider to qualify either statutorily or under the normal policy of the County Council for such transport.

Membership

Three members of the Regulatory Committee.

iii) Employment Appeal Panel

Terms of Reference

1. To hear and determine appeals by employees against the grading of their posts;
2. To hear and determine appeals against disciplinary action and the dismissal of employees (with the exception of dismissals due to redundancy and the non-renewal of fixed term contracts);
3. To hear and determine determine grievances lodged by staff in accordance with the County Council's grievance procedure; and
4. To hear and determine disputes lodged by employees in accordance with the County Council's disputes procedure.

Membership

Three members of the Regulatory Committee.

iv) Commons and Village Greens Registration Panel

Terms of reference

1. To determine the registration of common land or town or village greens;
2. To determine amendments to the registers of common land and town or village greens.

Membership

Three members of the Regulatory Committee
