

Employment Matters Committee

2 September 2025

Flexible Retirement Policy

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Summary

This report outlines the review and amendments to the Council's current Flexible Retirement Policy, which provides a full policy and procedure for Flexible Retirement requests, providing clarity around eligibility, implications of flexible retirement, and clarity and smoothness of associated procedures.

This is a significant upgrade of our current "policy statement" on Flexible Retirement, which highlights that the offer is present but provides very little information beyond this. This proposal will increase uptake by making the process smoother and more transparent, allowing the Council to retain key skills in the workforce for better continuity planning as other employees are upskilled to fill the position.

1. Recommendations

- 1.1 The Committee is asked to approve the updated Flexible Retirement Policy as set out as Appendix A to the report and approve the implementation of the policy across all areas of the organisation.
- 1.2 The Committee is asked to support the provision of adequate communication to support the effective uptake of the revised policy, as well as any training requirements.

2. Budget and policy framework

- 2.1 The adoption of the revised policy is within the purview of the Employment Matters Committee and the decision is within the Council's budget and policy framework.
- 2.2 The Flexible Retirement Policy does not have a direct impact on the overall Council framework and strategies. However, the revised policy does support the relevant strategies indirectly as the adoption of the policy will support ambitions to be an employer of choice. By strengthening the availability of options for retirement-age employees to retire flexibly, the Council will support the retention of skills in the workforce while ensuring that at all stages of life we are supporting employees to work in a way suitable to their needs.

3. Background

- 3.1 Flexible retirement is an increasingly popular approach that allows employees to gradually transition from full-time work to retirement, often by reducing working hours or responsibilities while accessing pension benefits. This model supports older workers in maintaining engagement with the workforce while balancing personal needs, health, and financial planning. It also benefits employers by retaining experienced staff and facilitating knowledge transfer.
- 3.2 The [Employment Rights Act 1996](#), as amended, gives all employees the statutory right to request flexible working from day one of employment. This includes changes to hours, working patterns, or location. [ACAS's 2024 Code of Practice](#) outlines that employers must handle such requests reasonably, consult with employees, and only refuse based on legitimate business grounds. Integrating flexible working into retirement planning allows older employees to tailor their transition while maintaining productivity and wellbeing.
- 3.3 While Medway Council already offers Flexible Retirement via a brief policy statement on the staff intranet, the eligibility, availability, process and implications are not laid out clearly. In effect, this makes the option of Flexible Retirement appear less appealing to employees even where it may be their most suitable option. Further to this, the lack of a robust procedure means it can be less accessible for employees wishing to flexibly retire.
- 3.4 The revised policy provides key information more clearly and accessibly. It is also supported by a robust procedure designed to make requests for flexible retirement more straightforward for employees and their managers. It explicitly states what the eligibility criteria are, the different options for flexible retirement, and allows managers to plan more effectively around those employees seeking to flexibly retire.
- 3.5 These changes strengthen Medway Council's commitment to a diverse workforce by more firmly supporting older workers. While flexible retirement options are not a statutory requirement, they make the Council a more attractive employer and supports a dynamic environment where continuity planning via knowledge transfer is made available as a concrete option.

4. Options

- 4.1 Approve the Policy: This option strengthens our pre-existing offer and promotes age equality in the Council's workforce.
 - Advantages: Transparency, improved accessibility, better support for older employees who are seeking an alternative to full retirement.
 - Disadvantages: Time and resource cost in implementing and sustaining the new policy and procedures.
- 4.2 Do Not Approve the Policy: This option avoids immediate work required in implementing new procedures but risks further overhead from an opaque offering and lack of robust process.

- Advantages: No immediate outlay of officer time and development of communication. No officer or managerial time spent sustaining or learning the new processes.
- Disadvantages: No increase in support for older employees, more officer time spent explaining and working with flimsy and opaque processes. Less likely to retain skills for knowledge transfer.

5. Advice and analysis

- 5.1 The recommendation is to approve the policy. This decision support the Council's commitment to a fair and inclusive workplace, strengthening provisions for older employees by providing more flexibility. The analysis includes considerations of financial and operational sustainability, ensuring that the policy promotes a supportive environment in the workplace.
- 5.2 Appendix B to the report is a Diversity Impact Assessment (DIA) which has been undertaken.
- 5.3 To summarise, there is no detrimental impact due to the adoption of this policy. It would likely advance equality and foster good relations for Age, Disability and Care experience. It will also positively impact low-income groups.

6. Risk management

- 6.1 Risk management is an integral part of good governance. The Council has a responsibility to identify and manage threats and risks to achieve its strategic objectives and enhance the value of services it provides to the community.

Risk	Description	Action to avoid or mitigate risk	Risk rating
Lack of transparency and understanding of Flexible Retirement options	The current policy statement, along with a lack of robust process, could dissuade employees from taking advantage of flexible retirement.	Implement the policy. Improve awareness through communication and the implementation of robust processes.	B IV
Time and resource waste through flimsy processes and policy statement	More time is required by HR Officers to explain what options are available, and more time is spent processing requests.	Implement the policy. Improve awareness through communication and the implementation of robust processes.	B III

Likelihood	Impact:
A Very likely B Likely C Unlikely D Rare	I Catastrophic II Major III Moderate IV Minor

7. Consultation

- 7.1 This policy was shared with Trade Unions on 25 July 2025.
- 7.2 Feedback was sought and received from the wider Human Resources team, including senior management.
- 7.3 Staff forums and interest groups have been engaged, and feedback has been received from the Healthy Mind and Wellbeing Group.
- 7.4 All feedback has been considered and implemented where appropriate.

8. Climate change implications

- 8.1 There are no climate change implications regarding this report and policy.

9. Financial implications

- 9.1 There are no significant financial implications arising from this policy. However, any additional costs (payable by Medway Council) for the early release of the pension benefits will be advised to the service and will be one of the factors taken into account when deciding the Flexible Retirement request. These costs would need to be met from within existing revenue budgets.
- 9.2 The implementation of this policy may lead to further retention of older employees and reduced sickness absence, thus reducing associated costs.

10. Legal implications

- 10.1 There are no significant legal implications arising from this policy. This revision does not represent a substantial change to our current offering of flexible retirement but serves to better clarify and facilitate those offerings.
- 10.2 The revised policy will improve equality for those groups stated in the DIA. As such, it supports the Council's compliance with the Equality Act 2010.

10.3 There is no statutory right to flexible retirement, however, by offering this as an employer, it also supports our compliance with flexible working provisions under the amended Employment Rights Act 1996.

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Appendices

Appendix A: Flexible Retirement Policy

Appendix B: Diversity Impact Assessment

Background papers

None