Agenda Item: 5B



9 SEPTEMBER 2009

AGE DISCRIMINATION POLICY

Report from: Tricia Palmer, Assistant Director, Organisational Services

Author: Sandra Steel, Employee Services Manager

Summary

The report seeks agreement to review and replace the current Age Discrimination Policy Statement.

1. Budget and Policy Framework

1.1 The Policy lies within the Council's policy and budget framework and the Committee's terms of reference. Therefore, this is a matter for the Employment Matters Committee.

2. Background

2.1 On 18 June 2007 Employment Matters Committee agreed to the Age Policy Statement following the introduction of the Employment Equality (Age) Regulations, which came into force on 1 October 2006. At this meeting it was agreed that the policy statement would be reviewed in 2009.

3. Advice and analysis

- 3.1 The age regulations cover recruitment, terms and conditions of employment, promotions, transfers, dismissals and training. They make it unlawful on the grounds of age to:
 - Discriminate directly or indirectly against anyone;
 - · Subject someone to harassment;
 - Victimise someone; or
 - Discriminate against someone, in certain circumstances, after the working relationship has ended e.g. within references.
- 3.2 The Council, through its Equal Opportunities Policy demonstrates its commitment to ensure that all staff are treated fairly. The implementation of this policy statement supports and strengthens this commitment.

- 3.3 This revised policy statement (appendix one) does not affect or detract from the commitments made in the original policy statement even though some of these are not now explicit.
- 3.4 The main changes are:
 - to include, as part of the policy a Retirement Process (appendix one, annex one) clearly outlining the statutory process for managing retirements at and beyond age 65 and dealing with requests to work beyond retirement age. This process follows the model guide produced by the Local Government Employers,
 - to amend the age group where the council will take positive action to attract to its vacancies applications from persons under age 28 to persons between the age group 16 to 24. See the Diversity Impact Assessment and accompanying data for further details.

4. Consultation

- 4.1 The policy statement and retirement process has been shared with:
 - The trade unions and teaching associations
 - Service Managers who have volunteered to take part in the consultation process for new employment policies;
 - The Black Workers Forum
 - The Disabled Workers Forum
- 4.2 No comments or concerns were received from any of the above.

5. Risk Management

- 5.1 The risk of not implementing an Age Policy could lead to allegations of both direct and indirect discrimination.
- 5.2 Employers are generally liable in law for any discriminatory actions perpetrated by their staff in the course of their employment. This means that if a manager or one of his or her team does or says anything that could be construed as discriminatory on the grounds of age, the employer will be potentially liable to pay compensation to the victim if a successful complaint is subsequently made to an employment tribunal.
- 5.3 The individual who carries out the act will also be personally liable and could be required to pay compensation to the victim.
- 5.4 There is no limit on the amount of compensation that can be awarded by tribunals in discrimination claims.

6. Financial and legal implications

6.1 There are no financial implications apart from those mentioned in paragraph 5. For information, compensation awards in discrimination cases have increased to their highest levels yet recorded. In 2008, the overall average for the total award excluding interest was £17,099, and the average injury to feelings award was £6,612. In 2008, the total

- amount awarded by tribunals in discrimination cases came to more than £6½ million (*Equal Opportunities Review, Compensation Awards 2008*).
- The Council has a duty to ensure that discrimination on the grounds of age is eliminated both in employment and service delivery.

 Implementation and compliance with this policy will serve to minimise the risks of successful legal challenges against the council.
- 6.3 The relevant legislation relating to age discrimination is as follows:
 - Council Directive 2000/7/8EC establishing a general framework for equal treatment in employment and occupation
 - Employment Equality (Age) Regulations 2006 SI 2006/1031
 - Employment Equality (Age) (Amendment No.2) Regulations 2006 SI 2006/2931
 - Protection from Harassment Act 1997

7. Recommendations

- 7.1 That the Employment Matters Committee agree to:
 - a) the adoption of the revised Age Discrimination Policy Statement, as set out at Appendix 1 to the report.
 - b) officers reviewing the Age Discrimination Policy Statement biannually and report to Members when necessary with any changes.

Lead officer contact

Sandra Steel, Employee Services Manager, HR Services Sandra.steel@medway.gov.uk
Tel 01634 334083

Background Papers:

Workforce Profile information – information is held by the Employee Services Manager

Local Government Employers Model guide: Age Discrimination – Duty to Consider Procedure. http://www.lge.gov.uk/lge/core/page.do?pageld=119663



Age Discrimination Policy (incorporating Retirement process)

Introduction and statement of intent

Medway Council is committed to ensuring that all staff are treated fairly irrespective of their age and has taken measures to ensure that it fully meets the requirements of the Employment Equality (Age) Regulations 2006. The regulations give protection to those who believe that they are being unfairly treated at work because of their age. The regulations impact on all aspects of the employment relationship for example recruitment, terms and conditions of employment, promotions, transfers, dismissals, retirement and training.

The regulations make it unlawful on the grouds of age to:

- 1.Discriminate directly i.e treat someone less favourably than another because of their age unless such treatment can be objectively justified.
- 2.Discriminate indirectly i..e to apply a criterion provision or practice which disadvantages people of a particular age unless it can be objectively justified.
- 3. Subject someone to harrssment . Harrassment is unwanted conduct that violates a person's dignity or creates an intimidating , hostile degrading humilitating or offensive environment.
- 4. Victimise someone because they have or intend to make a complaint or allegation or have given or intend to give evidence in relation to a complaint of discrimination on the grounds of age.
 - 5. Discriminate against someone in certain circumstances after the working relationship has ended e.g references., , after the working relationship has ended eg within references.

The Council's policy is that age will not be a factor in any decisions made concerning recruitment & selection, access to employee benefits, opportunities for promotion or training, dismissal, performance management, application of discipline or capability procedures or selection for redundancy.

Age discrimination and other equality policies

Medway Council demonstrates through its Equal Opportunities Policy its commitment to ensure that all staff are treated fairly. The implementation of this policy will support and strengthen this commitment.

Positive action

The Council has an aging workforce and reserves the right to take positive action measures to assist with its workforce planning to attract into its service

younger people. It has regard to the age profile of its current staff and the under-representation of those within the 16-24 age range.

Retirement

The normal retirement age for all employees is 65. Employees who do not wish to be retired at the normal retirement age have the right to request to remain in employment beyond this age and the council will consider any request made. There is a set process for managing retirements, this is attached as annex one to this policy statement. The Council does not have to accept the request and in such cases does not have to state why the request has been refused. Any decision reached will take into consideration a number of factors such as workforce planning requirements, recruitment needs and training & development needs.

Staff who have their request to work beyond age 65 refused will be entitled to appeal if they disagree with the decision. Any appeal will normally be heard by a more senior manager who will be advised by a Human Resources Manager or their representative.

Advertising

Wherever possible references to age in recruitment adverts will not be made unless it is a genunine occupational requirement, the advertisement relates to positive action or the advertisement complies with a statutory requirement.

Recruitment and Selection

The recruitment and selection process will be based on the skills and ability of the individual applicant to do the job and not their age. All staff involved in recruitment and selection will receive training to ensure compliance and must have achieved a satisfactory awareness of related equality and diversity legislation requirements.

Benefits

The council recognises that incremental pay progression and other service-based rewards are an acknowledgement of the increasing experience and loyalty of staff. Any such rewards will be in line with the requirements of the Age Discrimination Regulations and ACAS Guidance for Employers.

Training and promotion

Training and promotion opportunities are available to all staff and in selecting individuals for training or promotion. It is expected that managers will ensure that individuals are not excluded as a result of being too young or too old. Direct or indirect references to age in Performance and Development Reviews will not be used.

Redundancy selection and payments

Any redundancy selection policy used will be based on objective criteria.

Harassment and victimisation

The council's Dignity at Work Policy covers cases where harrassment and victimisation is on the grounds of age.wThe policy clearly states that any form of harassment or victimisation on any grounds will not be tolerated.

Monitoring and policy review

The council has made a commitment to monitor recruitment and selection, promotion and training and the use of procedures to ensure that no particular age group is being unfairly treated on the grounds of their age. Any new or reviewed policy or procedure will be Diversity Impact Assessed.

Implementation and responsibilities

All line managers are responsible for familiarising themselves with this policy, ensuring that it is applied and for making their staff aware of it. Individual members of staff are also responsible for familiarising themselves with this policy.

Draft



Retirement process – working beyond the age of 65

Age Discrimination – Duty to Consider Procedure

This process forms part of the Medway Council Age Discrimination Policy.

Introduction

The council's normal retirement age is 65. However, an employee can request to work beyond this retirement age and the Council has a duty to consider the request.

Retirement process

Managers and HR Services will jointly follow a statutory process for notifying employees of their forthcoming retirement. This must happen when any employee is nearing age 65. Failure to follow the process will make the dismissal on the grounds of retirement automatically unfair.

HR Services will notify the employee in writing at least six months (but no more than 12 months) in advance of the intended retirement date. The letter will notify the employee that they have the 'right to request' to work beyond the retirement date and will have attached a copy of the Council's policy on Age Discrimination together with the Expression of interest form (appendix one) which will need to be returned to the line manager.

A copy of the letter will be sent to the manager together with a copy of this procedure.

Employee wishing to retire

If the employee wishes to continue with their intended date of retirement they should notify their manager by completing and returning the Expression of Interest form.

Working beyond age 65

Any employee who wishes to continue working beyond age 65 may request that their employment continue indefinitely, for a stated period or until a stated date, normally a minimum of one year.

The employee's request to continue working should be made in writing using the Expression of Interest Form to their line manager no less than three months but not more than six months before the intended date of retirement. The manager should then forward a copy of the form to HR Services no later than two months before the relevant date.

The manager should arrange to meet with the employee within ten working days or whenever is reasonably practicable to do so to discuss the request. If the manager has any concerns or needs advice they should contact HR Advice on ext 4499 or by email to hradvice@medway.gov.uk. The meeting must be held within a reasonable period of the request being received and both the manager and the employee must take all reasonable steps to attend the meeting.

Employees have the right to be accompanied by a recognised trade union representative or a work colleague, this should be for the employee to arrange.

Although the employee can seek to continue to work beyond the age of 65 for an 'indefinate' period, it is up to the manager to agree to this or whether they would prefer the employee to continue working for an agreed period of time. The employee is entitled to appeal this decision.

Following the meeting the manager must inform the employee in writing of the decision:

Agree to extend:

If the manager agrees to the employee continuing to work beyond age 65 the manager should advise the employee in writing of the new intended retirement date and arrange for their contract of employment to be amended by completing form PMC002 and passing this to HR Services with a copy of the Expression of Interest Form. HR Services will process the form PMC002, send out a revised contract and record the new retirement date.

<u>Failure to agree to extend or failure to agree to extend for the length of time</u> requested by the employee

If the manager does not wish the employee to continue working beyond their retirement date, or does not agree to extend the length of time requested by the employee then the employee should be notified in writing, within 14 days, that the retirement will take effect on the intended retirement date.

The age regulations do <u>not</u> require the employer to give a reason for refusing the employee's request to work on but as good practice the council will discuss with the employee the circumstances and reasons around the decision. Managers should seek advice from HR Services if in any doubt.

The employee will be told in the letter that they have a right of appeal against the decision and the employee should submit their appeal in writing to a more senior manager within five working days.

Although retirement is a fair reason for dismissal, the employee's dismissal could potentially be unfair if procedures are not followed. In dealing with retirement dismissals regard must be given to other equalities legislation such as, such as sex, race, and disability discrimination.

Appeal meeting

The appeal meeting should be held within 10 working days or as soon as reasonably practicable and will be heard by the senior manager and an HR Manager or their representative. At the appeal hearing the employee will be given the opportunity to state their case to the senior manager, they may be accompanied at the meeting by a work place colleague or trade union representative. The line manager will not be present at this meeting but will provide the senior manager with details of their decision prior to the appeal. The senior manager, together with the HR Manager will then consider the case taking into account the employee's submission and the line managers reasons for failing to agree.

Following the appeal the senior manager must inform the employee of the final decision, in writing. This decision will be final.

Further requests

An employee can make only one request to carry on working in relation to an intended retirement date. However, if the request is granted and a new intended retirement date is established, it will be possible to make a further request to carry on working beyond that revised date. In which case this 'duty to consider' procedure will have to be followed every time the employee is nearing their intended date of retirement.

Flexible retirement

Employees aged 65 who, with the consent of the line manager, reduce their hours or grade can elect to take their accrued pension benefits whilst continuing in employment. The council has a flexible retirement policy which provides further details.

Expression of interest Form – retirement beyond the age of 65

Please return this form to your line manager <u>no later</u> than 3 months before your 65th birthday/retirement date.

Section 1 – To be completed by the employee

following age 65) and intend to retire on/..../....

(Please tick ONE box below and complete the details requested before discussions with your line manager

□ I wish to proceed with my intended retirement at age 65 (or other agreed retirement date

□ I wish to request, as under paragraph 5 of Schedule 6 of the Employment Equality (Age) Regulations, that I continue to work beyond the age of 65 (or other agreed date following age 65) and wish to retire on/..../ Name in block capitals Employee signature Section / Dept Date Section 2 – To be completed by the line manager □ I support this application to work beyond the age of 65 and the employee will retire on/..../.... □ I do not support this application to work beyond the age of 65 and the employee will retire on/..../.... □ I confirm that the employee does not wish to work beyond intended retirement date and we should proceed with the retirement date as planned which is/..... Name in block letters Line Manager signature Date

Line Manager to return this form to HR Services, 3rd floor, Gun Wharf within two months of the retirement date.

Directorate	Name of Policy		
Business Support Department	Age Discrimination Policy Statement including Retirement Process – Working beyond the age of 65		
Officer responsible for assess	sment	Date of assessment	New or existing?
Tricia Palmer, Assistant Director, Organisational Services		27 May 2009	Existing
Defining what is being as	sesse	d	
Briefly describe the purpose and objectives	Review the Age Discrimination Policy Statement to include a process for dealing with retirements and requests to work beyond age 65.		
2. Who is intended to benefit, and in what way?	Both the Council, staff and job applicants will benefit. The Council will benefit as the policy will raise awareness of the implications of acting in a discriminatory manner. Staff will have a clear understanding of their rights and the processes involved in requesting to work beyond age 65.		
3. What outcomes are wanted?	A commitment that the Council will not discriminate against employees or job applicants on the basis of their age.		
4. What factors/forces could contribute to or detract from the outcomes? 5. Who are the main	Contribute - Commitment to the policy from everyone at all levels of the organisation Staff and managers being aware of their responsibilities as outlined within the policy Good communication of the new policy to all employees Good monitoring data. Medway Council employees, Members, Trade Union		
stakeholders?	officials and job applicants.		
6. Who implements this and who is responsible?	HR Services implements this policy, Tricia Palmer, Assistant Director, Organisational Services.		

Assessing impact			
7. Are there concerns that		The policy provides a positive framework	
there could be a differential		within which people from minority ethnic	
impact due to ethnicity/		communities can be employed and access	
racial groups?	No	their rights in relation to the age regulations in	
	110	a non-discriminatory manner.	
What evidence exists for		Itation has taken place with the trade unions	
this?		embers of the Black Workers Forum. There	
	were r	no concerns raised.	
8. Are there concerns that		Those with disabilities may find it more	
there could be a differential	Yes	problematic to work beyond the age of 65	
impact due to disability?		depending on their physical disability and	
	whether the organisation is able to make		
	reasonable adjustments		
What evidence exists for	The E	mployers Forum on Disability reports that 2%	
this?	of the	working age UK population becomes disabled	
	ever y	ear. Most disabled people are not born with a	
		ity but acquire one during their working life or	
		rith 78% of disabled people acquire their	
		ment aged 17 or over. They also report that	
		nces of disability increase significantly over the	
	age of	65.	
	Th:- 1-1		
		ighlights the need for the organisation to be	
		manage and support staff with disabilities or	
		Ith problems as they get older. This can be	
	done by placing greater emphasis on health promotion to encourage staff to adopt healthy		
	lifestyles so they enjoy better health as they get		
	older.	es so they enjoy better health as they get	
	older.		
	Consu	Itation has taken place with the trade unions	
		embers of the Disabled Workers Forum. There	
	were r	no concerns raised.	
9. Are there concerns that		Woman may be more likely to want to work	
there could be a differential		beyond age 65 because they may have	
impact due to gender?		accrued less pension entitlement because of	
	No	career breaks resulting from family	
		commitments.	
What evidence exists for		ntly none as workforce data at 31.3.08 shows	
this?		of all male employees are working over the	
		65 compared to 1.10% of all females.	
		is currently no monitoring undertaken of the	
	number of people who apply to work beyond 65 and are turned down.		
10 Are there concerns the	are tur	<u>, </u>	
10. Are there concerns there		The policy provides a positive framework	
could be a differential impact due to sexual orientation?		within which lesbian, gay and bisexual people can be employed and access their rights in	
due to sexual orientation!	No	relation to the age regulations in a non-	
	140	discriminatory manner.	
What evidence exists for	The no	blicy has been consulted upon with the trade	
this?	unions. No concerns were raised.		
		Jonesine word fallood.	
	1		

11. Are there concerns there		The policy provides a positive framework	
could be a have a differential		within which people observing particular	
impact due to religion/belief?	NO	religions or beliefs (Including none) can be employed and access their rights in relation to the age regulations in a non-discriminatory manner.	
What evidence exists for	The no	olicy has been consulted upon with the trade	
this?		s. No concerns were raised.	
12. Are there concerns there could be a differential impact due to age?	The Age Discrimination legislation is intend to apply equally to all employees. Evidence suggests that those affected most by age discrimination tend to be older workers (about 50 years or over) and young workers (up to about 25 years). It is also aimed at benefiting job seekers who face discrimination entering the labour market. At Medway Council there is underepresentation in the age group 16-24 when compared to the local age profile of the community. This is being addressed as below.		
What evidence exists for this?	See attached workforce information (appendix one). This shows the age profiles of the local population in 2001 and 2007 compared to the age profile of the Medway Council workforce. It can be noted that the workforce does not reflect the age spread of the local community and 16-19 year olds are least well represented. The review of the policy statement allows for positive action to be taken to recruit to the workforce people within the 16-24 age group.		
	In addition, this is being addressed by increasing the entry-level work and development opportunities for young people and to encourage them to consider a career in local government. The apprentice scheme also supports the community by providing opportunities for young people not in education, employment or training into work; and developing a skilled population qualified to at least NVQ level 2. Both of these are important aspects of the Council's Local Area Agreement (LAA).		
13. Are there concerns that there <u>could</u> be a differential impact due to <i>being transgendered or transsexual</i> ?	NO	The policy provides a positive framework within which men, women, and transgender people can be employed and access their rights in relation to the age regulations in a non-discriminatory manner.	
What evidence exists for this?	The policy has been consulted upon with the trade unions. No concerns were raised.		

14. Are there any other groups that would find it difficult to access/make use of the policy, or who might experience unfavourable		
treatment (eg people with caring responsibilities or dependants, those with an offending past, or people living in rural areas)?	NO	
What evidence exists for this?	The pountions	olicy has been consulted upon with the trade
15. Are there concerns there could be a differential impact due to multiple discriminations (eg disability and age)?	YES	See paragraph 8.
What evidence exists for this?		

Conclusions & recommendation				
16. Could the differential impacts identified in questions 7-15 amount to	YES	Yes in terms of taking positive action in recruitment for the 16-24 age group. This may have an adverse impact on other age		
there being the potential for adverse impact?		groups in terms of job applicants.		
17. Can the adverse impact be justified on the grounds of promoting equality of	YES	Yes, in order to enable the councils workforce to reflect better the age spread of the local community.		
opportunity for one group? Or another reason?		the local community.		

Recor	Recommendation to proceed to a full impact assessment?			
No	This policy complies with the requirements of the legislation and there is evidence to show this is the case.			
NO, BUT	What is required to ensure this complies with the requirements of the legislation? (see DIA Guidance Notes) The Age Discrimination Policy Statement has been produced in line with the requirements of the Employment Equality (Age) Regulations 2006.			
YES	Give details of key person responsible and target date for carrying out full impact assessment (see DIA Guidance Notes)	N/A		

Action plan to make minor modifications				
Outcome	Actions (with date of completion)	Officer responsible		
Staff involved in reviewing the policy	Promotion to encourage staff to adopt healthy lifestyles so they enjoy better health as they get older. Implement measures to increase the 16-24 age group of employees at Medway Council	HR Services Paula Charker Ralph Edwards Richard Lynn		

Planning ahead: Reminders for the next review				
Date of next review	2011			
Areas to check at next review (eg new census information, new legislation due)	 Check whether any particular groups have experienced: difficulties in accessing or making use of the policy; the application of the policy has been fair and consistent across the council. 			
Is there another group (eg new communities) that is relevant and ought to be considered next time?	Check that the policy continues to be accessible and fairly applied to existing and potential members of the Council's workforce, including any additional demographic groups.			
Signed (completing officer/service manager)		Date		
Signed (service manager/A	ssistant Director)	Date		

Related documents	
Excerpt from Workforce Monitoring Report – appendix one	

Diversity Impact Assessment Appendix 1

Extract from Draft Workforce Monitoring Report for 2008-09 (August 2009)

Age

The age profile of the Council's workforce as a whole is given overleaf. Comparative data for the local area are provided in separate charts.

NB: Note that the scale for the Council workforce chart differs from those for the local population.

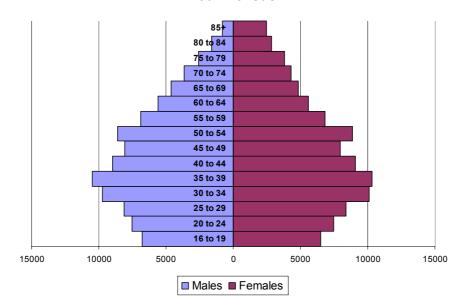
NB: the Medway profiles include all people, not just those who are economically-active.

As well as the majority of staff being female, the chart shows an ageing workforce. As at 31 March 2009, one third of all staff were aged 50+, with the average age being 43.6 years. This is almost identical to 2007/08.

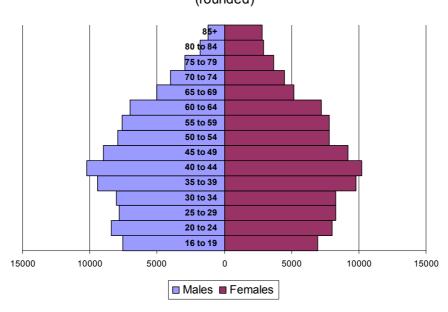
The mid-point between the youngest age someone can be employed and the Council's normal retirement age is 40.5 years. Based on a normal distribution spread, a split of approximately 50%-50% would be expected above and below that threshold. Using the closest age band cut-off points, the proportion of staff aged 16-39 is 34.8%, compared with 63.7% aged 40-64. In 2007/08, the equivalent figures were 34.7% and 61.7% respectively.

Many acquired impairments are associated with age. An ageing workforce has implications in terms of reasonable adjustments and caring responsibilities.

Age Population in Medway: 2001 Census

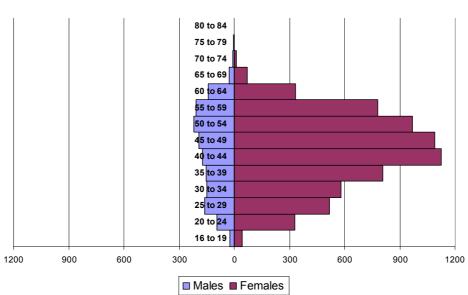


Age Population in Medway: 2007 Mid-Year Estimates (rounded)



Council workforce

(Headcount)



The Medway charts show the age profiles for the local population in 2001 and 2007. The workforce does not reflect the age spread of the local community, and 16- to 19-year-olds would seem to be least well represented. But this is not necessarily unexpected as many young people take advantage of further and higher education opportunities. However, the Council has introduced an apprenticeship scheme for 16- to 24-year-olds recently, to increase the entry-level work and development opportunities for young people and to encourage them to consider a career in local government. In addition to developing the workforce, the apprenticeship scheme also supports the community by providing opportunities for young people not in education, employment or training (NEETs) into work; and developing a skilled population qualified to at least NVQ level 2. Both of these are important aspects of the Council's Local Area Agreement (LAA).

2008/09	Aged 16-39	Aged 40-64	Aged 65+	Due to retire in next 5 years	Due to retire in next 10 years
Overall	34.8%	63.7%	1.46%	5.79%	17.84%
Women	34.2%	64.6%	1.25%	5.00%	16.72%
Men	37.4%	60.2%	2.38%	9.19%	22.62%

Source: ResourceLink (31 March 2009)

One-third of the workforce is aged 50+. The Council's normal retirement age is 65 years. The data above show that more than one-in-six staff are due to retire in the next ten years. The Council will lose a greater proportion of men than women and, with men being under-represented across the organisation as a whole, this will distort further the gender split of the workforce.

Starters and Leavers

Comparative data for the recruitment and turnover rates by age, for the twelve months to 31 March 2009, are given overleaf. These data include Community Support Service staff.

2008/09	Recruitment Rates (by headcount)	Turnover Rates (by headcount)
Overall	11.2%	12.5%
16 to 19	107.7%	46.2%
20 to 24	34.4%	17.2%
25 to 29	16.9%	18.2%
30 to 34	15.9%	12.0%
35 to 39	14.9%	14.0%
40 to 44	11.9%	10.2%
45 to 49	5.5%	8.3%
50 to 54	4.2%	8.0%
55 to 59	3.1%	9.8%
60 to 64	3.2%	21.4%
65+	4.2%	37.5%

Source: ResourceLink (April 2008 - March 2009)

The recruitment rate for the 16-19 age group is high. Much of this is due to the success of the apprenticeship scheme. However, it should be remembered that this age group only accounts for a small number of staff, so a few individuals can produce a significant effect.

The Council is losing nearly as many staff aged 25-44 as those joining. The age groups most difficult to retain are 25-29. Recruitment rates tail off for the 45+ age groups, and are lower than the corresponding turnover rates.

More staff aged 45+ are leaving than joining. Of those aged 45-59, the majority left due to resignation or redundancy. Aged 60 and over, retirement became the primary reason for leaving.