

## **LEAVING EMPLOYMENT POLICY**

Report of the Finance Director & Company Secretary

### **1. SUMMARY**

- 1.1 The Board has a policy on leaving employment that requires any decision that results in a direct cost to be directed to the Governance Committee. This is a triannual review of that policy and recommends only minor change.

### **2. RECOMMENDATION**

- 2.1 To approve the updated policy as set out in Appendix 1.

### **3. REASON(S) FOR RECOMMENDATION**

- 3.1 Key policies should be reviewed every three years.

### **4. MATTER FOR CONSIDERATION**

- 4.1 At its meeting of 28 September 2017, the Board determined a policy on leaving employment which includes elements relating to normal operations but also to the potential for voluntary redundancy and early retirements.
- 4.2 Key policies like this should be reviewed within three years as part of our normal process. This report does this and recommends only minor changes to the previous policy, incorporating the changes required by means of updated pension fund discretions approved by the Board.
- 4.3 The proposed updated policy with tracked changes is attached at Appendix 1 to this report.
- 4.4 The changes proposed are minor and are largely clarifications of wording rather than any substantial change.
- 4.5 The policy would be reviewed again in three years' time or before in the event of any significant change to LGPS regulations or legislation.

### **5. OTHER OPTIONS CONSIDERED**

- 5.1 It would be possible for the Board to consider different policies, but the current approach appears to strike a reasonable balance. Any cost to Derby Homes has to be approved by the Governance Committee under the current policy as there is a need for some discretion in the event of a need to restructure. It is possible that the McCloud case may have an impact on this policy but this will have to be picked up when the issue is resolved.

## IMPLICATIONS

### 6. CONSULTATION IMPLICATIONS

- 6.1 This policy will go to the Joint Consultative Committee (JCC) for formal consultation but is largely unchanged.

### 7. PERSONNEL IMPLICATIONS

- 7.1 Workforce planning requires some flexibility in our approach to leaving work and this policy continues to deliver that ability.

### 8. EQUALITIES IMPLICATIONS

- 8.1 The policy relates to age differences in line with LGPS regulations. The employer discretions and policy are intended to allow the Board, through the Governance Committee, to judge where there are any unintended discriminatory actions and to make judgements on where additional cost is justified by a particular proposal.
- 8.2 The McCloud judgement also appears to find that certain provisions of the LGPS are discriminatory. There may be outcomes from that case that require further change to policy in line with the government's direction on this issue.

### 9. RISK IMPLICATIONS

- 9.1 The Board needs to have sufficient flexibility in its policy to enable a reasonably smooth restructuring process wherever it may be necessary in future.

### 10. POLICY REVIEW IMPLICATIONS

- 10.1 This is a key policy of Derby Homes and is/will be included in the Key Policy Review Schedule. In accordance with Derby Homes Board Minute 10/51 this policy will be reviewed no later than 3 years from the date of this meeting.

The areas listed below have no implications directly arising from this report:

Financial and Business Plan  
Legal and Confidentiality  
Council  
Environmental  
Health & Safety

If Board Members or others would like to discuss this report ahead of the meeting please contact:

David Enticott / Finance Director & Company Secretary / 01332 888523 / Email  
david.enticott@derbyhomes.org

Background Information: Appendix 1 – Proposed policy (tracked changes)  
Supporting Information: Report September 2017 plus appendices

**This report has been approved by**

<b>Finance Director/Derby Homes Accountant</b>	David Enticott	18.03.2020
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