

5 VOLUNTARY EARLY RETIREMENT/VOLUNTARY REDUNDANCY SCHEME (AN180-2011)

Reference is made to Article VIII of the minute of meeting of the Policy and Resources Committee of 26th April, 2010, wherein approval was given to Report No 227-2010 "Dundee City Council - Voluntary Early Retirement/Voluntary Redundancy Scheme". The scheme was open to applications and where savings could be achieved, provided for employees meeting defined criteria to receive up to five added years pensionable service on a sliding scale linked to years of service with the Council. Applications had to be made by 31st August, 2010.

Reference is also made to Article VIII of the Recess Sub-Committee of 1st August, 2011, wherein approval was given to Agenda Note AN120-2011 "Voluntary Early Retirement/Voluntary Redundancy Scheme". In order to facilitate the implementation of the Changing for the Future projects and in other appropriate circumstances, the Chief Executive was given delegated authority to consult relevant heads of departments and apply the provisions in Report No 227-2010 as an incentive, in order to facilitate departmental reviews, restructurings, rationalisations and efficiency savings, etc.

Preparatory work has begun on proposals for the 2012/2013 Revenue Budget and whilst individual Council funding allocations from the Scottish Government will not be notified until early December there are clear indications that further savings will be required. In view of the success of the original scheme in contributing towards the Council's efficiency savings for 2011/2012, it is considered that it would be beneficial to the current Revenue Budget preparations to re-open the scheme to applications from interested employees who meet the criteria subject to the usual decision making process whereby the Chief Executive, Director of Finance and the Head of Personnel consider applications based on cost and service provision.

It is therefore recommended that approval is given to the reintroduction of the Voluntary Early Retirement/Voluntary Redundancy Scheme with up to five added years pensionable service as detailed in Report No 227-2010 "Dundee City Council - Voluntary Early Retirement/Voluntary Redundancy Scheme". The closing date for applications will be 14th December, 2011.

It should be noted that as a result of the abolition of the default retirement age, employees who reached the age of 65 on or after 1st October, 2011 will be eligible to apply for voluntary redundancy and statutory redundancy pay, and in accordance with the Regulations, if they are members of the Local Government Pension Scheme, they will also be entitled to receive their pensions with no added years.