FLEXIBLE WORK PRACTICES
TRANSITION TO RETIREMENT POLICY

2016
1. Introduction

Work is a vital part of human life. It allows for creative self expression, continuing growth and development, and cooperation with others in contributing to the human community.

‘Work is a significant way of collaborating in God’s transformation of the world, a sharing in the creative activity of God. People need work to be energised and fulfilled’ (John Paul II, Laborem Exercens: On Human Work).

A challenge for the Church as an employer is to ensure that as far as possible the mission of Catholic schools can be taken forward, while at the same time endeavouring to balance the personal needs and professional responsibilities of those who are employed.

Transitioning to retirement arrangements are recognised by the Catholic Schools Office, Diocese of Broken Bay (CSO) as a key element in this challenge as an employer. Not only does it address the issue of an ageing workforce, but it also enables older workers to continue to contribute to the education community. Transition to retirement arrangements enable employees to gradually move from their current employment arrangement and into retirement by reducing either the number of hours worked and/or their responsibilities. Skills and expertise are passed on to new generations of employees to ensure the future success of the organisation, at the same time as providing employees with a work life balance as they move towards retirement.

The CSO regards transitioning to retirement as an important aspect of the flexible employment arrangements on offer, changing the traditional notion of retirement from a one-time event, which permanently divides a person’s (usually full-time) working and subsequent lives.

2. An organisational perspective

The CSO is committed to supporting employees prepare for their retirement by:

- sustaining and extending the employability of older workers
- facilitating contact with external pre-retirement planning and financial advice to enable employees approaching retirement to plan and discuss a transition arrangement that suits their needs;
- considering the conversion of existing ongoing positions and tenure to appropriate fixed term appointments and contracts reflecting the agreed revised employment arrangements.

strongly recommending that the employee seeks independent financial advice.

3. Principles

Transitioning to retirement and working under a different arrangement than when first employed is not an entitlement or a right. Each proposal shall be examined based on its assessed impact on the operational needs of the school or service area and the CSO generally. The CSO reserves the right to refuse a request. Similarly, an employee is within his/her rights to accept or reject any offer. The following principles underpin the policy and its administration:

- participation in a transitioning to retirement agreement is voluntary and by mutual agreement;
- the introduction of transitioning to retirement agreements is intended to decrease the total number of hours worked and may in particular cases also involve either the range of activities assigned to a role or the level of responsibilities of an employee;
- eligibility does not guarantee approval;
- fair and reasonable consideration will be given to requests from eligible employees to participate in the initiative.
4. **Potential advantages for employees**
   - flexible working arrangements (e.g., reduced hours, reduced days);
   - viable option to continue working;
   - feel valued and supported;
   - opportunity to pass on skills and knowledge, mentor colleagues who are less experienced;
   - help employees to maintain wellbeing, motivation, and enthusiasm.

5. **Potential advantages for schools and the CSO**
   - retain experienced staff for longer and reduce difficulties exacerbated by the growing shortages of expertise needed;
   - free up the capacity to employ or develop the skills of replacement staff before the older employee leaves altogether.

6. **Eligibility criteria**
   In order to access this initiative, employees must fulfil the following criteria:
   - be fifty-five years of age or more; and
   - employed by the CSO for five years or more; and
   - hold a permanent position
   - have support from his/her Principal or Head of Service.

7. **Operation of the policy**
   7.1 **Considerations before applying**
   Transitioning to retirement options may include rearranging hours of work, work load and/or responsibilities and could also include employment through options such as fixed term contracts. Employees should consider the following before lodging an application:
   - part-time and flexible work arrangements (including purchased leave, reduced hours) which meet the CSO/school and employees’ interests (the ‘ease into retirement’ option);
   - ‘downshift’ to a lower level job in a planned, phased way which enables a sustained, valued contribution (the ‘step down’ option);
   - utilise existing and investigate possible use of accumulated leave entitlements which provide flexibility to older employees to pursue interests such as renewal leave, pre-retirement preparation, caring responsibilities, undertaking community service, etc (the ‘time out’ option);
   - preparing for knowledge transfer, skill development or mentoring responsibility undertaken during the transition to retirement period (replacement planning).

   7.2 **Application Guidelines**
   The following guidelines are applicable for all transition to retirement applications:
   - a transition to retirement agreement shall not exceed three (3) years duration;
   - use of Long Service Leave is an option in transitioning to retirement to reduce the number of working days e.g., from 5 days to 3 days, with the remaining
days paid as long service leave. This only applies for LSL accrued in addition to that required under the Act;

- as much flexibility as possible should be provided by both the principal/Head of Service and the employee in how and when the agreed hours are worked over a year;

- a new employment contract may form part of the transition to retirement agreement and reflect the fixed term and/or flexible nature of the arrangement. Additional remuneration and/or fallback arrangements may or may not be a component of the agreement.

7.3 Application Form

Eligible employees wishing to apply for transition to retirement must complete the Transition to Retirement Application Form (Attachment 1) and discuss with his/her Principal or Head of Service. Details of the proposal and the advantages and disadvantages a change to the employee’s employment arrangement may pose to the CSO, the team and themselves are to be included.

Applications are to be lodged a minimum of 10 weeks prior to the proposed commencement date of the arrangement. Arrangements may operate for the maximum period of 3 years or for a shorter period as agreed by the employee and Head of Service. Employees must indicate how long they intend the arrangement to operate.

7.4 Approval Process

Applications will be considered fairly on an individual basis, according to the provisions of these procedures. The acceptance or refusal of individual requests will be determined by consideration of:

- the organisational requirements of the position;

- operational requirements and service delivery to stakeholders;

- predicted impact on other employees, including the likelihood of any extra duties as a result of downsizing the role and/or responsibilities;

- costs involved if recruiting for additional staff is required;

- ability of the employee to successfully utilise and pass on expertise during the ‘phased’ retirement period;

- how other expectations, such as the attitudes of other employees can be managed.

If the principal or Head of Service agrees to the application, it is forwarded to the Head of Human Resource Services (on behalf of the Director of Schools) for final approval before any necessary paperwork is to be completed.

In instances when an application cannot be granted exactly as requested, a negotiated compromise may be possible or the employee may wish to apply again at a later date when the factors restricting their proposal are no longer apparent.

7.5 Refusing an application

Where an application is refused, the employee is to be advised in writing of the refusal and the reasons for this decision. The Principal or Head of Service will:

- advise the employee of the refusal and the reasons for this decision;

- record these reasons; and

- forward all notes and the application to the Head of Human Resource Services to place on the employee’s personal file.
7.6 **Varying an employment agreement**

If an operating transition to retirement arrangement needs to be amended, the application and approval processes are the same as when first requested.

7.7 **Terminating an agreement**

A transition to retirement employment agreement will be terminated if the employee:

- ceases employment with the CSO; or
- moves from the position they occupied when the agreement was initiated to another position within the CSO. In this case, a new agreement will be negotiated.

A transition to retirement employment agreement may be terminated, with reasonable notice:

- at the written request of the employee in response to significantly changed circumstances; or
- in writing by the Principal/Head of Service if changed circumstances mean that the employment arrangement can no longer be accommodated within the operational requirements of the service area.

Where a transition to retirement employment agreement is terminated, all documentation relating to the reasons will be documented in the employees personnel file.

**POLICY REVIEW**

This policy will be reviewed not less frequently than once every five years.

**POLICY DATES**

Date of completion of formation and adoption: August 2009
Previous versions August 2009
Date of current policy: October 2016
Date of next review: 2021

authorised by

**Peter Hamill**
Director of Schools
TRANSITION TO RETIREMENT APPLICATION FORM

Name: ..............................................................................................................
Position: ...........................................................................................................
Team: ................................................................................................................
PAL leader: ........................................................................................................
Head of Service/Principal: ................................................................................

Proposed transition to retirement employment arrangement

Considering all the guidelines and criteria in the policy, outline all the details of your proposed transition to retirement employment arrangement.

Commencement date:

Intended period to be employed under this arrangement (maximum 3 years):
Considering the needs of the school/CSO, your service team and yourself, outline the advantages of your proposal.

Considering the needs of the school/CSO, your service team and yourself, outline the disadvantages of your proposal.

Approval from the Head of Service/Principal

I support this proposal  ☐ Yes  ☐ No

Notes:

Signature: ........................................ Date:.................................................................

Approval from the Head of Human Resource Services

I support this proposal  ☐ Yes  ☐ No

Signature: ........................................ Date:.................................................................