

Report

12

Report to: **Corporate Resources Committee**
 Date of Meeting: **7 May 2008**
 Report by: **Executive Director (Corporate Resources)**
Executive Director (Finance and Information Technology Resources)

Subject: **Early Retirement and Redeployment**

1. Purpose of Report

1.1. The purpose of the report is to:-

- ♦ advise on early and flexible retirements, re-employment of early retirees and redeployments during the period 1 October 2007 to 31 March 2008

2. Recommendation(s)

2.1. The Committee is asked to approve the following recommendation(s):-

- (1) that the early and flexible retirements, re-employment of early retirees and redeployment of employees during the period 1 October 2007 to 31 March 2008 be noted.

3. Background

3.1. Following agreement at the Personnel Services Committee on 14 April 1998 and also as a result of findings from the Accounts Commission, the Council analyses the trends in terms of numbers and all associated costs of early retirements as part of the ongoing monitoring process.

4. Current Position

4.1. Early Retirements - Efficiency of the Service/Voluntary Redundancy

During the 6 month period from 1 October 2007 to 31 March 2008, the following early retirements, on grounds of efficiency of the service or voluntary redundancy, have been approved:-

Resource	No. of employees	One-off costs	Annual Costs	Net Annual Savings*
Community	3	£6,562	£2,187	£32,707
Corporate / Enterprise **	5	£416,138	£16,265	£186,234
Education	13	£673,800	£53,371	£724,253
Housing and Technical	7	£29,727	£7,163	£113,446
TOTALS	28	£1,126,227	£78,986	£1,056,640

***Net annual savings taking account of annual costs. Costs detailed include capitalisation costs.**

****In terms of data protection, Resources with less than 2 employees retiring will be grouped together.**

- 4.1.2 During the 6 month period, the average retirement age of employees retiring within the Council through efficiency of the service/voluntary redundancy was 59, higher than the Scottish average of 55.

4.2 Trend Analysis

Annual Period	1/4/02 – 31/3/03	1/4/03 – 31/3/04	1/4/04 – 31/3/05	1/4/05 – 31/3/06	1/4/06 – 31/3/07	1/4/07 – 31/3/08
No. of Early Retirements	34	29	43	71	90	111

- 4.2.1. The number of employees retiring early as a result of efficiency or voluntary redundancy increased during the period 1 April 2007 to 31 March 2008, the bulk of which were as a result of Teacher retirements within Education Resources.

4.3 Early Retirements – Ill Health

- 4.3.1. In terms of early retirement on the grounds of ill-health there are no capitalisation costs to the Council. During the 6 month period from 1 October 2007 to 31 March 2008, the following ill-health retirements were approved:-

Resource	Number of Employees
Community	4
Education	4
Enterprise	2
Housing and Technical	5
Total	15

- 4.3.2. During the 6 month period, the average retirement age of employees retiring through ill health retirement is 56, higher than the Scottish average of 55.

4.4 Trend Analysis

4.5

Annual Period	1/4/03 - 31/3/04	1/4/04 – 31/3/05	1/4/05 – 31/3/06	1/4/06 – 31/3/07	1/4/07 – 31/3/08
No. of ill-health retirements	41	30	54	33	23

- 4.4.1. During the period 1 April 2007 to 31 March 2008, there was a decrease of 10 when compared with the previous year.

4.6 Re-employment of Early Retirees

- 4.5.1 The re-employment of those who have been granted early retirement is monitored centrally within Corporate Personnel Services. During the 6 month period from 1 October 2007 to 31 March 2008, 16 requests for re-employment were received from Education Resources. All 16 requests for re-employment were approved on the basis that they would only be used when all other avenues had been exhausted. In all 16 cases the employees were re-employed to satisfy identified skills shortages.

4.6. Redeployment

- 4.6.1 Redeployment is monitored centrally within Corporate Personnel Services. Within the 6 month period, a total of 4 employees were successfully redeployed to a suitable alternative post within the Council as follows:-

Resource	Number of Employees
Social Work	4
Total	4

4.7. Flexible Retirement

- 4.7.1 The approval of those who have been granted flexible retirement is monitored centrally within Corporate Personnel Services. During the 6 month period from 1 October 2007 to 31 March 2008, 1 request was received and approved as detailed below.

Resource	Number of Employees
Social Work	1
Total	1

5. Employee Implications

- 5.1. None.

6. Financial Implications

- 6.1. Costs associated with these proposals have been met from existing resources.

7. Other Implications

- 7.1. None.

8. Equality Impact Assessment and Consultation Arrangements

- 8.1. This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy and, therefore, no impact assessment is required.
- 8.2. There was no requirement to undertake any consultation in terms of the information contained in this report.

Robert McIlwain
Executive Director (Corporate Resources)

Linda Hardie
Executive Director (Finance and Information Technology Resources)

10 April 2008

Link(s) to Council Objectives

- Excellent Employer
- Accountable, Effective and Efficient

Previous References

- Corporate Resources Committee – 28 November 2007

List of Background Papers

None.

Contact for Further Information

If you would like to inspect the background papers or want further information, please contact:-

Maureen McAllister, Personnel Adviser

Ext: 4631 (Tel: 01698 454631)

E-mail: maureen.mcallister@southlanarkshire.gov.uk