



CABINET – 1ST OCTOBER 2014

SUBJECT: WORKFORCE FLEXIBILITIES

REPORT BY: ACTING DIRECTOR OF CORPORATE SERVICES AND SECTION 151 OFFICER

- 1.1 This report is seeking the approval of Cabinet on the draft policy details and options for a range of schemes to allow workforce flexibility to meet the challenges of the Medium Term Financial Plan (MTFP). Policy & Resources Scrutiny Committee has considered proposals to establish new arrangements for the introduction of Early Retirement, Flexible Retirement, Voluntary Severance and Redundancy Schemes. It should be noted that a common feature of the schemes are that there will be no automatic right for individuals to access these schemes, they will be entirely at the Council's discretion and subject to a viable business case.
- 1.2 Members of Policy & Resources Committee considered the reports at its meetings on the 3rd of June 2014 and 5th of August 2014. Having considered the content of the reports, P & R Scrutiny Committee endorsed the principle of introducing the schemes.
- 1.3 Policy & Resources Scrutiny recommended to Cabinet that the schemes be adopted subject to the following criteria.
1. **Early Retirement Scheme**
The scheme utilises a provision within the LGPS regulations that permits CCBC as the employer to allow a retirement on mutual grounds in the interests of the efficiency of the service. This is a discretion that exists within the Pension regulations, which CCBC has not to date exercised, and requires Council approval. Cabinet is therefore requested to recommend to Council that this discretion is exercised.
 2. **Flexible Retirement Scheme**
The scheme be approved with the following criteria:
 - Where there is a reduction in hours, this be to a minimum of 40% of contract hours;
 - Where there is a reduction in grade, this be to a minimum of 2 grades;
 - The period of flexible retirement is time limited to 6 months (extended by 3 months in exceptional circumstances only).

The scheme utilises a provision within the LGPS regulations that permits CCBC as the employer to allow flexible retirement. This is a discretion that exists within the Pension regulations, which CCBC has not to date exercised, and requires Council approval. Cabinet is therefore requested to recommend to Council that this discretion is exercised.
 3. **Voluntary Severance Scheme**
The scheme be approved with the following criteria:
 - Severance payment is set at the level of 60% of a years salary;
 - Recommendation to cap the severance payment at the top of the Hay Grade C scale (£53,533) i.e. the maximum possible severance payment would be £32,120.

4. **Redundancy Scheme**

The scheme be approved to include the revised wording with regard to the payments to employees.

1.4 It is stressed that there is no intention to have a general application of these various options or to issue a blanket invitation to staff to be considered for any of the schemes. They are merely options which the council needs to have in place should the necessity arise in some service areas as the impact of the impending budget reductions takes effect the next few years.

1.5 Members are invited to consider the reports and the above recommendations.

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Appendices:

Appendix 1	Report to P&R Scrutiny – 3rd of June 2014
Appendix 2	Report to P&R Scrutiny – 5th of August 2014
Appendix 3	Draft Early Retirement Scheme
Appendix 4	Draft Flexible Retirement Scheme
Appendix 5	Draft Voluntary Severance Scheme
Appendix 6	Revised Redundancy Scheme