

Meeting of:	Early Retirement/Redundancy Committee
Date of Meeting:	Thursday, 18 September 2025
Relevant Scrutiny Committee:	No Relevant Scrutiny Committee
Report Title:	Amendment to the Terms of Reference of Early Retirement and Redundancy Committee
Purpose of Report:	To seek the Committee's views surrounding a proposal to amend its Terms of Reference
Report Owner:	Director of Corporate Resources
Responsible Officer:	Director of Corporate Resources
Elected Member and Officer Consultation:	Head of Human Resources and Organisational Development Operational Manager – Employee Services Head of Legal and Democratic Services
Policy Framework:	This is a matter for Committee consideration.
<p>Executive Summary:</p> <ul style="list-style-type: none"> • Early Retirement Committee is a Committee which meets on an ad-hoc basis, consisting of 7 Elected Members. • The Committee has delegated powers to oversee and agree a number of workforce changes relating to retirement and redundancy. • It is proposed that flexible retirement is removed from the Committee's Terms of Reference moving forward to allow for the Committee to focus upon early retirement, voluntary and compulsory redundancies. 	

Recommendation

1. Early Retirement and Redundancy Committee agree the proposed revisions to the Committee's Terms of Reference, to be progressed through amendments to the Constitution at the next Full Council meeting on 29th September 2025.

Reason for Recommendation

1. To allow for the Committee and Council to focus upon early retirement, voluntary and compulsory redundancies, areas of which the Committee can maximise their input and value.

1. Background

- 1.1 Early Retirement and Redundancy Committee is a local Committee, consisting of 7 Elected Members from a range of political groups (in line with political balance legislation).
- 1.2 The Committee meets on an infrequent basis dependent upon the Council's need to consider employee requests for early retirement, flexible retirement, voluntary redundancy and compulsory redundancies (from schools and where statutory payments are prescribed).
- 1.3 The Committee's current Terms of Reference are -
With delegated powers:
(1) To determine individual applications for Early Retirement / Voluntary Redundancy / Flexible Retirement.
(2) To determine compulsory redundancies from schools and other areas of the Council where statutory payments are prescribed.
- 1.4 During the 2025/26 Municipal year to date, the Committee has met 3 times and considered 6 requests.
- 1.5 The Committee has considered the below requests across the 2024/25 and 2025/26 municipal years (based upon published agendas), with all requests relating to flexible retirement being approved.

Type of Request	Number of Requests
Application to Extend Flexible Retirement date	1 (4%)
Determination of Redundancy with Early Retirement	3 (11%)
Application for Flexible Retirement	16 (59%)
Determination of Redundancy	7 (26%)
Total	27

2. Key Issues for Consideration

- 2.1** LGPS regulations allow flexible retirement where staff aged between 55 and up to 75 may receive their pension and continue in employment. This would require a reduction to working hours or grade.
- 2.2** From April 2028, the age individuals can access their workplace pension will increase to age 57.
- 2.3** Flexible retirement requests are currently determined by the Early Retirement and Redundancy Committee on a case by-case basis in line with regulations.
- Applications for flexible retirement are considered where there is a financial or operational benefit to the Council.
- Applications for flexible retirement are considered on the basis of the individual merit; Applications must result in a reduction of hours worked of at least 40% or a reduction in salary/grade of at least 40% or a combination of ours/salary/grade leading to a reduction of at least 40% in employment costs. Reductions to grade as a result of job evaluation would not be eligible.
- 2.4** Applications must be supported by the Directorate, with a full business case outlining all operational and financial issues; The business case would require the approval of the Head of HR and Head of Finance plus the Chief Executive in the case of applications from Chief Officers.
- 2.5** With the due diligence in place identified in section 2.6, there is limited need for the Committee to approve flexible retirement requests as they have been costed and provisionally agreed to progressed based on operational need as identified above.
- 2.6** The flexible retirement requests also support future workforce planning arrangements, which will be identified in the business case, together with keeping knowledge and skills in the Council during the flexible retirement period.
- 2.7** It is proposed to remove the term “Flexible Retirement” from the Committee’s Terms of Reference, which would be as below:
With delegated powers:
- (1) To determine individual applications for Early Retirement / Voluntary Redundancy.
- (2) To determine compulsory redundancies from schools and other areas of the Council where statutory payments are prescribed.
- 2.8** Delegations will be updated within the Constitution accordingly as below for Chief Officers or Heads of Service to include “To accept applications for flexible retirement from staff where the Director/Head of Service supports the application with a business case”.
- 2.11** The proposed amendments relate to 63% of the Committee’s work, based upon the analysis in section 1.5. A change in ways of working will lead to an increasingly efficient use of resources, in terms of Elected Members, Officer and supporting Democratic Services Officers’ time.

3. How do proposals evidence the Five Ways of Working and contribute to our Well-being Objectives?

- 3.1** These proposals are being presented to take a long-term view of the work of the Committee and involve Members in shaping this. It seeks to prevent the presentation of items for decision where there has already been significant collaboration in understanding its feasibility.

4. Climate Change and Nature Implications

- 4.1** There are no direct implication to this report.

5. Resources and Legal Considerations

Financial

- 5.1** As outlined in section 2.5, there are a number of financial criteria which need to be met to successfully met to be eligible for flexible retirement. These are considered by Finance and Human Resources accordingly when signing off on the business case to proceed.

Employment

- 5.2** As noted in section 2.1, the LGPS allows provision for flexible retirement, based upon a number of criteria to be met, alongside the organisational need outlined within section 2.5.
- 5.3** Whilst the number of requests (akin to the size of the organisation) is not significant, a reduction of approximately 60% of requests requiring Committee approval will lead to a more efficient process for officers requesting flexible retirement and allow them to continue to make a positive impact to the work of the Council.

Legal (Including Equalities)

- 5.4** There are no direct legal requirements surrounding the need for Elected Members to approve flexible retirement requests, these are arrangements which are determined locally.

6. Background Papers

Vale of Glamorgan Council's Constitution.