



## **9.1 RETIREMENT, EARLY RETIREMENT AND FLEXIBLE RETIREMENT POLICY**

*This policy applies to all Gwynedd Council employees but the provisions regarding pension benefits apply to members of the Local Government Pension Scheme only*

### **1.0 RETIREMENT**

- 1.1 Since the 6<sup>th</sup> April, 2011, the Council does not operate a compulsory retirement age for its workers.
- 1.2 The Council is committed to equal opportunities for all its workers. The Council recognises the contribution of a diverse workforce, including the skills and experiences of older employees. The Council believes that its workers should, where it is practically possible for them to fulfil their duties effectively, be permitted to continue working and to voluntarily retire at a time of their choosing.

### **2.0 EARLY RETIREMENT**

*This early retirement policy applies to employees who are members of the Local Government Pension Scheme only.*

- 2.1 Employees over 55 years of age or over are eligible at the request of the relevant Head of Department for early retirement:
- in the interest of avoiding redundancies. Employees who apply for early retirement in such circumstances will receive a pension without an actuarial reduction.
  - in the interest of facilitating restructuring and/or to improving the effectiveness of the Department. Each application will be assessed on the basis of a robust business case. If successful, the employee will receive their pension without actuarial reduction. However, in cases where there is no robust business case, the member of staff can decide to

take early retirement and receive a pension with actuarial reduction.

- 2.2 In cases of early retirement, employees will not receive any redundancy payments.
- 2.3 The Department benefiting from the increased efficiency will finance any extra costs.
- 2.4 Applications for early retirement must be authorised by:
  - The relevant Head of Department or Corporate Director
  - The Head of Finance
  - The Head of Corporate Support

(The Chief Executive and/or the relevant Corporate Director can deputise for any of the above if necessary.)

Applications for early retirement from the Corporate Directors or Heads of Department will require the approval of the Chief Executive in consultation with the Head of Finance (Head of Corporate Support if it is an application by the Head of Finance) whilst an application for early retirement by the Chief Executive will require approval by the Council Leader in consultation with the Head of Finance and the Head of Corporate Support.

### **3.0 FLEXIBLE RETIREMENT**

- 3.1 Gwynedd Council recognises the need to keep the skills and experience of its members of staff for the benefit of the Council and the community as a whole. The Council is therefore committed to working with employees to facilitate a flexible retirement arrangement which will meet the needs of both the individual and the service.
- 3.2 Employees over 55 years of age can apply to change the nature and intensity of their work and receive accrued pension benefits and build up further benefits within the Scheme (where appropriate) whilst continuing in employment, enabling them to ease into retirement over a specific period of time as agreed as part of the application.

The change may be:

- reduction in hours
- changes in duties resulting in a reduction in grade

The change must meet the needs of the Department and is at the Council's discretion and there is no obligation on the Council to grant any application.

### 3.3 **Benefits payable – Local Government Pension Scheme**

***This paragraph is relevant to employees who are members of the Local Government Pension Scheme only.***

All employees aged 55 and over, who are allowed flexible retirement, are entitled to their accrued pension and lump sum subject to any relevant partial or full actuarial reduction. In some circumstances, a business case can be submitted in order to approve flexible retirement without actuarial reduction. Such approval will be subject to receipt of a robust business case which clearly demonstrates how the approval of flexible retirement without actuarial reduction would improve the effectiveness of the service.

However, employees who were contributing to the scheme prior to the 1<sup>st</sup> October, 2006 may have some protection under the 85 year rule if they are allowed flexible retirement before the age of 60. There will be a cost to the employer if flexible retirement for employees who fall into this category is approved.

Again, in such cases, the Head of Finance and the Head of Corporate Support will decide on the merits of each such application following a presentation of a robust business case by the relevant Head of Department.

### 3.4 **Applications for Flexible Retirement**

Employees who wish to apply for flexible retirement must do so in writing to their line manager with a copy to the Head of Corporate Support.

Applications from staff who are not members of the Local Government Pension Scheme can be granted by the line manager in consultation with the relevant Human Resources Adviser.

Applications for flexible retirement from employees who are members of the Local Government Pension Scheme must be authorised by:

- The relevant Head of Department or Corporate Director
- The Head of Finance
- The Head of Corporate Support

(The Chief Executive and/or the relevant Corporate Director can deputise for any of the above if necessary.)

Applications for flexible retirement from the Corporate Directors or Heads of Department will require the approval of the Chief Executive in consultation with the Head of Finance (Head of Corporate Support if it is an application by the Head of Finance) whilst an application for flexible retirement by the Chief Executive will require approval by the Council Leader in consultation with the Head of Finance and the Head of Corporate Support.

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