

North Mundham Parish Council

Flexible Retirement Policy

An employee who is aged over 55 may apply to retire flexibly whilst continuing in their employment on reduced hour/grade. North Mundham Parish Council will usually only consider flexible retirement cases where there is no cost to the council and business needs are met. Where there is a cost to the council, flexible retirement requests will only be agreed in exceptional circumstances i.e. compassionate cases. The council will not allow an automatic right to flexible retirement and immediate payment of pension.

Employees must meet the criteria set out below. The council will consider cases that have not met the criteria but only in exceptional circumstances.

Criteria

- Employees must be aged 55 or over.
- Employees must submit their request to flexibly retire to their manager in writing.
- The employee must commit to a permanent reduction in hours or grade. There is no requirement for a reduction in both hours and grade.

Reduction in Hours

- Is contractually permanent.
- At least a 30% reduction from previously contracted hours - employees will be unable to work additional hours above the newly reduced contracted hours whilst in this post.
- Ability to show there is no increase in cost by allowing this request.

Reduction in Grade

- At least a minimum of two grades lower or one broadband grade under the new reward structure.
 - Ability to show there is no increase in employee cost.
- Employee is unable to receive additional responsibility or honorarium for extra hours covering senior roles.

The Council proposes to limit flexible retirement to employees who have reached the age of 60 on grounds of cost, the ability to retain skilled staff and to manage the Local Government Pension Scheme (LGPS). The Council will consider applications from employees who are over 55 and under 60, but the application will not be granted unless the employee

can show exceptional reasons why they should be granted flexible retirement at an earlier age.

The Council will also consider applications from employees who do not meet the criteria above, again the application will not be granted until the employee can show exceptional reasons why they should be granted flexible retirement despite the fact the criteria are not met.

The Council will not waive any actuarial reduction unless the employee can provide exceptional reasons why the actuarial reduction should not apply.

The pension is subject to abatement if the employee subsequently leaves employment at the North Mundham Parish Council and takes up further employment with an employer who is subject to the LGPS.

The employee should note that pension accrued before the reduction of grade/hours will be unaffected by the change, however pension accrued after the change will be affected. Reduction in hours/grade will also affect redundancy benefits and the Local Government Pension Scheme ill-health benefits. Employees should seek advice if they have any concerns.

This policy is subject to review in line with the LGPS changes.

Employee Responsibilities

1. Make a written application to flexibly retire to management.
2. Ensure and provide details that you meet the criteria set out above.
3. Propose change of hours or grade.
4. If you do not meet the criteria set out above provide details outlining reasons as to why your application should be considered.

A review of the policy shall be undertaken bi-annually (or as appropriate) and necessary amendments will be undertaken by the Clerk and reported to the Full Council for approval. The Council will undertake to ensure that its members and employees are trained in the processes required by this policy as deemed appropriate.

Adopted by Full Council 6th March 2018 Minute Number 32.18(1)

Review March 2020