

REPORT OF THE HUMAN RESOURCES MANAGER

GENERAL PURPOSES COMMITTEE – 7 FEBRUARY 2007

EMPLOYMENT POLICIES – THE LOCAL GOVERNMENT (EARLY TERMINATION OF EMPLOYMENT) (DISCRETIONARY COMPENSATION) (ENGLAND AND WALES) REGULATIONS AND EMPLOYMENT EQUALITY (AGE) REGULATIONS 2006

Recommendation

The General Purposes Committee is recommended to adopt:

- *the revised Schedule of DDC employer policy decisions*
- *the revised Employment Stability Policy*
- *the revised Early Retirement Policy*
- *the new Working Beyond Retirement Age Policy*

Contact Officer: Amanda Nicholls, extension 2023.

1. The introduction of legislation prohibiting age discrimination has promoted the government to review The Local Government (Early Termination of Employment (Discretionary Payments) (England and Wales) Regulations 2000 ("the 2000 Regulations"). These Regulations gave local authorities power to make discretionary payments to employees whose employment has been terminated early either on the grounds of redundancy, in the interests of efficiency or upon the cessation of a joint appointment.
2. The 2000 Regulations have been repealed and replaced by the Local Government (Early Termination of Employment (Discretionary Payments) (England and Wales) Regulations 2006 ("the 2006 Regulations". Subject to certain transitional arrangements, these new Regulations replaced the 2000 Regulations with effect from 1 October 2006. The 2006 Regulations provide a new, simplified framework for the payment of discretionary compensation to persons whose local government employment is terminated on or after 1 October 2006 by reasons of redundancy or in the interests of the service or where a joint appointment comes to an end because one of the holders leaves.
3. Under both the 2000 and the 2006 Regulations each employing authority is required to formulate, publish and keep under review the policy that they apply in making discretionary compensation payments under them. This Council last reviewed its policy in this regard in February 2002 under the then applicable 2000 Regulations. The introduction of the 2006 Regulations now make it necessary for the Council to review its policy on discretionary compensation payments.
4. The Employment Equality (Age) Regulations has required a revision of LGPS 1997 Regulations. The referral to age/service criteria within certain employer discretions have been removed and scheme changes in 2006 require that the employers policy on discretions are revisited.

5. Regulations 7(3) of the 2006 Regulations directs that
 - "(3) In formulating and reviewing their policy the authority must –
 - (a) have regard to the extent to which the exercise of their discretionary powers (in accordance with the policy), unless properly limited, could lead to a serious loss of confidence in public service; and
 - (b) be satisfied that the policy is workable, affordable and reasonable having regard to foreseeable costs."
6. Subject to certain transitional arrangements, the 2000 Regulations were repealed with effect from 1 October 2006.
7. The Council's policy is contained within Appendix 1 "Schedule of Dover District Council Employer Policy Decisions". See headings for Regulation 52 of the Local Authority Pensions Regulations and Discretionary Compensation Regulations 2006.
8. The opportunity has been taken to revisit and revise the Employment Stability Policy and Early Retirement Policy in line with these Regulations.
9. Options available:
 - (1) To not change the current arrangements is not an option as our scheme would be challengeable on the grounds of discrimination.
 - (2) The opportunity could be taken to maximise the amounts payable to staff who are declared redundant or leave due to the interests of efficiency.
 - (3) The opportunity could be taken to minimise the amounts payable to staff who are declared redundant or leave due to the interests of efficiency.
 - (4) Changes could be introduced to keep the scheme similar to the current position financially.
10. The Council has in the past reduced the financial impact of redundancies and other early retirement options. It is inevitable that in the future the Council will need to change the structure of the authority. The early retirement provisions have in the past served the Council well in terms of Industrial Relations and enable change to be implemented with the minimum of negative impact. It is therefore my view that whilst changes should be introduced which assist the Authority there is no benefit in terms of employee relations to seek to make significant savings in payments upon termination. The report therefore aims to be cost neutral or deliver small scale savings.

The Scheme

11. It is proposed that a number of key elements of the current scheme will be maintained. These include that the normal retirement age will be 65, redundancy payments will be calculated using actual salary and that we will not award augmented service (added years) for cases of termination for grounds of efficiency.
12. Our current policy states that the cost of allowing someone to be released or terminating their employment must be reasonable. There is however no established

test of reasonableness within our scheme. It is therefore proposed that redundancies or interests of efficiency terminations are only normally agreed to where the full cost of the termination is recoverable within a period of five years or by the normal retirement age of 65 whichever is sooner.

13. The age legislation requires that any payments or enhancements are not related to an employee's age or length of service, which is related to age also. The government have made a case for the continued use of a calculator which links years of service and age (see Appendix 2) and allows for a multiplier to be applied provided the number of weeks does not exceed 104.
14. From a review of the approaches adopted by other authorities, most are applying a multiplier of between 1 and 3.5. Using the last two years of the cost of redundancy and taking the costs if the new multiplier/table were used.

	Actual	No multiplier	x 2	x 2.5	X 2.75	x 3
2006/7	222813	124017	181931	210891	225373	239849
2005/6	172044	100712	137793	156334	165604	174874

On this basis the appropriate level of multiplier is 2.5

15. The age legislation also impacts on the augmentation of service, added years, which means that if the Council awards added years the level of augmentation has to apply to all staff. This is leading to a general reduction in the number of years being added within Local Government.
16. An attractive approach being adopted by some authorities is to allow employees affected to choose how the balance between redundancy and augmented service is applied. It is therefore recommended that staff are offered the option of a redundancy payment using the table and a multiplier of 2.5 but no added years or the statutory level of redundancy and 3 added years.
17. To attempt to calculate the financial impact of the change to the augmentation of service is extremely difficult and would in any case not provide a reliable indication of future savings or costs. It is likely however that the overall outcome will be a reduction in the actuarial strain costs as the average added years awarded will reduce.
18. It is likely that the option for added years will be used by people over 50 and capable of taking an early pension, however such an approach will allow for varying personal circumstances.
19. The new Pension Regulations also allow for flexible retirement whereby if the employer agrees an employee may be granted access to accrued benefits and take a grade or hour reduction rather than ceasing work altogether. A number of authorities have chosen not to allow the use of this flexibility due to the possible actuarial strain costs. It is the recommendation that we leave the door open for this provision but only where there is no detrimental effect on the service, and where the costs to the Council are recoverable within five years or by the normal retirement age of 65.
20. These changes have been incorporated into the Council's terms and conditions as contained in Appendix 1.

Background Papers

None

Resource Implications

The effect on resources is difficult to gauge due to the uncertain nature of future terminations. It is the view of officers however that the changes will bring about savings when termination of employment of staff is required.

Consultation Statement

In developing the approach to the changes, other authorities in Kent have been canvassed for their views, in addition an internet search has been carried out. The proposals have also been discussed with the Trade Unions who have made no formal comment.

Attachments

- Appendix 1 – Schedule of Dover District Council employer policy decisions
- Appendix 2 – Government Ready Reckoner
- Appendix 3 – Employment Stability Policy
- Appendix 4 – Redeployment Policy
- Appendix 5 – Early Retirement Council Policy

AMANDA NICHOLLS

Human Resources Manager

The officer to whom reference should be made concerning inspection of the background papers is the Human Resources Manager, White Cliffs Business Park, Dover, Kent CT16 3PJ. Telephone: (01304) 821199, Extension 2023.

Schedule of Dover District Council employer policy decisions

Regulation

Dover District Council's Policy

LGPS 1997 Reg 7(9) a It is Dover district Council's policy to give employees the opportunity to opt into the pension scheme twice during the course of their continuous employment with the Authority. If after the second opt in, they subsequently decide to opt out again then, they will not normally be allowed to rejoin the scheme unless the Human Resources Manager considers that there are exceptional reasons to allow them to do so.

LGPS 1997 Reg 14(3)b A protected manual worker who had previously been paying contributions at the rate of 5% and who returns to local government employment having left after a statutory transfer will be given the opportunity to rejoin the pension scheme and pay contributions at the rate of 5% following another statutory transfer. They must elect to do so within 30 days of the date of notification of that option.

LGPS 1997 Reg 18(6) & (7) Employees who have the option to pay contributions in respect of a period of unpaid absence must elect to do so within 30 days of the date of the notice issued to them by the payroll Section, stating the amount of the contributions to be paid. The Human Resources Manager may extend this time limit if the employee can demonstrate exceptional circumstances so as to justify an extension of time.

LGPS 1997 Reg 23(4) It is Dover District Council's policy to issue a Certificate of Protection of Pensions Benefits to protect employees who suffer detriment by being required to take a cut in pay or who are prevented from having future pay increases by having their pay frozen due to reasons beyond their control. This request can be made at any time after the employee has suffered the pay cut or freeze.

LGPS 1997 Reg 31(2) It is not the policy of Dover District Council to give consent under this regulation to the immediate payment of benefits to a scheme member who voluntarily retires unless there is a demonstrable benefit to the organisation which would take full account of any extra costs to be borne by the authority. Any such consent shall be agreed by the Human Resources Manager and the relevant Head of Service.

Where a scheme member has previously been awarded a preserved benefit, it is not generally the policy of Dover District Council to give consent under this regulation to the early payment of benefit, however each could be considered upon its merits. However each request will be considered and full account taken of any costs to be borne by the

authority. Any consent shall be agreed by the Human Resources Manager and the relevant Head of Service.

LGPS 1997 Reg 31(5) Where a request has been made for the early payment of benefits for compassionate reasons, full consideration must be given to the Kent County Council guidelines*. Payment may only be made after agreement between the Human Resources Manager and the relevant Head of Service. Dover District Council will be responsible for any additional costs deriving from the decision to release benefits prematurely in compassionate circumstances.

*These guidelines state that the circumstances must be exceptional and would not reasonably be expected to prevail, i.e. the occurrence of a disaster or accident etc. Financial hardship alone would not normally be deemed sufficient.

LGPS 1997 Reg 32(8)a If a scheme member wishes to aggregate the most recent of their periods of previous scheme membership with their current membership, it is the policy of Dover District Council that the election must be made within 12 months of the Pension Section being notified that the employee has again become an active member.

LGPS 1997 Reg 34(1) b In the event that an employee is eligible for two benefits under the regulations of the Pension Scheme and they have not elected to choose one of these within 3 months of the notification of these benefits then, it is Dover District Council's policy to select the option which in its opinion is most beneficial to the employee.

LGPS 1997 Reg 35(1) a It is Dover District Council's policy to only provide consent for flexible retirement and the immediate payment of benefits where there is no detrimental effect on the service. Any such consent requires the agreement of the Human Resources Manager and the relevant Head of Service.

LGPS 1997 Reg 35(1) c If consent has been given under Regulation 35(1) a, it is not Dover District Council's policy to waive, in whole or part, any actuarial reduction to the scheme member's benefits. In addition any employer costs must be capable of recovery within a period of 5 years or by normal retirement age of 65 whichever is sooner.

LGPS 1997 Reg 52 It is Dover District Council's general policy to grant 3 added years scheme membership to scheme members under this regulation only in cases of redundancy where a statutory redundancy payment is due. This will not be awarded to members who opt for a payment under the discretionary Compensation Regulations using the 2.5 multiplier. Any employer costs must be capable of recovery within a period of 5 years or by normal retirement age of 65 whichever is sooner.

The granting of any extra scheme membership shall be agreed by the Human Resources Manager and the relevant Head of Service.

Additional service will not be granted in respect of pre April 1972 service, which at the point of retirement has not yet been up-rated.

- 66(9) b Employee who leave the pensions scheme and who have the option to convert an in house AVC to Local Government Pension Scheme membership, must elect to do so within 30 days of the date of the notice issued to them by the Kent County Council Pensions Section of the value of the AVC. The Human Resources Manager in exceptional circumstances may extend this time limit.
- 67(1) It is not Dover District Council's policy to operate a shared cost AVC scheme for employees. However, this policy will be reviewed regularly by the Human Resources Manager in conjunction with the Head of Finance and ICT.
- 121(8) If a scheme member wishes to transfer any pension benefits they have built up in other schemes to the Local Government Pension Scheme, it is Dover District Council's policy that this election must be made within 12 months of the Pension Section being notified that the employee has become an active member of the Kent Scheme.

Discretionary Compensation Regulations (2006)

1. It is Dover District Council's policy to base redundancy pay calculations on the actual weeks' pay as opposed to the statutory ceiling, as permitted by the Local Government (Early Termination of Employment) (Discretionary Compensation) England and Wales) Regulations 2006 Regulation 5.
2. Discretionary levels of compensation, provided under Regulation 6 of the revised regulations will be agreed only in cases of redundancy. The level of compensation will be calculated using the statutory formula, but on the basis of actual weeks pay and in accordance with the government ready reckoner attached, with the resultant number of weeks increased by a factor of 2.5.
3. In determining the appropriate level of discretionary compensation to be paid to an individual, the Council will have regard to this policy and to:
 - (a). the individual circumstances of the affected employee, including likely re-employability and level of remuneration
 - (b). the employee relations policies of the Council.
 - (c) the need to treat all employees fairly and to avoid any unlawful discrimination

4. Where discretionary compensation is paid on this basis (at the option of the employee) the Council will not increase the employees membership of the Pension Scheme under Regulation 52 of the Local Authorities Pension Scheme Regulations 1997.

GOVERNMENT READY RECKONER

For redundancies made on or after 1 October 2006, the amount will be calculated as follows–

- Up to the age of 21 - 0.5 week's pay for each completed year of service
- 22 - 40 years of age - 1 week's pay for each completed year of service
- 41+ years of age - 1.5 weeks' pay for each completed year of service

Service (Years)																				
	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	
Age																				
18*[1]	1																			
19	1	1½																		
20	1	1½	2																	
21	1	1½	2	2½																
22	1	1½	2	2½	3															
23	1½	2	2½	3	3½	4														
24	2	2½	3	3½	4	4½	5													
25	2	3	3½	4	4½	5	5½	6												
26	2	3	4	4½	5	5½	6	6½	7											
27	2	3	4	5	5½	6	6½	7	7½	8										
28	2	3	4	5	6	6½	7	7½	8	8½	9									
29	2	3	4	5	6	7	7½	8	8½	9	9½	10								
30	2	3	4	5	6	7	8	8½	9	9½	10	10½	11							
31	2	3	4	5	6	7	8	9	9½	10	10½	11	11½	12						
32	2	3	4	5	6	7	8	9	10	10½	11	11½	12	12½	13					
33	2	3	4	5	6	7	8	9	10	11	11½	12	12½	13	13½	14				
34	2	3	4	5	6	7	8	9	10	11	12	12½	13	13½	14	14½	15			
35	2	3	4	5	6	7	8	9	10	11	12	13	13½	14	14½	15	15½	16		
36	2	3	4	5	6	7	8	9	10	11	12	13	14	14½	15	15½	16	16½	17	
37	2	3	4	5	6	7	8	9	10	11	12	13	14	15	15½	16	16½	17	17½	
38	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	16½	17	17½	18	

39	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	17½	18	18½
40	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	18½	19
41	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	19½
42	2½	3½	4½	5½	6½	7½	8½	9½	10½	11½	12½	13½	14½	15½	16½	17½	18½	19½	20½
43	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
44	3	4½	5½	6½	7½	8½	9½	10½	11½	12½	13½	14½	15½	16½	17½	18½	19½	20½	21½
45	3	4½	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22
46	3	4½	6	7½	8½	9½	10½	11½	12½	13½	14½	15½	16½	17½	18½	19½	20½	21½	22½
47	3	4½	6	7½	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23
48	3	4½	6	7½	9	10½	11½	12½	13½	14½	15½	16½	17½	18½	19½	20½	21½	22½	23½
49	3	4½	6	7½	9	10½	12	13	14	15	16	17	18	19	20	21	22	23	24
50	3	4½	6	7½	9	10½	12	13½	14½	15½	16½	17½	18½	19½	20½	21½	22½	23½	24½
51	3	4½	6	7½	9	10½	12	13½	15	16	17	18	19	20	21	22	23	24	25
52	3	4½	6	7½	9	10½	12	13½	15	16½	17½	18½	19½	20½	21½	22½	23½	24½	25½
53	3	4½	6	7½	9	10½	12	13½	15	16½	18	19	20	21	22	23	24	25	26
54	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	20½	21½	22½	23½	24½	25½	26½
55	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22	23	24	25	26	27
56	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	23½	24½	25½	26½	27½
57	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	24	25	26	27	28
58	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	24	25½	26½	27½	28½
59	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	24	25½	27	28	29
60	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	24	25½	27	28½	29½
61*[2]	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	24	25½	27	28½	30

<http://www.dti.gov.uk/employment/employment-legislation/employment-guidance/> -
[ftnref1](#)18* [1] - It is possible that an individual could start to build up continuous service before age 16, but this is likely to be rare, and therefore we have started Table 2 from age 18.

61* [2] - The same figures should be used when calculating the redundancy payment for a person aged 61 and above.

<http://www.dti.gov.uk/employment/employment-legislation/employment-guidance/page33157.html> - [ftnref2](#)<http://www.dti.gov.uk/employment/employment-legislation/employment-guidance/page33157.html> - [ftnref1](#)

EMPLOYMENT STABILITY POLICY

INTRODUCTION

1. In an organisation the size of Dover District Council proposals can inevitably occur from time to time which may have staffing implications. When a proposal compels any reduction in the number of people the Council is able to employ in specific circumstances, a prime objective of the Council will be to avoid compulsory redundancies and to that end it will give every consideration to maintaining the employment security of substantive staff.

GENERAL MEASURES

2. When it is clear that an alteration in services will have staffing implications, the Trade Union involved should be informed at the earliest possible time. In consulting the Trade Unions the Council will set out its proposals for dealing with staffing implications including the steps it proposes to take with reference to paragraph 1.

PARTICULAR MEASURES

3. The following steps should then be considered and where appropriate brought into operation after full consultation between the Council and the Trade Unions:
 - (a) Abolition of the use of consultancy, contracting and agency services in the Division affected or in other Divisions where this would create employment opportunities for displaced employees.
 - (b) Employees should be encouraged to transfer within the Authority to other areas of work where there are suitable vacancies.
 - (c) There should be a cessation of normal recruitment procedures in the employee categories concerned and in any other areas of work where displaced employees might be absorbed. In this event the Council will then not advertise any such vacancy until affected employees have been given an opportunity to say whether they wish to be considered for redeployment. The skills, experience and capabilities of employees expressing such an interest will be considered against the requirements of the post and where there is a clear match the employees will be interviewed, and unless there is strong justification for not doing so will select one of those employees for the vacancy. Where there is not a clear match the post may be advertised in accordance with the Council's usual procedures with displaced employees being able to apply in the normal way. Where this happens the employee will be advised in writing why the decision to advertise the post has been made.
 - (d) Reviewing overtime in any areas where this would provide employment opportunities for staff whose jobs are at risk.

4. If after taking those steps it is clear that there will be a surplus of staffing the following steps should be taken:-
 - (a) The Council will not fill vacancies in any one or more of the occupations in the affected areas and at the level and grade affected or if appropriate in the whole Council.
 - (b) The Council will use its best endeavours to arrange transfers from the affected occupations or areas of work to others in the same Division and if necessary to other Divisions.
 - (c) The Council will provide retraining if appropriate for surplus staff to aid their absorption into vacancies.
 - (d) The Council will provide for temporary transfer or secondment on a supernumerary basis where it is foreseen that they can be absorbed in a substantive post, subject however to each case being reviewed by the Council after three months.
5. If those steps do not deal with the surplus of staffing, priority shall be given to the employees affected in the filling of vacancies outside the occupations affected and, if appropriate, suitable retraining facilities shall be provided.

IMPLEMENTATION OF POLICY

6. The Human Resources Manager will ensure that all practicable steps are taken by Divisions to re-deploy substantive staff whose jobs may be coming to an end and to retrain them for alternative jobs where they can continue to be usefully employed.
7. The Human Resources Manager shall maintain registers, available for inspection by the Trade Unions, of employees who are available for re-employment, and assistance shall be given to those affected to seek their redeployment within the District Council, or to find alternative posts outside the District Council's service.
8. All employees whose jobs are at risk within the terms of paragraph 2 shall be allowed time off on full pay to attend interviews for other positions.
9. If alternative employment with the District Council involves a reduction of grade or rate of pay, the employees actual salary at the time of transfer shall be protected on a personal basis, subject to the limitations identified below. All other terms and conditions will be protected or reduced in accordance with Schedule A of this policy:

Period	Protection given
From date of change until the first anniversary of the change	Full salary and conditions protection excluding any incremental advancement, annual pay awards or inflationary increases
First anniversary of change until the second anniversary of change	Protection reduces by 1/3rd including all benefits which are protected
Second anniversary of change until the third anniversary of change	Protection reduces by a further 1/3rd including all benefits which are protected
Third anniversary of change	Protection is removed entirely including all benefits which are protected

10. When the pay protection is eroded, the officer will then be entitled to future appropriate pay awards. (These pay protection arrangements also apply where a lower grade is deemed the appropriate level for a specific position as a result of job evaluation regrading.)
11. This protection shall be offered on the understanding that the Trade Unions and the District Council shall secure as soon as possible the transfer of the employee to a suitable post where the remuneration matches or more nearly matches the prescribed salary. The protection shall cease if, after consultation with the Trade Unions, an employee unreasonably refuses an offer of alternative employment.
12. If by accepting alternative employment with the Council the employee incurs additional travelling expenses, these shall be paid for a period of four years from the date of transfer.

APPEALS

13. Any complaint by an employee about the action taken in his/her own case shall be dealt with through the Council's Grievance Procedure.

REDEPLOYMENT POLICY

General

The Council's Employment Stability Policy recognises that staffing proposals within the organisation can from time to time have implications for staff whereby potential redundancy situations could arise. During such times the Council will follow the Employment Stability Policy in relation to the reduction in the use of agency services, the transfer of employees to other areas of work and the cessation of all recruitment activities to aid the placement of 'at risk' employees. The intention is to seek to avoid compulsory redundancies and to give every consideration to maintaining the employment security of substantive staff.

The recognised trade unions will be consulted on each stage of the process for their comment prior to final determinations by management.

Management reserves the right to determine suitable redeployment opportunities, including consideration of the need for training, in consultation with individual members of staff.

To identify whether there are suitable alternative vacancies that could be utilised for a potentially redundant employee, the Redeployment Checklist will be completed which will provide the basic information to inform discussions regarding possible suitable alternative opportunities. Vacancies will be sought initially from within the employee's Division and then more widely across the Council. It is recognised that there will be certain posts, which will need to be advertised externally by virtue of the qualification and/or experience criteria required for the post. Management will determine any such posts in consultation with the recognised trade unions.

Job Profiles and Person Specifications

Job profiles and person specifications will be prepared for all vacancies. Vacancies may arise as the result of a resignation, be an existing vacancy that the Council has held pending the need to create redeployment opportunities or a newly created post.

The job profile and personal specification are key documents setting out the duties of the position and the essential and desirable criteria for considering suitability for appointment.

Review Meetings

The search for suitable alternative employment will commence when an individual is identified as being at risk of redundancy and continue until such time as the employee leaves the organisation on the grounds of redundancy.

Human Resources will meet with the employee to:

- explain the redeployment procedure and the individual's status within it
- identify the employee's skills, current and previous work experience and incorporate this information in the Redeployment Checklist document which will be used to match the individual to any vacant posts
- identify the individual's preferences in respect of redeployment

- counsel the employee and give advice, bearing in mind the availability of employment opportunities and consider the availability of training that might be appropriate in assisting the employee in gaining redeployment
- give general advice on how to search more widely for employment opportunities including outside the Council, how to fill in application forms relating their skills and experience back to the person specification and job profile
- consider the use of outplacement support if redeployment is unsuccessful.

Matching Redeployees to Vacancies

In assessing suitability for redeployment it will be necessary to consider:

- the current work an individual is undertaking,
- what their educational qualifications are and whether they have professional membership of any Institute
- what training they have undertaken
- knowledge and skills - as acquired by experience, training and education
- what their interests and skills are, do they comprise elements that have work applications eg computer skills
- what type of positions appeal to them and how flexible they can be within the work environment,
- whether they would be prepared to change career direction, work outdoors, shifts etc.
- whether they have transferable skills from outside work such as working with a voluntary group, serving on a committee, acting as a school governor etc
- factors such as ability to drive, health constraints, personal circumstances

Human Resources, will advise 'at risk' employees of all vacancies available, and seek expressions of interest from them in relation to such vacancies. At the same time Human Resources will undertake initial cross matching with potential redeployment opportunities by making an assessment of an individual against vacant posts. Where there appears to be a potential match then the redeployment possibilities will be explored further with the employee(s). This does not preclude individuals from identifying any potential vacancy for further consideration but they will be expected to show a potential match in relation to the essential criteria for the position.

Redeployment matching is a two-stage process - a paper match between employee profile and person specification, and an interview with the appropriate manager.

Where more than one redeployee matches a post then competitive interviews will take place and the post will be offered to the best candidate after interview. As part of the interview process it will be necessary to consider an applicant(s) ability to undertake the job satisfactorily, including the possibility of on-the-job training or short-term training eg a computer course, where a potential skills gap is identified.

There may be occasions where even though there appears to be an appropriate match, an employee will not be offered an interview. This will be for reasons such as:

- there is a statutory or Council requirement that a specific qualification is required and the employee does not meet this requirement
- there would be a material change in the conditions of employment which is unacceptable to the individual

- where there is a key requirement of the post, which the individual does not meet and is unlikely to be able to meet at the end of any trial period.

Such situations will be discussed in detail with the employee concerned.

Human Resources and the employee(s) will meet regularly to review the situation, giving feedback and further advice.

Where an employee has elected to volunteer for early retirement/redundancy and their substantive post is to be declared redundant, a search for suitable alternative employment will still be undertaken. Close consideration would be given to their capabilities and that the post should not be drastically different to the work that they are currently undertaking.

Where an employee wishes to remain with the Council and is prepared to accept alternative employment to a position at a lower grade than his/her current salary, then the Employment Stability Policy pay protection arrangements in accordance with the table below would apply:

Period	Protection given
From date of change until the first anniversary of the change	Full salary and conditions protection excluding any incremental advancement, annual pay awards or inflationary increases
First anniversary of change until the second anniversary of change	Protection reduces by 1/3rd including all benefits which are protected
Second anniversary of change until the third anniversary of change	Protection reduces by a further 1/3rd including all benefits which are protected
Third anniversary of change	Protection is removed entirely including all benefits which are protected

All other terms and conditions will be protected or reduced in accordance with Schedule A of this policy. This is held within HR, and will be updated as necessary and agreed by the Chief Executive in consultation with the Portfolio Holder. Full consultation will take place with the Trade Unions.

Issues Relating to Medical Redeployment

The search for suitable redeployment as a result of a medical requirement will follow the same process; however, it will take place after advice from the Council's Occupational Health Adviser. This section of the policy should be read in conjunction with the Sickness Absence Policy.

Trial Periods

Where the date of identification of a potential redeployment position and the likely date of redundancy allows, an employee will be 'seconded' to the new position to test the realities of the job and establish their suitability for the position. The trial will be for a defined period up to a maximum of 12 weeks, however the appointment can be confirmed or curtailed earlier if all parties are satisfied as to the success or otherwise of the trial. Managers should ensure during the trial period that they give all reasonable guidance, assistance and training, monitor the employee's performance and have regular review meetings to discuss progress. Should an employee's performance fall short of what is required in any respect including attendance, the manager must make this clear at a review meeting and agree a plan of action with the employee, which could include additional training or on-the-job coaching.

Human Resources will remain in contact with the employee and management throughout the trial period to ease any difficulties and provide further assistance if necessary.

If at the end of the trial period there are still concerns as to the individual's suitability then the trial can, with the agreement of all parties, be extended for a further four weeks only. Where an employee, despite all help and guidance has not successfully completed their trial period the manager should inform Human Resources and then hold a final review meeting to inform the employee that their performance has not improved to the level expected and that they will not be confirmed in the post. Managers should ensure that they document all problems and concerns thus maintaining an "audit trail" of the situation leading to confirmation of an unsuccessful trial.

In the circumstances outlined above the employee is not working a 'statutory trial period' as a statutory trial period will begin not earlier than the ending of the previous contract and, unless for retraining, will be for a maximum of four weeks from the day when the employee starts work under the new contract. Should either party decide to terminate the new contract for a reason connected to the trial period then the employee is treated as having been dismissed for redundancy on the date on which his or her employment under the previous contract ended and their entitlement to a redundancy payment remains. If an employee makes a decision that the job is not for him or her after the specified four week period, or any extended retraining period, then the right to a redundancy payment is lost.

Refusal of Alternative Employment

It should be noted that where an employee unreasonably refuses to accept an offer of suitable alternative employment as determined by management, without a compelling explanation, then they may lose their entitlement to a redundancy and/or enhanced pension payment.

Large Scale Redeployment Exercise

Volunteers for Redundancy

Where a large-scale redeployment exercise is being undertaken, management may elect to undertake a trawl for volunteers for redundancy. Such volunteers will be considered to see whether their specific post is potentially redundant or whether they could be released to create an employment opportunity for a member of staff who is at risk but wishes to remain with the organisation. All applications will be considered on merit. The Council reserves the right to determine whether any particular member of staff can be released in the light of the exigencies of the service and to determine whether suitable alternative employment is available, should such a volunteer be at risk of redundancy, and to place staff accordingly.

Available Posts

All available posts will be ringfenced to those 'at risk' staff in the first instance and such staff will be advised of all the current vacancies as they arise. These will form List A. List B will contain information in relation to the jobs of those staff who have volunteered for redundancy and have not been successful in selection. These volunteers will have confirmed their desire to be released if a bumped redundancy situation proves possible. The job profiles and person specifications provide information about the jobs to assist potentially displaced staff to consider those options.

The majority of posts on List A, and all those on List B, will be ringfenced internally to potential displaced staff in the first instance. However, Management recognises that there will be a small number of posts on List A, which will need to be advertised externally by

virtue of the qualification and experience criteria required for the post. Management will determine any such posts in consultation with the recognised trade unions.

The priority will be to identify suitable opportunities from List A for potentially redundant staff. The filling of posts on List B will be a fall-back position exercised only when it is not possible to find a suitable match from List A.

Assimilation

Management will consider whether there are potentially redundant employees whose current job closely matches any of the job profiles on List A and/or List B to see whether it is possible to assimilate such staff into any vacancy. This is a recognition that the duties are so similar that it would be unreasonable to expect the postholder to compete for such a position. Where there is only one post and more than one potential close match then a competitive interview situation will arise. Any assimilation will be agreed subject to discussion with the member(s) of staff concerned.

Ringfenced Selection for Lists A & B

Potentially redundant employees will be provided with a list of all the positions available within Lists A and B and will be asked to indicate three preferences ie 1, 2, 3 for the jobs on both lists for management consideration.

There will be an element of grade banding in that staff be allowed to apply for positions that are no more than one grade above their current grade, although they can apply for any positions at the same grade or lower. The pay protection arrangements set out below will be applied. The limit of one grade above is to prevent the leap-frogging of more junior staff to senior positions, which could then displace an employee who is currently operating at that more senior level. For example a DG13 taking a DG10 position when there are a number of displaced DG10 employees who already operate at that level in the organisation. Any staff not on the Council's grading structure should apply for positions, which they believe, are potentially suitable and the appropriateness of their selection will be assessed during the matching process

The Council has a duty to try to match staff, as closely to their present grading as possible and this will be a prime consideration in assessing suitability for vacancies. Management in consultation with the Trade Unions will undertake the matching of preferences to vacancies.

Where alternative employment with the District Council involves a reduction of grade or rate of pay, the employee's actual salary at the time of transfer shall be protected on a personal basis, subject to the limitations identified below. When the pay protection is eroded, the officer will then be entitled to future pay awards.

This protection will be offered on the understanding that the Trade Unions and the District Council shall secure as soon as possible the transfer of the employee to a suitable post where the remuneration matches or more nearly matches the prescribed salary. The protection shall cease if, after consultation with the Trade Unions, an employee unreasonably refuses an offer of alternative employment.

Period	Protection given
From date of change until the first anniversary of the change	Full salary and conditions protection excluding any incremental advancement, annual pay awards or inflationary increases
First anniversary of change until the second anniversary of change	Protection reduces by 1/3rd including all benefits which are protected

Second anniversary of change until the third anniversary of change	Protection reduces by a further 1/3rd including all benefits which are protected
Third anniversary of change	Protection is removed entirely including all benefits which are protected

All other terms and conditions will be protected or reduced in accordance with Schedule A of this policy. This is held within HR, and will be updated as necessary and agreed by the Chief Executive in consultation with the Portfolio Holder. Full consultation will take place with the Trade Unions.

(These pay protection arrangements also apply where a lower grade is deemed the appropriate level for a specific position as a result of job evaluation regrading.)

Once staff have made their selections, these will be considered by management who will either:

- (a) slot staff into appropriate positions if there is only one application that appears to be a reasonable match to the selected post
- (b) arrange competitive interviews where more than one person expresses interest and there appears to be a reasonable match to the selected post
- (c) arrange interviews where further discussion is required to establish suitability, as the reasonable match to the selected post is unclear.

List B posts will only be considered when it is not possible to place staff within List A jobs.

This exercise will endeavour to match staff as closely as possible to their current grades and duties. It is anticipated that a number of appointments will be made but that there could still be a limited number of staff displaced. The process will then be repeated with staff again being asked to select from the remaining posts those that they are interested in and being slotted in or interviewed accordingly. Having considered staff twice against List A and List B it will have been determined that it is not possible to place any remaining displaced staff into those vacancies.

Internal Advertising

Posts that remain vacant on List A will then be advertised internally within the Council to see whether staff movement releases further potential suitable redeployment opportunities across the Council

A further attempt to redeploy those remaining potentially redundant employees will then be undertaken in accordance with the arrangements set out above.

External Advertising

Any posts that still remain unfilled on List A after internal advertising will then be advertised externally.

Supernumerary Posts

Management will determine whether it is possible to maintain any potential redundant employees in a supernumerary capacity, subject to identified appropriate work being

available if it can be foreseen that a substantive post may become available in the near future, subject to regular review, in accordance with the Employment Stability Policy.

Redeployment Checklist

Personal Details

Surname:	First Name:
Home Address:	Home Telephone:
	Work Telephone:
Post Code:	Mobile:

Current Work Details

Division:	
Post Title:	
Grade and Salary or hourly rate:	
Full/Part-time:	Number of hours worked:
Date Appointed:	

Previous Employment

Post held and outline of duties	Employer	Dates	
		From	To

Membership of Professional Bodies

Name of Body, level and date of membership (please state whether by examination)
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Education and Training (including IT skills)

--

<p>Personal Preferences:</p> <p>Specify any types of work which particularly interest you</p> <p>.....</p> <p>Specify any particular location at which you would prefer to work</p> <p>.....</p> <p>Retraining:</p> <p>Are you willing to undertake retraining? Y / N</p> <p>Specify any areas which particularly interest you</p> <p>.....</p> <p>Travel</p> <p>Do you own a car that is available for work use? Y / N</p> <p>Do you have a current full driving licence? Y / N</p> <p>If you do not drive are you able to travel within work time? Y / N</p> <p>Hours of Work:</p> <p>Are you willing to change your current hours of work? Y / N</p> <p>If yes, by how many hours – Increase by hours – Decrease by hours</p> <p>Would you be willing to undertake:</p> <ul style="list-style-type: none"> • Shift work Y / N • Weekend work Y / N • Evening work Y / N • Early mornings Y / N • Night work Y / N • Standby Y / N 	
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Relevant Outside Interests

Eg use of internet and computer, member of a voluntary body, etc

Preference Form
List A – Current Vacancies

Name: _____ Current Grade: _____

You are asked to select up to three vacancies from List A that you wish to be considered for. You may, if you want to, use the box to indicate any supporting information you wish to provide regarding your selection(s).

Preference 1

Number on List:	Title:

Preference 2

Number on List:	Title:

Preference 3

Number on List:	Title:

Signed: _____

Date: _____

Should you not wish to be considered for redeployment opportunities please indicate below. You should note that the Council reserves the right to determine suitable alternative employment and may refuse to release any employee.

I do not wish to be considered for any redeployment opportunities that the Council has provided to me for consideration. *(Delete if not applicable)*

Signed: _____

Date: _____

Preference Form

List B – Possible Bumped Redundancy Opportunities

Name: _____ Current Grade: _____

You are asked to select up to three vacancies from List B that you wish to be considered for. List B selections will only be considered where suitable alternative employment has not been identified within List A. You may, if you want to, use the box to indicate any supporting information you wish to provide regarding your selection(s).

Preference 1

Number on List:	Title:

Preference 2

Number on List:	Title:

Preference 3

Number on List:	Title:

Signed: _____

Date: _____

EARLY RETIREMENT COUNCIL POLICY

Introduction

This policy outlines Dover District Council's approach to early retirement and has been agreed between the Council and the recognised trade unions. The policy covers all staff working for the authority.

Anyone seeking further guidance on matters referred to in this policy should contact the Human Resources Section.

Scope of Policy

The normal age at which retirement benefits become payable is 65. For employees who joined the Local Government Pension Scheme before 1 April 1998, there is a retained right to retire between 60 and 65, subject to the completion of 25 years membership. To be entitled to a pension and a retirement grant the member must have a minimum of two years membership or have a transferred credit from a non local government scheme.

Any retirement which does not meet the criteria outlined above should be regarded as an early retirement and is therefore covered by this policy. Typically, early retirement will be caused by one of the following –

- Redundancy
- Dismissal on the grounds of efficiency of the service
- At the employee's request
- Ill health

Compulsory redundancy and dismissal on the grounds of efficiency of the service are regarded by the Council as a last resort. Therefore, prior to early retirement being agreed on the basis of these, all other alternatives such as redeployment or retraining must have been explored.

Early retirement should not be regarded by employees as a right. Any application for voluntary early retirement made under the regulations will be considered in the context of, whether it is in the interest of the Council, the employee's personal circumstances if appropriate and the financial consequences of granting any such request.

It is the policy of the Council to ensure that there is a full appraisal of the costs and benefits of early retirement, both financial and non-financial, in each individual case, and that early retirements are granted only where there can be shown to be a clear benefit to the District Council. Any employer costs must be capable of recovery within a period of 5 years or by normal retirement age of 65 whichever is sooner.

Redundancy

In cases of redundancy the Council will implement the Employment Stability Policy which forms part of the Council's Terms and Conditions of Employment. This policy is attached as Appendix 31.

Interest of Efficiency Dismissals

The use of interests of efficiency early retirements are, as with redundancy, only used as a last resort and where other efforts to maintain an employee in the service of the Council have failed.

In an attempt to seek alternative solutions the Council will

- (a) not fill vacancies in any one or more of the occupations in the affected areas and at the level and grade affected or if appropriate in the whole Council.
- (b) use its best endeavours to arrange transfers to other areas of work in the same Division and if necessary to other Divisions.
- (c) provide retraining if appropriate to aid their absorption into vacancies.

Where no alternative to termination of employment can be identified and subject to:

- (i) the employee agreeing that his/her termination entitlement is in full and final settlement of any potential claims against the Council in respect of the termination;
- (ii) Members agreeing that the proposed termination settlement is reasonable in all the circumstances of the case and particular service provision;

The Council will pay pension benefits to the employee as allowed by the Pensions Regulations in force at the date of the termination, based upon accrued benefits and with no additional discretionary added pension benefits or discretionary compensation.

III Health Retirements

The Local Government Pension Scheme Regulations provide for mandatory enhancement of membership where employment is terminated due to permanent ill health. A minimum of five years membership of the Pension Scheme is required and benefits are calculated in accordance with the regulations.

Ill Health retirements are implemented by the Human Resources Manager only after receipt of a certificate from the Council's Medical Advisor (who satisfies all the requirements of qualifications specified by the Pension Fund). This certificate must confirm that the employee is permanently incapable of discharging efficiently the duties of their employment because of ill health or infirmity of mind or body. The Council maintains a separate policy relating to ill health, which should be read in conjunction with this policy.

Information to be provided for Members

Decisions to terminate the employment of an individual on the basis of compulsory or voluntary redundancy or the interests of the efficiency of the service or at an employee's request are generally made by the Chief Executive (delegated to the Deputy Chief Executive). Where it is proposed to exercise discretions under the Local Government Pension Scheme the level of discretion is a non-Executive Function and the Council will be provided with full details of the level of discretion, together with the cost of the discretion to the District Council, the early release of pension and other costs of actuarial strain to be made by the Pension Fund to the District Council.

Working Beyond Retirement Age

This Policy applies to all employees of Dover District Council whether permanent or temporary who are due to retire on or after 1st April 2007. Transitional arrangements will apply for staff due to retire between 1st October 2006 and 31st March 2007.

1. Normal Retirement Age

- 1.1 The normal retirement age from the Council's service is 65 years and the Council's employment of any individual will normally end of the day before his/her 65th birthday.

2. Notification

- 2.1 The HR department will write to the employee not more than a year but at least six months before his/her 65th birthday to inform him/her of the date of retirement and enclosing a copy of this policy.
- 2.2 Human Resources will also notify the relevant Head of Service and Line Manager.

3 Employee Response to Notification of Intended Retirement Date

- 3.1 An employee can, when his/her employment is to be ended in this way, request that the Council considers the possibility of continuing their employment. This request must be made more than three months and less than six months before the notified retirement date.
- 3.2 The request to continue working should be made in writing to the Human Resources section and specify whether they wish to continue working:
- Indefinitely;
 - for a stated period:
 - until a certain date: and
 - if they wish to reduce the hours worked.
- 3.2 If such a request is made the Line Manager will hold a meeting with the employee and Human Resources to discuss it within 28 working days. The employee may be accompanied at the meeting by his/her Trade Union or staff representative.
- 3.3 Although there is a general assumption that all employees will retire at age 65 at the latest, requests to continue in employment beyond that age will be fairly and objectively considered, taking account particularly of service provision and any factors that might justify an extension of employment.

4. Employer Response to Requests to Work beyond the Intended Retirement Date

- 4.1 The Line Manager will reach a decision in conjunction with HR. Following the meeting, the Line Manager's decision will be confirmed in writing within 14 working days and, if appropriate, will detail the reason for refusal and the employee's right of appeal. The Line Manager will advise HR of any agreed extension.
- 4.2 Although the employee can seek to continue to work for an 'indefinite' period, it is up to the Line Manager to agree the period. Where granted, such an extension will normally be for a period of one year and a new retirement date will be set. This process will be repeated at the new retirement date.

5. The Right to Appeal

- 5.1 In the event that an employee's request is not granted and he/she wishes to appeal, he/she will have a right of appeal to the Head of Service. Such an appeal should be in writing and be received within 10 working days of receipt of the Line Manager's written decision. Where the Head of Service has taken the original decision because the employee was in his/her service, the right of appeal will be to the Deputy Chief Executive. The employee may be accompanied at the appeal by his/her Trade Union or Staff representative. HR will be involved in any appeal. No further level of appeal is available.
- 5.2 An appeal meeting will be arranged within 15 working days of receipt of the appeal letter.
- 5.3 The employee will be notified in writing of the Council's decision within 10 working days.
- 5.4 Employees can make only one request to carry on working. However, if the request is granted and a new retirement date is then established, further requests to carry on working beyond the new retirement date can then be made in accordance with the procedure set out above.

December 2006