

Category: Retirement**Organisation: Hertfordshire County Council****Date: October 2007****EFA overview**

Hertfordshire County Council (HCC) endeavors to be at the forefront of good practice on diversity. It has led the way in local government and the public sector on age and retirement for sometime by officially allowing staff to work beyond the age of 65 (since 2004) and by entirely removing the retirement age (October 2006). HCC believe that employees should be the ones making the decision on when they retire.

Initiative

A flexible approach to retirement

Aims and purpose

In introducing a flexible approach to retirement, HCC wanted to:

- To remove the maximum retirement age and retain valuable staff and their skills
- To allow people over the age of 65 to apply for roles and work for the County Council

Business drivers

- Equality and diversity is a core value for Hertfordshire County Council, they recognise customers come from a range of different backgrounds and have different needs; HCC wants its workforce to understand and reflect these differences.
- Awareness of social and demographic change, skills shortages, low unemployment and rising pension costs.
- An understanding of the benefits of a diverse and engaged workforce and the belief age diversity is an important part of this
- Pressure to reduce costs, HCC believe allowing people to continue working for longer makes business sense due to potential savings in recruitment costs as staff retention improves

Approach taken

Hertfordshire's Diversity Strategy focuses on recognising and valuing the uniqueness of its employees and encouraging high levels of openness, honesty, dignity and respect across the organisation.

An Age Focus/Steering Group was set up in September 2005 consisting of HR representatives across departments and the Council's legal team. Regular meetings involving Trade Unions were held from the beginning.

In February 2006, a conference was held for HR and Managers to introduce the Age Regulations. The conference included workshops to understand what managers felt should be the Council's priorities in terms of age. Feedback from the conference told HCC that managers wanted them to reconsider Retirement Policy in order to help recruitment and retention of key employees.

It was felt that this would be particularly helpful in hard to recruit areas such as social work.

Regular updates were given to elected members allowing them to raise any issues or concerns.

Building on the conference, a staff survey was carried out in July 2006 to understand employee experiences of working for Hertfordshire, in particular in relation to their age and what changes would make the biggest difference. Many members of staff stated that flexibility in when they could retire was important.

HCC then reviewed the support offered to people as they approached retirement and made decisions about when to retire.

The Council worked closely with PPC, the provider of its EAP service, Carewell. This has enabled Carewell to be a preventative rather than reactive resource - counselling is not limited to after an event has happened. This has, in part, involved promoting the service to staff and emphasising the support it can provide them at different stages in their life, one being deciding 'when' and planning 'how' to retire.

At the end of 2004, HCC introduced flexibility into its retirement policy by giving employees the right to request to continue working until 70. This built on the progress that the 1999 "Putting People First" equal opportunities policy had made and was intended to increase the pace of change to meet changing expectations and aspirations.

A large amount of work was then undertaken in preparation for the Age Regulations, reviewing all employment policies and practices. With over 400 employees already over the age of 65, and all making valuable contributions to the Council, the Regulations really gave the prompt to think 'Why have a retirement age at all?'

The final step – removing the retirement age completely – was implemented in 2006 to coincide with introduction of the Age Regulations.

Employee reaction is characterised by the following: *"I'll definitely be carrying on working after 65," I like my job because I like working with people. There are never two days the same here. That's what I enjoy. Nobody treats me any differently because I'm older than they are. They never have – and I wouldn't expect them too. There's always been a friendly atmosphere here."*

Barriers

The main challenges have been communicating the new policies and practices to over 32,000 staff and working with managers to allay their concerns over performance management when operating without a retirement age.

Tools used to overcome these challenges included:

Communication:

- Managers Conference – to involve managers from the beginning and gain their views around retirement
- Briefing Presentation by departmental HR to all managers

- Various articles in TeamTalk (staff newsletter), Departmental Newsletter (including schools) and on Connect News (Intranet) raising awareness to all staff
- Pilot Staff magazine raising awareness in a 'fun' way
- Road shows at all main sites for staff questions
- Many HR training events and briefings

Performance Management:

- Revised Performance Management Scheme guidance and training sessions for managers
- Working closely with particular unit managers to coach them through the process particularly in areas where they were reluctant to embrace the removal of the retirement age.

Impact

The approach is already paying dividends in terms of recruitment, retention, and employee morale:

- There has been a reduction in recruitment costs as a result of reduced staff turnover (down to 13.1%)
- Recruitment has become more effective because there are no upper age limits; this widens the pool of talent to recruit from
- The Council now employs 520 people over the age of 65 (an increase of nearly 100 from March 2006 to March 2007); there have been 332 new starters over 65 in last 12 months.
- Some indicators that employees feel more valued and are more motivated and committed, this in turn is enhancing productivity. For example, as part of the approach to flexible retirement staff are reminded of the flexible working policy that allows all staff to request flexible work options. For those considering retirement the options available include reducing their hours to avoid a 'cliff edge' scenario (working full time one day/retired the next). There has been an increase in the take up of flexible work options over the last year with 94% of requests being granted.

Monitoring

- The age profile of the organisation is monitored routinely, with regular reports and analyses.
- Flexible working requests are also monitored
- Utilisation of the EAP service is monitored and broken down by age

The Employers Forum on Age

Floor 3, Downstream
1 London Bridge
London
SE1 9BG
T 0845 456 2495

© The Employers Forum on Age 2007