

At a meeting of the PERSONNEL COMMITTEE held in the CIVIC CENTRE on THURSDAY, 26TH NOVEMBER, 2009 at 4.00 p.m.

Present:-

Councillor M. Smith in the Chair

Councillors Allan, M. Forbes, Gofton, J. Walton, S. Watson, A. Wilson, A. Wright and T. Wright.

Part I

Apologies for Absence

Apologies for absence were submitted to the meeting on behalf of Councillors Fairs, Trueman and P. Watson.

Receipt of Declarations of Interest

The following Councillors declared Personal Interests in the undermentioned reports as members of the body indicated:-

Item 4a –Local Government Pension Scheme (LGPS) Flexible Retirement	Councillors Allan, Gofton and T. Wright	Member of Local Government Pension Scheme
---------------------------------------------------------------------	-----------------------------------------	-------------------------------------------

Report of the Meeting of the Personnel Committee

The report of the meeting of the Personnel Committee held on 29th October, 2009, Part I (circulated) was submitted and consideration given thereto.

(For copy report – see original minutes).

1. RESOLVED that the report of the meeting be noted, confirmed and signed as a correct record.

Local Government Pension Scheme – Flexible Retirement

The Director of Financial Resources and the Director of Human Resources and Organisational Development submitted a joint report (circulated) to establish the Council's policy on flexible retirement.

(For copy report – see original minutes).

Sonia Tognarelli (Head of Financial Management) advised the Committee that this was introduced under Regulation 18 of the LGPS (Benefits, Membership and Contributions) Regulations 2007). Under Regulation 18, from age 50 (or age 55 for new employees and 55 for employees from April 2010) an employee who reduces their hours, or moves to a less senior position can, provided the employer agrees, draw pension benefits but remain an employee. This provision was introduced to the Local Government Pension Scheme by the government to ease the transition from full time work to retirement and may support the Council in areas such as succession planning, the retention of key skills and improving business efficiency. Members were asked to consider the proposed policy on flexible retirement highlighting options and issues taken into consideration in developing the policy.

It was proposed that the decision to agree to a flexible retirement request would be a two stage approach. The first stage would be to establish whether there was a business case and this would be considered by the appropriate Executive Director in consultation with the Director of Human Resources and Organisational Development and the Director of Financial Resources based on the proposed policy as set out below;

Stage 1 Establishment of a Business Case taking account of the following:

- A minimum reduction in salary or hours of the individual employee of 25% was required and changes to contract terms and conditions would be a permanent change.
- Employees must have 26 weeks continuous service with Sunderland City Council.
- Applications would only be considered where the full release of pension benefits was being requested.
- Any actuarial reductions in pension benefits would be considered on an individual basis, and only approved where it was in the Council's interest to do so, taking into account the overall business case.

It was proposed that the Director of Human Resources and Organisational Development, in consultation with the Director of Financial Resources and the Executive Director for the service area concerned, be authorised to decline flexible retirement requests. However, where the Director of Human Resources and Organisation Development considered that a business case could be established, then the request would be referred to Personnel Committee for decision based the following ;

Stage 2 Consideration by Personnel Committee

- Applications would only be approved where it was in the Council's interests to do so.

In response to a question raised by Councillor J. Walton, the Director of Human Resources and Organisational Development confirmed that the only suggestion made by the unions in their response to consultation was that a minimum reduction in salary be 20%, which was in line with South Tyneside. The Director did not however feel that this was a necessary amendment to make to the proposed Policy.

It was:-

2. RESOLVED that the proposed Flexible Retirement Policy and Employers Discretion be agreed, as detailed above.

Local Government (Access to Information) (Variation Order) 2006

At the instance of the Chairman, it was:-

3. RESOLVED that in accordance with Section 100(A)4 of the Local Government Act 1972, the public be excluded during consideration of the remaining business as it is considered to involve a likely disclosure of exempt information relating to an individual or information which is likely to reveal the identity of an individual or information relating to any consultations or negotiations, or contemplated consultations or negotiations in connection with any labour relations matters arising between the Authority and its employees (Local Government Act 1972, Schedule 12A, Part I, Paragraphs 1, 2 and 4).

(Signed) M. SMITH,
Chairman.

Note:-

The above minutes comprise only those relating to items during which the meeting was open to the public.

Additional minutes in respect of other items are included in Part II.

