

Report by: Head of Human Resources

To: Joint Staff Employer Forum – 10 January 2006

Wards: None affected

AGE DISCRIMINATION LEGISLATION – UPATE ON PROGRESS

1.0 PURPOSE AND BACKGROUND

- 1.1 To outline the requirements of the Age Discrimination legislation due to come into force in October 2006.
- 1.2 To update the JSEF on the review of Council employment policies against the requirements of the legislation.
- 1.3 To outline the revised policy for working beyond the Council's existing retirement age of 65, pending the final Age Discrimination legislation in October 2006

2.0 DECISION TO BE MADE

- 2.1 Endorsement of plans and recommendations detailed within this report.

3.0 RECOMMENDATIONS

- 3.1 JSEF are asked to:
 - Note and endorse the actions proposed within the plan attached at **Appendix 1** of the report for the forthcoming year.
 - Note the interim policy for working beyond age 65 attached at **Appendix 2**.

4.0 AGE DISCRIMINATION LEGISLATION.

- 4.1 The Age Discrimination Act will come into force on the 1 October 2006. It will be complex and comprehensive and is similar to the Race and Sex Discrimination legislation that first into force in the 1970s. A key difference is that age discrimination is not for 'minority groups' but will apply to everyone.

- 4.2 The potential for formal claim is therefore much higher, although claimants will have to be able to justify discrimination as determined by the Act. In the USA Age Discrimination claims contributed to 40% increase in claims – now higher than for sex discrimination. The UK government anticipate 8 times as many claims on age grounds than for sexual orientation or religion.
- 4.3 The Act will apply to all workers and all job applicants. It will prohibit direct and indirect discrimination, harassment and victimisation. There are also rights to claim after termination of employment. There is also no upper limit on the award for successful claims – this will be determined to some extent by future cases.
- 4.4 It is clear that the Council must seek to minimise the risk of numerous or multiple claims and also balance the requirements of the legislation with the needs of the business of providing public services.

5.0 IMPLEMENTING THE LEGISLATION WITHIN THE CITY COUNCIL

- 5.1 The HR Diversity Adviser is currently reviewing the legislative requirements and assessing existing Council employment policies to determine what changes, if any, need to be made by October 2006. The Diversity Working Group, which includes representatives from Staff Support Groups, managers and the Trades Unions, will be involved in shaping the outcomes. It will be important to ensure that the business needs of the City Council are balanced with the requirements of the legislation.
- 5.2 The first draft of the action plan is attached for information at **Appendix 1** (please note that timescales and resources are still to be finalised pending successful confirmation of a PPF bid to extend the HR Diversity Adviser's contract for a further 12 months beyond May 2006).
- 5.3 Key areas included in the Plan for review and possible policy and/or practice changes include:
- Workforce profiling
 - Policy review (employment policies)
 - Recruitment – including advertising, selection methods
 - Learning and development
 - Career development
 - Retention
 - Promotion
 - Pay, benefits and rewards (including the LG pension scheme)
 - Retirement
 - Absence management
 - Internal communication
 - External communication
 - Harassment and bullying (Dignity at Work)
 - Leadership

- Management
- People Friendly policies (e.g. flexible working)
- Redundancy
- Unfair dismissal

5.4 There will be a need to ensure that senior and line managers understand the requirements of the legislation and any changes to Council employment policy and practice. A training/briefing programme for managers will support the launch of the changes in Summer 2006. All existing training, e.g. for recruitment and selection will also be updated to reflect the changes.

6.0 INTERIM POLICY FOR WORKING BEYOND THE COUNCIL'S EXISTING RETIREMENT AGE OF 65.

6.1 A small number of managers have been asking for advice about requests from staff to work beyond the Councils existing retirement age of 65. Whilst this has happened only rarely in the past, managers and staff are now aware of the 2006 legislation and the number of requests has increased slightly. There are currently a total of 9 staff over age 65 who are working for the Council. Three are on permanent contracts extended for 12 months at a time and subject to medical checks about fitness for the job, and six are on casual contracts.

6.2 To provide some consistent advice for line managers and staff and to formalise what has already happened an interim policy is proposed pending the final legislation, changes to the pension scheme and the review of Council policies during 2006. Note: When the LGPS provide new wording for working beyond 65, they will also be sending some new wording for Civil Partners relating to widowed Civil Partners.

6.3 In summary the policy allows for employees to request to continue their employment beyond the normal retirement age of 65 for a set period of no more than 12 months at a time. The interim policy is attached at **Appendix 2** and will be signed off via the Diversity Working Group on the 23rd January 2006. Details of the policy will be circulated to line managers and Trades Union stewards and posted on the HR pages of the intranet. All staff due to reach age 65 before 30 September 2006 will receive a letter explaining the new policy.

7.0 CONCLUSION

7.1 The Age Discrimination legislation will have some impact for the Council as an employer but handled well the changes should prove to be positive for both the workforce and the Council as a provider of service to the people of Cambridge. The legislation offers the opportunity to improve our approach to employment and to service delivery.

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Age discrimination.doc
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APPENDIX 1

AGE DISCRIMINATION LEGISLATION PLAN – STRATEGY FOR IMPLEMENTATION ACROSS CCC

AREA	ACTION REQUIRED	BUSINESS OUTCOME AND MEASURES	LEAD	PRIORITY (1-3)* Legal requirement v Best practice – Impact on CCC	WHEN	LINK TO OTHER PROJECTS
Workforce Profiling	<ul style="list-style-type: none"> Complete workforce age profiling for each area of the Council. 	<ul style="list-style-type: none"> Increase our knowledge of age diversity within the organisation. 		1		
Review all policies	<ul style="list-style-type: none"> Look at all policies and terms [and conditions and estimate risks (Risk Plan Management) and Impact Assessment.] 	<ul style="list-style-type: none"> Increased perception of the importance of age diversity in the organisation. 	MTG		Dec 2005	
Draft Working Past Age 65 Policy	<ul style="list-style-type: none"> Draft policy. Consider pensions, occupational health and insurance implications. 	<ul style="list-style-type: none"> Ensure that employees can remain in employment after age 65 if they make request to and it is appropriate 	MTG	1	Dec 2005	
Recruitment	<p>Aim: Ensure we apply same standards and quality of recruitment practice at all levels.</p> <ul style="list-style-type: none"> Remove monitoring information and personal details/career history on applications prior to management shortlisting. Check whether we have any posts where we would require post holders to be of a certain age i.e. statutory body requirements Review job descriptions/specs for age bias i.e. requirements for experience Review manager's ideas of people of different ages taking career breaks or investing in further education. Review value of recruiters in valuing 'non-work' learning and experience. Promote younger employees and identify imbalances i.e. work experience programmes. Through careers fairs, employer branding and support groups. 	<ul style="list-style-type: none"> Ensure suitable candidates are not excluded on basis of age and encourage more applicants particularly during the current skills shortages. Also older people are becoming a more significant proportion of population and society will increasingly depend on their contribution. Diversity of customer base due to age diverse team. To give all candidates a choice and ensure recruitment links to increased retirement age by recruiting solely on ability and potential. To justify our selection requirements for a particular job. Ensure managers/recruiters ideas are in line with new age requirements and put higher value on experience rather than qualifications for older candidates. To show that younger people feel valued and ensure they are applying 		1 1 1 1		

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		for jobs.				
Recruitment Advertising	<p>Aim: Ensure age neutral recruitment and to attract the widest pool of candidates.</p> <ul style="list-style-type: none"> Identify whether we are trying to attract attention of particular age group and justify. Review advertising media on regular basis for suitability of image and ensure language used in recruitment adverts is appropriate – avoid age specific language i.e. 'x years experience'. Ensure adverts focus on skills and competencies, not particular qualifications. 	<ul style="list-style-type: none"> To ensure adverts do not discriminate/put off high potential people from applying. Promotion of HCC as a more diverse organisation to employees and candidates. May indirectly discriminate against someone with 'o' levels or more experience than qualifications. 		1		
Recruitment Agencies	<p>Aim: Ensure agencies meet our standards and send the correct message of the organisation.</p> <ul style="list-style-type: none"> Ensure recruitment agencies are briefed on our diversity policies and age neutrality expectations by regularly auditing applications and received through agency. Analyse age profile of candidates out forward by agency. 	<ul style="list-style-type: none"> Show we are demonstrating an age neutral recruitment practice and ensure we are not discriminating against one group of people. 		1		
Selection	<p>Aim: Ensure ourselves and suppliers are providing an age neutral service and managers are trained in equal opportunities and diversity.</p> <ul style="list-style-type: none"> Ensure any tests used in selection are regularly reviewed to ensure they are necessary, appropriate and unbiased. Ensure recruiters responsible for short-listing are trained to be age neutral Monitor by age the drop out rate from different stages of selection process. Show candidates that we are an age diverse organisation by ensuring interview panels of different ages. 	<ul style="list-style-type: none"> Ensure psychometric testing providers (?) are promoting policy of age neutrality in selection. Greater flexibility of employees due to more diverse workforce. This will show if we have become age bias and highlight areas of selection we could improve. 		1		
Learning and Development	<p>Aim: Ensure learning & development is offered and visibly taken up by all ages.</p> <ul style="list-style-type: none"> Report data regarding the age of people attending training courses and review criteria for eligibility for courses, training and coaching. Ensure access to training is not restricted in the run up to retirement by monitoring take up at certain ages. If so this needs to be justified as talent could be wasted. Ensure trainers are trained on age diversity issues. Promote schemes such as Mature Apprentice 	<ul style="list-style-type: none"> Access to training for older workers promotes retention through increased motivation, self-confidence and commitment. This will highlight if different age groups have equal access to training opportunities and whether certain age groups are excluding themselves from training. Research shows that given the right training, 		1		

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	Scheme more widely.	<p>older people are just as capable of learning new skills.</p> <ul style="list-style-type: none"> Age awareness can be incorporated into other training or inductions if trainers are aware of the issues. 				
Career Development	<p>Aim: Provide current employees with the opportunity to progress in their careers without age bias.</p> <ul style="list-style-type: none"> Ensure employees have regular career progression planning and regular career advice/guidance. When posts are advertised internally ensure they are reflecting age neutrality by profiling internal applicant pool. [Ensure selection criteria for development programme of future leaders are justified.] If certain posts/salary scales are only available to most senior or longest serving employee, ensure this is justified. Measure up-take (by age) of secondment opportunities. 	<ul style="list-style-type: none"> Improved employee satisfaction and perception of CCC. Can aid retention 				
Retention	<p>Aim: Nurture and value talent of current employees.</p> <ul style="list-style-type: none"> Ensure retention strategies target all age groups to avoid only specific groups being targeted. Ensure information from satisfaction surveys and exit interviews are analysed by age to gain information about staff satisfaction and prejudice. Ensure jobs/grades are not limited to particular age groups. If so, how far is it due to traditional working practice? Ensure employees are able to reduce responsibility to generate a better work/life balance. 	<ul style="list-style-type: none"> Improved retention for all ages/job grades and reduction in recruitment costs. Improved ability to target specific groups and increase employee satisfaction. Increase in age diversity within different types of jobs. Can aid retention and increase commitment. 				
Promotion	<p>Aim: Improve opportunities for the development of transferable skills and ensure all employees are given opportunities for promotion.</p> <ul style="list-style-type: none"> [Ensure we understand how staff get on the 'high potential'/fast track list to ensure age bias doesn't play a part in selecting employees for promotion.] Ensure internal promotions are based on 	<ul style="list-style-type: none"> Improves employee's perception of promotion and motivation to achieve. 				

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	<p>competency and skill in the same way as externally recruited posts to address any age imbalance in the ability for specific ages to acquire certain skills.</p> <ul style="list-style-type: none"> • Monitor promotions by age to ensure a specific age group are not always given opportunities to disadvantage of other age groups. Link to secondments, allocation of major projects and opportunities for redeployment. • Monitor promotions of full time and part time workers to avoid indirect discrimination against women or older workers. • Ensure requirements of promotion can be justified such as mobility of location to ensure promotion is not age related. 	<ul style="list-style-type: none"> • [Future problems may be avoided relating to increased employment protection for part-time workers.] 				
Pay, Benefits and Rewards	<p>Aim: Ensure age is not a factor when calculating pay and benefits as pay should reflect the value of individual contributions and standards of job performance.</p> <ul style="list-style-type: none"> • [Conduct equal pay audit in relation to age to ensure age is not related to pay structure]. • [Ensure wage/salary increases are not dependant on age and/or length of service]. • [Ensure rewards and benefits are not age related as they may be considered discriminatory and perhaps consider flexible benefits as it delivers to needs of different age groups (e.g. private medical care, life assurance, childcare vouchers, buying/selling holiday entitlement and additional holidays). • Ensure rewards and benefits are not related to length of service as this may be indirectly discriminatory and must be justified i.e.: <ul style="list-style-type: none"> • holiday entitlement • bonuses • access to pension schemes • Redundancy payments • Maternity leave • Length of sick pay • Increments system] <p>*may be exemptions to justify length of service related benefits as there is a legitimate aim (rewarding loyalty). However must be able to demonstrate they 'achieve that aim' and are 'appropriate and necessary'.</p>	<ul style="list-style-type: none"> • Avoid age discrimination claims under new legislation. • Provides the chance to reflect employees' needs at all stages and all ages. • Avoids indirect discrimination. 		1		
Retirement	<p>Aim: Ensure retirement and pensions policies reflect flexible retirement options</p>	<ul style="list-style-type: none"> • Retention of experienced employees 		2		

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	<ul style="list-style-type: none"> • Ensure employees with different contracts have the same retirement age to avoid inconsistency in policies. • When receive legislation regarding employees beyond NRA (Normal Retirement age) ensure this option is open to all to avoid discrimination. • Ensure pre-retirement planning or post-employment support is available to show value of employees of all ages. • [Ensure it is clear how the decision is made regarding who accesses an early retirement scheme to ensure there is no age discrimination.] • Review pension scheme and pensions policy to ensure there is no age bias or discrimination. • Ensure managers are trained in discussing retirement issues to ensure employees are treated with dignity. 	<ul style="list-style-type: none"> • with valuable skills. • Creates wider pool of expertise for recruitment. • Increase public image by being a preferred employer. • Equality of opportunity and fairness for all employees. • Avoids resentment amongst employees and can be discriminatory. • Increased perception of the importance of policies without age bias. 				
Absence Management	<p>Aim: Effectively manage absence and sickness to improve retention.</p> <ul style="list-style-type: none"> • Monitor and review sickness and absence by age to highlight whether particular groups are more absent than others and develop solutions i.e. analysis of absence rates for specific age groups may relate to employee expectations or stress. • Ensure return to work interviews are carried out to discover underlying reasons i.e. bullying or care needs. • Ensure Occupational Health team consider issues such as ergonomics and job design to ensure some roles are less physically stressful for certain age groups. • Analyse rates and profile of ill-health retirements and consider where workforce may have needs as they become less able to provide workforce information. 	<ul style="list-style-type: none"> • Can help retention and raise satisfaction levels. • Helps to identify any aspects of a job that would exclude against specific age groups. 		1		
Internal Communication	<p>Aim: Effectively communicate the positive opportunities of the age legislation.</p> <ul style="list-style-type: none"> • Ensure corporate communications and customer services departments are briefed on age issues significant to CCC. • Ensure internal literature demonstrates commitment to age diversity and review regularly to ensure materials are free of age bias. 	<ul style="list-style-type: none"> • Promotes commitment to age diversity within CCC. 				

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	<ul style="list-style-type: none"> • Ensure work closely with Unison and GMB to identify age bias and review policies to promote a commitment to diversity. • Use City Briefing to raise awareness of age issues, age diversity and age neutrality. • Ensure actively involve managers in the delivery and communication of age diversity and promotion of age neutrality – age awareness briefing by departmental HR (ACAS code for managers) • Team Talk – putting policies into practice. 	<ul style="list-style-type: none"> • Raises awareness of the importance of age neutral behaviour and attitudes and becomes included in future events/policies. 				
External Communication	<p>Aim: To ensure CCC is seen to engage actively with age discrimination and demonstrate that the legislation is an opportunity and not a threat.</p> <ul style="list-style-type: none"> • Ensure an EO diversity statement referring to age appears in the annual report. • Ensure website makes it clear we are an age diverse employer. • Ensure customers, Tribal and suppliers are briefed about our interest/concern regarding age issues. • Review external communications for age bias. • Review community affairs policies from an age viewpoint. 	<ul style="list-style-type: none"> • Build reputation as an ethical and intelligent employer and determines how customers view CCC. This also raises awareness that CCC is an age diverse employer which is important as public awareness of age discrimination legislation grows. 				
Harassment and Bullying	<p>Aim: To ensure all areas of CCC are aware of the potential bullying/harassment of employees of a specific age.</p> <ul style="list-style-type: none"> • Ensure measures are in place to notice employees using inappropriate ageist language or prejudice towards other employees and that action is taken to solve this. • Ensure grievances are monitored by age to ensure they are not related to specific age group. • Ensure guidance and training regarding the harassment and bullying policy is provided to managers and employees. • Ensure harassment and bullying policies are clear that workers of all ages can be affected. • Ensure the Mentoring Scheme supports employees of all ages who may require different types of support to encourage an age diverse workforce. • Ensure counsellors are age diverse and are trained to support employees and are aware of age issues. 	<ul style="list-style-type: none"> • Improved employee satisfaction and faith that issues will be seen as important and dealt with effectively. • Provides a different way for employees to talk about any issues. • Decrease amount of stress related 		1		

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	<ul style="list-style-type: none"> Measure stress related illness by age as it may be linked with bullying. Claims against employers for stress related illness are increasing. 	illness claims.				
Leadership	<p>To ensure senior level management understand the need for and are committed to age diversity.</p> <ul style="list-style-type: none"> Ensure senior managers are able to commit adequate resource to support age diversity. Ensure business plans incorporate diversity and show awareness of age issues. Regularly review policies as part of strategic planning. Set age on agenda of Diversity Working Group and ensure information on turnover and absenteeism is discussed. Ensure we have an accountability structure for reporting age issues, if not this has to be justified. Ensure age, and awareness of the age legislation is incorporated into any risk assessment/management process as costs through negative PR are rising. Be aware of age range of senior management and those being groomed to succeed. 	<ul style="list-style-type: none"> The recent high profile of pensions and retirement provides ideal opportunity to gain senior level commitment for review of policies that support business strategy and ensure age neutral policies. Involvement of younger workers as well as senior executive teams within diversity strategy will be useful to generate different opinions and ideas to be considered at senior level. 		1		
Management	<p>Aim: To encourage managers to take part in review process and be kept informed at all stages how the review outcomes will impact on their responsibilities.</p> <ul style="list-style-type: none"> Ensure managers are regularly trained in age awareness and age neutral decision making and if trained externally have systems in place to remove age bias from process. [Ensure encouraging or supporting diversity (including age) is included as a key performance indicator (KPI) for senior managers.] Ensure managers have diversity targets or equality objectives against which they are measured. Review long-hours culture (?) and whether this differs across age groups. If so, ensure managers commit to reducing long hours (e.g. not scheduling early/late meetings) as it may impact on age diversity of employees. Review whether all workers are allowed or encouraged to question/challenge decisions, if not then younger employees may be undervalued or ignoring experience of older colleagues. 	<ul style="list-style-type: none"> Improved management awareness and perception of new age legislation and improved ability to achieve age neutral targets. 				

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		<ul style="list-style-type: none"> Ensure succession planning process (and forecasting or skills needs) include age issues. 				
People Policies	Friendly	<p>Aim: To ensure that employees at whatever age or stage are respected and able to work in a supportive environment.</p> <ul style="list-style-type: none"> Ensure that flexible working opportunities such as job-sharing, term-time working, home-working are open to all ages and grades. [Ensure secondments are open to all ages.] Analyse flexible working [and career break] take up by age to provide evidence that opportunities are open to all. If mobility of location is required for particular roles it must be justified as it can create age bias. Analyse amount of employees with caring responsibilities including eldercare, childcare and other dependants so specific employees are not discriminated against in provision of benefits. Ensure all employees are treated fairly by providing childcare vouchers or other child focused support and match this with support for other employees with different needs. Monitor women returners rate to save investment and encourage age diversity. [Offer flexible retirement – either in retirement date, or in the form of gradual, phased or progressive retirement.] 	<ul style="list-style-type: none"> Reflects a greater variety of employee needs and improves employee satisfaction. Can aid retention. Improves retention of older workers. 		1	
Redundancy		<p>Aim: To ensure we enhance redundancy selection procedures by using competencies such as 'customer focus' and 'commercial awareness' over and above common competencies i.e. motivation and communication.</p> <ul style="list-style-type: none"> Ensure age is not used as selection criteria for redundancy and if use 'last in first out' must justify this as may have adverse impact on younger workers. Ensure age is not used as part of the formula to calculate redundancy payments as this will become illegal. Offer alternatives to redundancy i.e. redeployment or flexible working. Regularly review the competencies and essential skills that should be retained whilst downsizing to avoid skills loss. Ensure co-ordination between departments that 	<ul style="list-style-type: none"> Retained corporate knowledge. Promotes consistency and fairness for all aspects of employment policy. 			

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	<p>are downsizing and recruiting at the same time to be able to demonstrate that processes are free of age bias.</p> <ul style="list-style-type: none"> • Retain skills and knowledge by operating a bank of ex employees who can be called at short notice. • [Ensure any redundancy policy is not linked to the provision of early retirement packages as this may be discriminatory.] • Ensure training is provided so that current skills or future needs are identified on an age neutral basis. • When releasing employees, the organisation's future needs for knowledge, skills and competencies should be taken into account – the 'corporate memory' needs protection – alternatives to redundancy should be considered, such as shorter hours, part-time working, contractual arrangements, secondments and perhaps employment breaks. 	<ul style="list-style-type: none"> • Retained corporate memory. 				
Unfair Dismissal	<ul style="list-style-type: none"> • Cease using "retirement" as potentially fair reason for dismissal unless retirement age is over 65. 	<ul style="list-style-type: none"> • Avoid Unfair Dismissal claims. 				

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**CAMBRIDGE CITY COUNCIL
GUIDE TO WORKING BEYOND RETIREMENT**

1. INTRODUCTION

The Council's normal retirement age for both men and women is 65. However, an employee may request to continue to work beyond the normal retirement age, subject to completion of a satisfactory medical assessment. If an employee works past normal retirement age, there are insurance and pension implications to be considered.

Please note that this is an interim policy and is subject to new legislation due to come into force in October 2006.

2. REQUEST TO CONTINUE WORKING

2.1 Request

The Council will inform the employee of the right to request working beyond 65 at least six months (but no more than twelve months) before the employee reaches 65 years of age. The employee will also be informed of the intended retirement date at this point.

There is no qualifying period. Any employee coming up to retirement will have the right to request that they be allowed to continue working.

Where an employee wishes to continue working after the age of 65, he/she should make a request in writing to their line manager.

2.2 Duty to consider

If the employee makes a request, the Council must consider it if it is made at the earliest one year before the expected moment of retirement, and at the latest six weeks before retirement.

A meeting will be held between the line manager and the employee to discuss remaining at work beyond the normal retirement age. The line manager will consider and respond to the request within fourteen days. The line manager will inform the employee of the decision in writing. Employment will continue until this is done. The employee will be able to appeal against the Council's decision within two weeks of receiving it. If the employee does appeal, the appeal meeting can be held after the retirement has taken effect.

If it is decided that employment will continue, the line manager will discuss and agree with the employee the contractual arrangements that will apply during his/her additional employment, including the need for annual health assessments. The line manager will also ensure that the employee understands the implications for any entitlement to pension benefit. These arrangements will be confirmed with the relevant Human Resources Adviser, who will arrange for the appropriate contract variation documents to be issued.

2.3 Process

Where it is agreed that the employee may continue working past the age of 65, the employee will be given a variation to his/her contract, extending his/her retirement age by the agreed period (which is to be no longer than twelve months).

In all cases, the contract variation will include a new clause requiring the employee to undergo a medical assessment for each year that he/she is retained over the age of 65.

2.4 Further requests

At the end of the employee's new retirement date, he/she may make a further request to continue working. For each retirement occasion, the employee may make one formal request. Each request will be considered as above.

3. MEDICAL ASSESSMENT

3.1 Manager Responsibility

After an employee has been retained beyond the normal retirement age, managers must report any concerns about an employee's continued medical fitness to the relevant HR Adviser immediately; and, act upon advice from the Council's Occupational Health provider, in accordance with the Council's Management of Attendance Policy.

3.2 Contractual Arrangements

HR Advisers are responsible for ensuring the issue of confirmation of variation to employment contracts to employees working beyond retirement age, which will include the requirement to complete a standard medical questionnaire to assess medical fitness on an annual basis, and to attend a medical assessment with the Council's Occupational Health provider as appropriate.

Where Occupational Health declare that an employee is unfit to continue to work, the employee's contract will be terminated (following appropriate consultation) with appropriate notice, and payment will be made for outstanding holiday entitlement.

HR Advisers will ensure that employees receive the questionnaire each year if required and will confirm the resulting occupational health advice and recommendations to the employee and his/her line manager; and, support line managers in the application of the Council's Management of Attendance Policy.

4. PENSION PROVISIONS

[It is important to note that these are interim provisions only. They are subject to change pending new rules that are currently under consultation]

An employee who commences employment after age 65 is not permitted to join the Local Government Pension Scheme (LGPS). The rules applying to employees who continue to work beyond age 65 without any break in employment depend on whether or not the employee joined the LGPS prior to 20th May 1999. The basic provisions for employees joining the LGPS **prior to** and **after** 20th May 1999 are detailed below.

4.1 Employee joined the LGPS prior to 20th May 1999

- the employee will remain in the LGPS (unless s/he wishes to opt out of the Scheme);
- the employee continues to pay basic pension contributions;
- when the employee accrues 40 years' local government Scheme membership, it is the Council's normal policy to reduce the basic contribution to 3%;
- the employee can continue to pay Additional Voluntary Contributions (AVC's) to the in-house AVC plan (unless s/he decides not to);
- male employees cease to pay National Insurance contributions (female employees will have ceased to pay at age 60);
- each extra year in the Scheme will increase pension by $\frac{1}{80}$ th and the lump sum by $\frac{3}{80}$ ths of the member's pensionable pay in (normally) the year preceding retirement, but only up to a maximum of 40 years' total membership (or 45 years if the employee joined the LGPS before 1st June 1989) - transferred in non-local government service is currently ignored when determining the 40 or 45 year limit;
- the employee cannot receive LGPS pension benefits until s/he retires, or from age 75, if this is earlier; and
- if the employee dies in service, the extra years of membership will count in the calculation of any widow's/widower's /child's pension - the lump sum death grant will be calculated on (normally) the member's pensionable pay in the year preceding death.

4.2 Employee joined the LGPS on or after 20th May 1999

- the employee is not permitted to be a member of the LGPS;
- any Additional Voluntary Contributions (AVC's) to the Council's in-house AVC plan must cease at age 65 - advice on the options relating to AVC's in these circumstances should be sought from the County Council's Pensions Section at least three months before the employee reaches age 65;
- male employees cease to pay National Insurance contributions (female employees will have ceased to pay at age 60);
- the employee cannot receive LGPS pension benefits until s/he retires, or age 75, if earlier;
- upon retirement, or at age 75 if earlier, the pension benefits that the employee accrued to age 65 will be paid at an actuarially increased rate;
- if the employee dies in service, any widow's/widower's/child's pension will be based on the pension benefits accrued to the employee at age 65, with the

pension being actuarially increased - the lump sum death grant will be the greater of:

a) the employee's pensionable pay in (normally) the year preceding death i.e. as if the employee had been in the LGPS at the date of death

OR

b) the LGPS lump sum entitlement of the employee at age 65 actuarially increased.

Employees should be advised to obtain a full explanation of the effect on their own pension benefits from the County Council's Pensions Section.

5. INSURANCE IMPLICATIONS

In terms of liability insurance (employer's liability) - an employee is covered irrespective of age. There are no implications in respect of other insurance cover until the employee reaches the age of 70 years, at which age the Council can no longer offer the personal accident assault cover that applies to all employees.

It is important that managers, when recruiting people or retaining employees over age 65 undertake a risk assessment of the role (particularly manual handling risks) and review this assessment on a regular basis.