

3 EARLY RETIREMENTS - LOCAL GOVERNMENT (DISCRETIONARY PAYMENTS AND INJURY BENEFITS) (SCOTLAND) REGULATIONS 1998 (AN87-2005)

The Committee is aware that, from time to time, approval is sought to retire employees early in the interests of the efficiency of the service. In such cases, the normal approach has been to award those employees maximum added years in accordance with the Local Government (Discretionary Payments and Injury Benefits) (Scotland) Regulations 1998.

The Chief Executive, Depute Chief Executive (Finance) and Assistant Chief Executive (Management) are of the opinion that, in view of the substantial costs to the Council and the Pension Fund as a result of this approach, the number of added years should be limited in future.

At present, depending on length of service and age, the maximum number of added years which an employee may receive is 10. In future, for all early retirements for which approval is sought, it is suggested that the maximum number of added years awarded should be determined by the number of years' pensionable service, as follows:-

Number of Years' Pensionable Service	Number of Added Years
5 but less than 7	2
7 but less than 10	3
10 but less than 15	5
15 and above	6 ² / ₃

This is with the proviso that the maximum service does not exceed 40 years or the service which could be attained by age 65.

The Committee is also aware that the Council operates a policy of no compulsory redundancy. However, there may be occasions in the future when approval is sought for an employee to retire early on the grounds of (voluntary) redundancy. In these circumstances, it is suggested that the same number of added years which are awarded for retiral on the grounds of the efficiency of the service should be awarded.

The Committee's approval is sought.