

EARLY RETIREMENT SCHEMES

1. VOLUNTARY EARLY RETIREMENT

Any member of staff over 55 years and under 60 years of age with a minimum of 3 months pension scheme membership may apply. If such an application is supported by their Chief Officer and the Deputy Director of Resources and Chief Finance Officer they may be eligible for immediate payment of lump sum and annual pension. There is no enhancement of benefits and an actuarial reduction in benefits could be applicable.

For those subject to an actuarial reduction in benefits, early retirement will usually be approved unless this would be against the public interest.

Reductions will be based on the “85 year rule”, as the rule currently stands should a person be 60 years of age by 31 March 2016 and the sum of their age and service adds to 85 there will be no reduction, should this not add to 85 the reduction will be based on the shortfall to 85 or age 65 whichever is shorter.

Members who reach 60 years of age between 1 April 2016 and 31 March 2020 will have a tiered reduction.

Employees who joined the pension on or after 1 October 2006 are not covered by the “85 year rule” and so their benefits will always be subjected to reduction. For further information contact the Barnet Pensions office.

The Deputy Director of Resources and Chief Finance Officer has the discretion to waive any actuarial reduction in benefits on compassionate grounds.

Any employee aged 60 or over with a minimum of 3 months pension scheme membership has an absolute right to retirement under the pension scheme regulations.

2. REDUNDANCY AND INTERESTS OF THE EFFICIENCY OF THE SERVICE

Anyone over 55 years of age with a minimum of 3 months pension scheme membership would be entitled to an immediate payment of lump sum and pension without any reduction in benefits in the following instances:

- In the efficiency of the Council's service, where there are likely to be substantial efficiency gains as a result of an individual's early retirement.
- In the case of redundancy, either where the release of volunteers would reduce or eliminate the need for compulsory redundancies or resulting from compulsory redundancy. In addition to the pension scheme benefits, employees leaving thorough redundancy or efficiency of the service are entitled to the benefits of the Council severance scheme.

3. PROCEDURE

Any employee under 60 who wishes to express an interest in voluntary early retirement should do so to their service area Human Resources unit. The unit will seek an estimate of benefits payable from Pensions and forward this to the employee to consider.

If the Chief Officer has indicated that there are opportunity for employees to express an interest in early retirement on the grounds of redundancy or in the interest of the efficiency of the service, estimates will be provided on request from the service area Human Resources.

Should an employee wish to pursue an application, the Human Resources Unit will obtain agreement in principle from the Chief Officer. If this agreed, the relevant form should be completed by the Human Resources Unit and forwarded to their Chief Officer and Deputy Director of Resources and Chief Finance Officer for their approval.

4. POLICY REVIEW

It is important that this policy remains a live document therefore will continually be monitored and updated as necessary. The most recent update on this document was made on 1st December 2010. This policy will be reviewed annually to make any changes that are deemed necessary