

Pathways to Retirement : Policy

By law, the default retirement age is ended with effect from 1st October 2011 and was phased out over a transitional period from 6th April to 30th September 2011.

Therefore, Waverley is replacing its Policy for Employment Over the Age of 65 with a new 'Pathways to Retirement' Policy.

In accordance with recommended practice, Waverley will facilitate the transition from work to retirement, for both the individual and the council, in a planned and supportive way.

The aim of this policy is:

- To clarify when staff can retire from Waverley and highlight retirement choices.
- To recognise that not all staff will wish to retire at the same time.
- To retain high performing staff until they choose to retire.
- To comply with local government pension regulations.
- To comply with the legislation regarding the cessation of default retirement age.
- To apply the principles of diversity and equal opportunities, with regard to age in particular.

There is now greater choice for employees, in discussion with their managers, to work together to agree an appropriate date to retire. Under The Pathways to Retirement Policy, as part of the annual appraisal, managers and employees will be expected to discuss their future career development including, where appropriate, retirement plans.

Whatever option is considered, Waverley will continue to support colleagues through our retirement preparation programmes and actively support requests for flexible retirement (i.e. access to pension and continue to work on reduced hours) and/or flexible working where appropriate.

Some employees may become eligible to draw their pension when they reach the age of 60 and may wish to consider retirement at this stage. Other employees may wish to retire at 65 or at a later date.

As indicated above, discussions about possible retirement options should take place in appropriate cases between managers and employees in the appraisal meeting. In the vast majority of cases, decisions will be reached mutually at a time which works for the service (based on outstanding work commitments) and the employee, taking into consideration the employee's intentions.

However, there may come a time when managers may have suitable grounds to initiate a termination of employment, which may not be mutually agreeable.

Where it is not possible to mutually agree, in law, this would mean that Waverley would follow a formal process, as for any other termination of employment. The formal procedure means using one of the five fair reasons for dismissal (capability, redundancy, conduct, illegality or 'some other substantial reason'). Managers will need to ensure that their decisions do not discriminate against an employee because of age, disability, or any other unfair reason.

In summary, Waverley will consistently apply the majority of its policies and procedures to all staff, irrespective of age.

An example of where this will not be the case is in 'Insured Benefits' By law, these benefits (such as **private medical insurance**) will be exempt from the principle of equal treatment on the grounds of age and Waverley will cease to provide or offer these benefits once the employee has reached State Pension Age even if they decide to continue working beyond that age.

Detailed guidance is provided for managers when discussing retirement options with employees.

PROCEDURE/GUIDANCE

Pathways to Retirement

If a member of staff wishes to retire, one of the following will apply:

Options following the workplace discussions

Where an employee indicates that they wish to retire at some future date, they may discuss adjusting their working hours, reducing their duties or altering their role leading up to retirement. If an employee confirms that they wish to retire, they will be asked to put this in writing to the line manager.

NB: The manager is responsible for making arrangements for the implementation of the agreed outcome.

- **Continue working** - One option is to continue working in the same capacity until the agreed retirement date.
- **Flexible working** - An employee may opt to:
 - apply to work more flexibly (including part-time working) or
 - apply for another role within the Council.

All such requests will be actively supported wherever possible in accordance with the provisions of the Flexible Working Policy. (add link)

- **Flexible retirement** – requests for flexible retirement will be actively considered and will be progressed in line with the Flexible Retirement Policy. **(add link)**
- **Retire** – leave Waverley and access pension, if eligible to do so.
- **Resign** – leave Waverley.

As part of the above process, Waverley will clarify for the employee their pension entitlement.

RETIREMENT GUIDANCE

1. Workplace discussions in conjunction with annual appraisal

Open discussion, between managers and employees about future plans, conducted in an atmosphere of trust, can help facilitate the transition from work to retirement for both the individual and the council. This will allow employees to have conversations in good time with their managers, and with sufficient information, to be able to make the right decisions about their future plans including retirement.

The purpose of the meeting, in addition to considering work objectives, will be to discuss retirement or flexible working options. It will enable the employee and their manager to identify the course of action and what options are available. This part of the meeting will be held in an informal and supportive manner.

Irrespective of the age of an employee, forward looking discussions about career aspirations, can help a manager to best identify how they can support these aspirations through development and other options. A framework may be useful for carrying out these discussions:

- Performance to date against targets, activities and outcomes
- Personal Development or training needs
- Service / Team future plans in line with Service priorities
- Aims and aspirations of the employee
- Future performance in line with Waverley's appraisal process.

Objectives, targets and work expectations will vary for all employees in line with the appraisal process. All performance would be managed in line with the annual appraisal objectives and council's management standards. In situations, where the level of poor performance becomes unsustainable, the normal process of capability policy will need to be initiated.

A useful exercise is to ask employees about plans and aims for:

- the short term
- the medium term
- the long term.

This will help managers to organise training and development and appropriate succession plans. It also allows employees to focus their future goals. When discussing future plans, managers also need to think about their resources, including the requirements of the job, local skills-mix.

As with all appraisals, the outcome of the workplace discussion must be recorded and given to the employee.

Pensions

An employee, who is a member of the Local Government Pension Scheme is entitled to remain in the Scheme until they reach 75 years of age, if they decide to continue working.

Fairness and inclusion

Over time, employees may experience more medical conditions. This may result in the need to make adjustments to support any individual needs. We also fully expect that employees of all ages will have fair access to workplace opportunities to allow them to progress and develop in their role. This includes promotion, secondment, training and other development opportunities.

It should be noted that there will be an ongoing review of the cost of reasonable adjustments in the workplace/ equipment due to health issues under the Equality Act (previously DDA).

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