

Retirement

Human Resources Policy No. W26

Additionally refer to:

Equality, Diversity and Inclusion Policy
Pension Scheme
Employee Wellbeing and Attendance
Management Policy

Version:	V7.4
Originally issued	1 st June 2019
Approved by	JNCC
Date approved	March 2022
Ratified by:	Senior Leadership Committee
Date ratified:	July 2022
Document Lead	Pensions Manager
Lead Director	Director of People and OD
Date issued:	July 2025
Review date:	3 years
Target audience:	All employees, Managers

Version Control Sheet

Document Lead/Contact:	Lucy Rea, Pensions Manager
Document ID	W26
Version	7.4
Status	Final
Date Equality Impact Assessment completed	March 2022
Issue Date	July 2022
Review Date	July 2025
Distribution	Please refer to the intranet version for the latest version of this policy. Any printed copies may not necessarily be the most up to date
Key Words	Retirement, Flexible Retirement, NHS Pensions
Dissemination	Employees Quarterly Updates; HR pages of Intranet; HR Centre Reports

Version history

Version	Date	Author	Status	Comment
4	Mar 10	William Wraith	Final	Agreed by Trust Board.
5.1	2013	Louise Graham	Draft	Converted to new Policy Format. Updated version, multiple changes throughout.
5.2	May 13	Louise Graham	Draft	Amendments made following May 2013 TNCC Policy Group and working parties.
5.6	July 16	Laura Kavanagh	Draft	Amendments made following changes to NHS Pension Schemes.
5.7	August 2016	Laura Kavanagh	Final	Amendments accepted and final version agreed.
5.8	August 2017	Kate Youlden	Final	Minor updates due to mirror National Scheme. Agreed with Staff Side Chair and Vice Chair
5.9	March 2019	Kate Youlden	Final	Removal of age restriction to retirement gifts. Agreed by WF Director and Staff Side body without full policy review
6.1	December 2019	Lucy Rea	Draft	Policy Review – changes to notice period. Format change to new policy format. Change from HR19 to W26
7.1	July 2021	Lucy Rea / Nick Dowd	Draft	Updates following consultation. Changes to voucher and buffet process. Break between retire and return reduced to 24 hours.
7.2	November 2021	Erica Cobbold/Yvonne Carville/Lucy Rea	Draft	Updates following feedback from BMA, McCloud Remedy, changes to e-retirement voucher process and added guidance on managing retire and returns and application process.
7.3	December 2021	Erica Cobbold	Draft	Minor amends following WPPG and feedback from Staff Side
7.4	March 2022	Erica Cobbold	Final	Minor amends prior to WPPG

Contents

1	Policy on a Page	4
2	Introduction.....	4
3	Scope.....	5
4	Responsibilities	5
5	Retirement Age	6
6	Flexible Retirement Options.....	7
7	Retirement Options: NHS Pension Scheme	8
8	Retirement Procedure	12
9	Request to Wind down, Step Down, Draw Down- Flexible Retirement options	14
10	Retirement Presentations and Gifts.....	14
11	Training.....	15
12	Review Process	15
13	Equality Impact Assessment (EQIA)	15
14	Process for Monitoring Compliance	16
15	References	16
	Appendix A Retirement Gifts and Presentations.....	17
	Appendix B Application for Retirement Gift	18
	Appendix C Retirement Process – NHS Pension Scheme Members	19
	Appendix D Retirement Process – Non-NHS Pension Scheme Members.....	20
	Appendix E Flexible Retirement – A guide for employees and managers.....	21
	Appendix F Application Form for Flexible Retirement.....	23

1 Policy on a Page

The Trust values the commitment that employees have made to the Trust through long service. SATH recognises that employees no longer have to retire at a specific age and this policy reflects ACAS best practice guidance, following the removal of the Default Retirement age in October 2011.

The overall objective is to ensure that there is a hospital-wide approach to the management of retirement, which is communicated to all employees to better understand the options available to them.

The policy applies to all staff directly employed by the Trust who are paying into the NHS Pension Scheme. This policy does not apply to honorary contract holders or external agency workers.

The Trust is keen to retain valuable skills and encourages management and staff to take a flexible approach to manage their retirement. This applies to employees:

- who are preparing to retire at the normal retirement age,
- those who may wish to consider extending their retirement date,
- those wishing to take early retirement, or
- those who may wish to consider taking advantage of the flexible retirement scheme.

Further details on Flexible Retirement Options are set out in section 6, these include:-

- Wind down
- Step down
- Retire and return

Section 7 sets out the Retirement Options available as guided by the NHS Pension scheme and individual membership.

Managers, Staff side colleagues and the HR Advisory Team can also signpost employees to seek advice from a trained pensions specialist before making any decisions regarding their retirement.

The Terms applicable to the Trust Retirement Policy are predominately determined by the NHS Pension Scheme.

This Policy reflects legislative changes included in the Equality Act 2010.

A flowchart setting out the retirement process is shown in Appendix C.

2 Introduction

2.1 The Trust values the loyalty and commitment given to the NHS by its employees and believes that support should be available for all employees retiring from the service to enable them to plan for this transition.

2.2 This policy provides a framework within which flexible retirement can be considered and achieved. The policy sets out a range of options available to all employees when looking to retire. It provides guidance for both managers and employees and aims to support the Trust to meet service needs, to promote a better work-life balance, to support staff to manage caring responsibilities and their health and wellbeing. It also ensures the Trust is compliant with employment legislation, helps succession planning – retaining skills and experience for longer, reduces recruitment and training costs and helps maintain continuity of high-level care.

- 2.3 In considering flexible retirement, employees should seek advice from the Trust's pension provider, their trade union representative or an independent financial adviser regarding their own personal circumstances.
- 2.4 A flowchart setting out the retirement process is shown in Appendix C and an overview of the process for organising retirement gifts and presentations can be found in appendix A.

3 Scope

- 3.1 This policy applies to all employees directly employed by the Trust, whether full-time or part-time, permanent, or temporary and including internal bank staff employed via the Temporary Staffing Department who are paying into the NHS Pension Scheme.
- 3.2 The policy does not apply to individuals employed by agencies or other contractors and honorary contract holders. Issues relating to retirement and pension arrangements for these individuals should be referred to the appropriate employer.
- 3.3 In implementing this policy, managers must ensure that all employees are treated fairly and within the provisions and spirit of the Trust's Equality, Diversity and Inclusion Policy. Special attention should be paid to ensuring the policy is understood when using it for employees new to the NHS or Trust.

4 Responsibilities

4.1 Trust Board

- 4.1.1 The Trust Board has a strategic responsibility to ensure that the policy is communicated to all employees and is effectively implemented.

4.2 Director of People and OD and the Workforce Directorate

- 4.2.1 The Director of People and OD has overall responsibility for this policy for monitoring compliance and effectiveness.
- 4.2.2 The Human Resources function is responsible for:
- Providing support and guidance to employees and managers on the implementation and application of this policy
 - Monitoring the application of this policy and updating it as required.

4.3 Trust Managers

- 4.3.1 All Trust Managers are responsible for the equitable implementation of this policy and for ensuring that all employees understand the options available to them and are aware of their responsibilities. Support and guidance may be sought from Human Resources or the Pensions Team as appropriate.
- 4.3.2 Managers have a responsibility to ensure that they are familiar with this policy and for explaining the policy to their staff.
- 4.3.3 Managers are responsible for processing all retirement requests in a timely manner. This may include completing the notification of termination and ensuring that ESR is updated accordingly. The line manager should send a letter to the employee confirming any agreed flexible retirement options and a copy placed on the employee's personal file.

4.3.4 If the employee is retiring and returning to work in the Trust the line manager must complete the relevant documentation that will include notification of termination and a notification of appointment allowing for a minimum of a 24 hour gap in employment before re-starting work.

4.3.5 Managers are also responsible for bringing any mutually beneficial improvements to this policy to the attention of the Trust.

4.4 Employees

4.4.1 All employees will observe the principles of the policy and where appropriate follow the stated application processes.

4.4.2 Employees are advised to familiarise themselves with the membership benefits of the NHS Pension Scheme so they can make informed decisions about their retirement options. Employees should inform their line manager that they intend to retire 4 months prior to their intended retirement date, irrespective of their contractual notice period, to allow for sufficient time as necessary to complete the process.

4.4.3 Employees must also make any requests for flexible retirement options within the same time frame (4 months prior to undertaking those options).

4.4.4 Employees must accurately complete the relevant application. Once all documentation has been submitted to the Trust's payroll provider and then forwarded to the NHS Pension Agency, it is the employee's responsibility to follow up any queries with the Pension Agency directly.

4.5 Trade Union Representatives

4.5.1 Trade Union representatives are responsible for supporting the fair and equitable application of this policy and providing support to their members when requested.

5 Retirement Age

5.1 In line with the Equality Act 2010, the Trust does not operate a compulsory retirement age for its employees. There is no set retirement age within the Trust although the age at which pension members can draw their pension will vary depending on the scheme they are a member of. It is up to individual employees to decide when they wish to retire, however in making this decision employees must be aware of the impact this may have on their pension entitlements.

5.2 Before making any decision about retirement or flexible retirement, employees are advised to contact the pension's provider so that employees can make informed decisions based on their individual circumstances or seek independent financial advice.

5.3 Details of any pre-retirement or financial planning courses/seminars will be publicised throughout the Trust to assist those nearing retirement with their future plans.

5.4 An Annual Benefit Statement is available through Total Reward Statements (TRS) and provides employees with information regarding their Pension Lump Sum, Survivor Pension, Membership history, Pension Scheme Contributions and Death Benefit Nominations. Employees should access this service before contacting the Pensions office. TRS is updated annually in August. The Total Reward Statements is available at www.totalrewardstatements.nhs.uk, from NHS Pensions at www.nhsbsa.nhs.uk/employee-section and through Employee Self Service.

6.0 Flexible Retirement Options

6.1. General Principles

6.1.1 Employees who retire and return will retain entitlements that are related to and dependent on 'reckonable' service such as annual leave and occupational sick pay, as outlined in the Agenda for Change Handbook. However, entitlements that are subject to continuous service, such as redundancy, will be dependent on the member of staff accruing the relevant length of service in their new contract after retirement as any previous service accrued prior to the date of retirement will no longer be considered 'continuous'. A new contract of employment will be issued when the individual re-joins in the same or a different post after retiring which will include the new start date of their service and terms and conditions of employment on appointment following retirement.

6.1.2 Employees who are in receipt of any earnings related protection will lose that protection on their return to work following the break in service.

6.1.3 Unless there are legitimate reasons for doing so returning to a contracted post at the same or lower band should be on a permanent basis and not on a fixed term contract. Non-renewal of a fixed term contract is considered a dismissal and there is risk to the organisation if not managed appropriately, therefore advice should be sought from the HR Advisory Team.

6.1.4 If a post is not readily available there is no obligation on the Trust to create a role. Vacant posts should be advertised as normal under the Trust's Recruitment and Selection Policy and there is no right to return to the same post or step down into a lower banded post, this is to ensure people on the Redeployment Register have the opportunity to be considered for vacant posts to safeguard their employment.

6.2 The Trust provides a number of flexible retirement options:

- To **wind down** into **reduced hours** in existing post (available to both NHS Pension Members and Non-Pensionable members of staff), see Appendix E and F.
- To **step down** into a less demanding and **lower banded/paid role** in a way that preserves NHS Pension Scheme entitlement already built up. This supports the organisation to retain the individual's skills and experience while supporting the staff member to approach retirement. (available to both NHS Pension Members and Non-Pensionable members of staff), see Appendix E and F.
- To **retire and return**: to leave employment start receiving an NHS Pension and return to part time/full time/occasional work. This could include working during a specified period (e.g. winter or during annual leave periods) or being available for temporary assignments to help cover staff shortages. There must be a break of 24 hours before returning from retirement to work in the Trust. Members of the 1995 section will not be eligible to re-join the NHS Pension Scheme on their return to employment, see Appendix E and F.
- For members of the 2008 and 2015 NHS Pension Scheme, there is also the opportunity to **draw down** some of the accrued pension benefits whilst continuing in NHS employment. This means that staff can continue working while benefiting from being able to partially draw down their pension benefits and supplement their income. A request for Flexible Retirement Application will need to be granted as earnings will need to reduce by 10%.
- For members of the 2015 Scheme there is the option of **Early Retirement Reduction Buy Out (ERRBO)** where you can pay extra contributions to retire early 1,2 or 3 years before

your Normal Pension Age (NPA) which is the same as State Pension Age (SPA) but not before age 65.

- For members of the 2008 and 2015 NHS Pension Scheme, there is an option for **Late retirement enhancement**. This is where a member chooses to retire later than their normal pension age (NPA), their pension benefits will be increased by the application of late retirement factors.

7 Retirement Options: NHS Pension Scheme

7.1 This section is intended to give brief details about the NHS pension scheme.

7.2 This Section applies to those employees who belong to the NHS Pension Scheme and are subject to the rules of the Scheme. It is a summarised version and employees are advised to read the terms in full as this summary does not take precedence over the actual terms of the scheme. The information it contains is taken from the NHS Pension Scheme Regulations which govern the schemes. It is not a comprehensive guide to the Scheme and staff are therefore recommended to seek further guidance on their individual circumstances from the Pensions Team or to look at the precise terms set out on the website at www.nhsbsa.nhs.uk/pensions

It is important that employees understand which of the two NHS Pension Schemes they are a member of. There is the 1995/2008 and the 2015 Schemes, if in doubt there is a scheme identifier on the NHS Pensions website or contact the Pensions Team who will be able to advise. Some employees may be members of more than one pension scheme.

7.3 McCloud Remedy

7.3.1 The McCloud remedy will remove the age discrimination that was judged to have arisen in the NHS Pension scheme. The discrimination resulted in allowing older members to remain in their legacy (1995 or 2008) scheme rather than being moved to the 2015 Scheme when it was introduced.

7.3.2 The remedy is made up of two parts:

1. To ensure equal treatment going forward, all active members of the NHS Pension Scheme will be in the 2015 Scheme from 1 April 2022.
2. To address the inequality that has already occurred, affected staff will be offered a choice to receive either 1995/2008 scheme benefits or 2015 scheme benefits for the period they were affected (remedy period). If you joined the pension scheme after 31st March 2012 you are not affected.

7.3.3 The process for making this choice will be made at retirement. The choice will be active from 1st October 2023 or earlier if possible, for members who have already retired or retire before 1st October 2023 you will be written to and asked to make your choice retrospectively. More information about the McCloud remedy can be accessed on the NHS Pensions Webpages. (see references in section 15.2).

7.3.4 The 1995 and 2008 Sections of the NHS Pension Scheme will both close on 31 March 2022. All staff that are currently contributing to these schemes will be automatically moved to the 2015 Scheme on 1 April 2022.

7.4 1995 NHS Pension Scheme (Amended 2008) (The 1995 Scheme closed to New members from 1st April 2008)

7.4.1 Employees who are eligible:

- were a contributing member of the NHS Pension Scheme prior to the 1st April 2008 and:
- as of 1st April 2012 have 10 years or less to their current normal pension age (NPA) of 60, or are over their current NPA, (i.e. members born on or before 1st April 1962), or
- are members of Special Classes or Mental Health Officers (MHO) have 10 years or less to their current NPA of 55 (i.e. members born on or before 1st April 1967) or
- are within 13 years and 5 months but not 10 years from their NPA at 1st April 2012 will have a tapered protection. *(At the end of the protected period they will move from the 1995 Section of the NHS Pension Scheme (NHSPS) to the 2015 NHS Pension Scheme)*

will be a member of the 1995 NHS Pension Scheme (Amended 2008) and the following rules will apply:

- Employees of the 1995 scheme will have a normal retirement age of 60 and pension benefits are based on the best pensionable pay in the last three years prior to retirement and the length of service.
- In addition, female nurses, midwives and physiotherapists who were members of the scheme prior to 6th March 1995, and have not had a break of service of more than 5 years are entitled to retire with full benefits from 55 under 'Special Class' rules, provided the last 5 years' membership has been in one of these jobs. **Members should be aware that abatement will apply if they return to work in the NHS, which means that their pension plus post retirement earnings must not exceed the pensionable pay prior to retirement, or their NHS Pension benefits could be suspended.** Members aged 45 or over on 1 April 2012 (born before 2 April 1967) will be entitled to full protection as long as they continue to qualify for "special class" status. Members (born between 2 April 1967 and 31 August 1970) will be entitled to tapered protection as long as they continue to qualify for "special class" status. At the end of the protection period they will automatically transfer to the 2015 scheme.
- Male nurses, male midwives and male physiotherapists who were members of the NHS pension scheme prior to 6th March 1995 may receive early benefits for membership from 17th March 1990. Full benefits for membership prior to this will not be paid until age 60, however, reduced benefits, as for voluntary early retirement, may be claimed as an option. Again, abatement rules could apply as per paragraph above. All rules regarding protection apply as per above paragraph.
- Members may take **voluntary early retirement** and receive pension benefits from age 50, subject to approval from the NHS Pensions Agency. Members who joined the 1995 section for the 1st time on or after 06/04/2006 cannot take Voluntary Early Retirement before age 55. Benefits will be worked out in the normal way, but will be reduced on a sliding scale dependent upon age (this is called the "actuarial reduction"). If employees wish to retire early under the terms of the NHS Pension Scheme (i.e. before age 60 for most employees or before age 55 for the special classes detailed above) then individuals should contact the Pensions Team for further information before giving formal notice. In such cases the individual:-
 - will have to leave **all** their NHS jobs and
 - will not be able to re-join the Scheme if they return to NHS work and
 - must have sufficient Pension Scheme membership to qualify for a reduced pension equivalent to the statutory Guaranteed Minimum Pension.

Any protection will be lost if the member takes a break in pensionable employment longer than 5 years ending before their 60th birthday (or 55th birthday for MHO/Special Classes). Such members would join the 2015 Scheme upon return to pensionable employment and their 1995 Section benefits would become deferred for payment at 60 or earlier with a reduction.

The Pensions Team can provide an estimate of the pension benefits due, which will be reduced in accordance with the terms of the NHS Pension Scheme. Further details may be obtained from the Pensions Team or from the NHS Pensions website at www.nhsbsa.nhs.uk/pensions.

- Members may apply to ‘**Step Down**’ to a less demanding post and make a request to voluntarily protect their higher pay. The member must be over the minimum pension age and be accepting a reduction in pay of at least 10% (this does not include going from whole time to part time). The reduction in pay must be as a result of the member taking up a post that is less demanding and with less responsibilities and must be supported by their Manager as an active ‘Step Down’ to retirement. In addition, the reduction of pay in the new post must be for a minimum of 12 months and the request to protect the higher pensionable pay must be made within 15 months of their pay reducing.
- If a member’s pay is reduced through no fault of their own, the member can apply for the higher rate of pay to be protected for pension purposes. This must be done within three months of the pay reducing and **does not have to be reduced more than 10% nor does the member need to be over the minimum retirement age.**

As the reduction is through no fault of the member, for pension purposes a protection of pay can be applied for, more than once.

- Members of staff must take a break of 24 hours before the member of staff returns to work. For the first calendar month following the date of retirement the member must not exceed 16 hours work per week, or their NHS pension will be suspended. After this timeframe, employees can increase their hours (with agreement from their line manager). Please note that the date of retirement will be extended for any outstanding annual leave paid in lieu of termination of employment and this must be taken into account before a commencement date is agreed for the new post.
- Staff who retire, take their pension benefits and return to work cannot normally re-join the NHS Pension Scheme to earn additional pension benefits with the exception of individuals who retired on the grounds of ill-health and were re-employed before the age of 50.

7.5 2008 NHS Pension Scheme

7.5.1 Employees who joined the NHS Pension Scheme on or after the 1st April 2008 or have exercised the choice option to transfer will be a member of the 2008 NHS Pension Scheme and their normal retirement age is 65 and:

- as of 1 April 2012 have 10 years or less to their current NRA of 65, or are over their current NRA, (i.e. members born on or before 1 April 1957), or
- are within 13 years and 5 months but not 10 years from their NRA at 1 April 2012 will have a tapered protection. (*At the end of the protected period they will move from the 2008 Section of the NHSPS to the 2015 Scheme*)

will be a member of the 2008 NHS Pension Scheme and the following rules will apply:

- Special class status (the opportunity to retire at age 55 with no loss of benefits) is not available to 2008 Scheme members, even for those exercising the choice option, and the **voluntary early retirement age increases to 55**, after which benefits will be reduced on a sliding scale depending upon age at the chosen date of retirement.
- A key feature of the **2008 section of the NHS Pensions Scheme** is the provision for partial retirement, or ‘**draw down**’. On reaching age 55 members become eligible to take some of

their pension if they reduce their pay by switching to a lower paid job or reducing their hours of work. A break in employment is not required to take advantage of this provision to 'draw down' some of their pension.

To be eligible for draw down members must:

- be age 55 or older;
- be reducing actual pensionable pay by at least 10% (or a 10% reduction in commitment for GPs);
- have had the previous level of pensionable pay for at least 12 months;
- expect the new level of pensionable pay to last at least 12 months;
- not have already drawn down twice.

Subject to overall limits, members can draw down a minimum of 20% and up to a maximum of 80% of their pension entitlement earned to date, whilst continuing to build up further membership.

- Members who retire under the 2008 Section, may re-join the 2008 section after a 24 hour break if aged under 75 and satisfy the 'Protection' conditions. This is also subject to the member not exceeding a maximum of 45 years' membership. As with 1995 Section members, any protection will be lost if the member takes a break in pensionable employment longer than 5 years. Such members would join the 2015 Scheme upon return to pensionable employment, and their 2008 Section benefits would become deferred for payment at age 65, or earlier with a reduction. From 01/04/2022 all members returning to work would return to the 2015 scheme if eligible.
- Members with preserved benefits in the 1995 scheme payable at age 60 and are also contributing to 2008 scheme may claim their 1995 scheme preserved benefits with no requirement to take a break in service or to retire. In addition there will be no abatement of pension benefits.

7.6 2015 CARE NHS Pension Scheme

7.6.1 Employees who:

- Joined the NHS Pension Scheme on or after 1st April 2015 or
- have exercised the choice to forgo protection, or
- have re-joined after a 5 year break

will be a member of the 2015 CARE NHS Pension Scheme and their normal retirement age will be the same as their State Pension Age (or age 65 if later).

7.6.2 Members who transferred to the New 2015 scheme automatically because they did not qualify for either full or tapered protection will have benefits in multiple schemes. The benefits built up in the 1995 scheme or 2008 scheme before moving to the 2015 scheme can be taken unreduced at the normal retirement age for the scheme and will remain 'salary linked' provided the member does not leave the NHS for more than 5 years. However, members will have to retire to access these benefits and 1995 scheme members are unable to build up any more benefits in the 2015 scheme if they return to the NHS following retirement. However, members of the 2008 scheme can build up further 2015 scheme benefits if they return to NHS employment (and build up a separate pension from that in payment) provided they are under age 75. Please note that a break of 24 hours must still be taken for members of 1995, 2008 and 2015 schemes but only 1995 scheme members are required to work 16 hours or less for the remainder of the calendar month following retirement.

7.6.3 If transitional members have preserved benefits in the 1995 scheme and claim these, they are unable to continue membership of the 2015 scheme. If members have preserved benefits in

the 2008 scheme and wish to claim these, they can continue to contribute to the 2015 scheme if they return to NHS work after taking a 24 hour break. If members have preserved benefits in both 1995 and 2008 schemes they can continue to contribute to the 2015 scheme if they return to NHS work. However, they will need to take a 24 hour break if they are taking 2008 scheme benefits but do not require a break if only accessing their 1995 benefits.

- 7.6.4 Special class status (the opportunity to retire at age 55 with no loss of benefits) is not available to 2015 Scheme members, and the **voluntary early retirement age increases to 55**, after which benefits will be reduced by approximately 5% for each year the benefits are taken before State Pension Age (or age 65 if later).
- 7.6.5 The provision to '**Draw Down**' as in the 2008 Pension Scheme is also available.
- 7.6.6 A Key feature of the 2015 scheme is the option of Early Retirement Reduction Buy Out (ERRBO) where scheme benefits are paid without reduction from your NPA (NPA is the same as your State Pension Age (SPA). Members can pay extra contributions to buy out the reduction up to three years before your Normal Retirement Age (but not before age 65). More detailed information is available on NHS Pensions website.

If you were previously a member of the 1995/2008 Scheme and have claimed or intend to claim benefits from that scheme please contact the pensions department for further information.

7.7 NEST (National Employment Savings Trust)

- 7.7.1 With effect from 1st May 2013, under the Government's Pension Reforms the Trust were required to Auto-Enrol staff who were non-eligible for membership in the NHS Pension Scheme into an alternative pension scheme provided they meet certain criteria. Non-eligible members who would be enrolled into NEST are:-

- Those already in receipt of an NHS 1995 Pension Scheme
- Those in receipt of a Tier 2 Ill Health Pension
- Those who are over 60/65 with preserved benefits
- Those employed by a General Dental Service or Personal Dental Services contractor
- Those holding an honorary appointment only
- Those who have a whole-time post with another Employer
- Those who have already reached maximum NHS Pensionable service

- 7.7.2 Once members are Auto-enrolled into NEST they will receive a welcome pack which will include a booklet explaining what NEST offers savers and also gives instructions should they wish to 'opt out' of the scheme. Both the employee and the employer contribute to NEST but the member is able to 'top up' personally and take the pension with them should they leave the NHS. NEST retirement pot is available at any time from age 55. More information is available on the NEST website at www.nestpensions.org.uk.

8 Retirement Procedure

8.1 Members of the NHS Pension Schemes only (see Appendix C)

- 8.1.1 On request from the employee, the Pensions Team can provide an estimate of probable benefits receivable. Lump sums are normally due within NHS Pension Agency Statutory target of 30 days from the member's retirement date, and the first payment of pension is normally made in the month after the month of retirement provided papers are submitted at the appropriate time. Any queries regarding these payments should be addressed to the Pensions

Team. All outstanding monies, including any accrued holiday pay will be paid shortly after the leaving date, usually the next pay day; Pay Services will notify the NHS Pensions Agency where these will affect the employee's NHS pension.

- 8.1.2 When a member of the NHS Pension Scheme is intending to retire in the near future, Managers should advise the employee to contact the Pensions Team in Pay Services **at least 4 months** prior to the proposed date of retirement.
 - 8.1.3 Employees intending to retire must give written **contractual notice** in accordance with their contract of employment to their line manager.
 - 8.1.4 For all retirements the NHS Pensions Agency require the completed application form to be received at the NHS Pensions Agency **at least 3 months** prior to the date of when pension payments will be received, which is why it is recommended that the relevant forms are requested from the Pensions Team at least 4 months prior to the proposed retirement date.
 - 8.1.5 The Pensions Team will send the application forms to the individual. On completion (of member section part 7 onwards) these forms are to be returned to the Pensions Team along with original copies of the relevant certificates. If preferred, the certificates can be copied and verified by Line Managers by writing clearly on the copies; "I have seen the original document and this is a true copy of the original", signing and printing their name and position, together with the Trust address and the date. Alternatively, to prevent potential loss in the post, members may personally take certificates to Pay Services for verification. The Retirement Detail confirmation form must be completed by the manager (and must be signed by both the member and the manager) and returned with the application form and any verified certificates. Without this form the Trust Pension team cannot process retirement paperwork
 - 8.1.6 The Pensions Team will then complete the relevant section on the application form and process electronically to the Pensions Agency, where the individual's pension is calculated.
 - 8.1.7 Upon receipt of the resignation letter, the manager will write to the employee acknowledging their wish to retire. The manager will also be responsible for notifying the Workforce Information Team of the date of termination via the Termination of Contract form and confirm any outstanding annual leave (a copy must be sent to the Pensions Department).
 - 8.1.8 The Workforce Information Team will process all the necessary paperwork for terminating the employee's employment and in conjunction with the Payroll Department, will terminate employment and arrange to make any outstanding payments.
- 8.2 Non-NHS Pension Scheme members (see Appendix D)**
- 8.2.1 Employees intending to retire are asked to give written notice in accordance with their contract of employment to their line manager.
 - 8.2.2 Upon receipt of the resignation letter, the manager will write to the employee acknowledging their wish to retire. The manager will also be responsible for notifying the Workforce Information Team of the date of termination via the Termination of Contract form and confirm any outstanding annual leave.
 - 8.2.3 The Workforce Information team will process all the necessary paperwork for terminating the employee's employment and, in conjunction with the Payroll Department, will terminate employment and arrange to make any outstanding payments.

9 Request to Wind down, Step Down, Draw Down- Flexible Retirement options

9.1 NHS Pension Scheme / Non-NHS Pension Scheme / NEST members who wish to access one of the flexible retirement options listed are advised to apply in accordance with the Trust's Flexible Retirement Process (refer to Appendix E & F).

9.2 Request to continue working after claiming NHS Pension

9.2.1 Employees wishing to continue working in the same job role after receiving their NHS pension need to complete a Flexible Retirement Application Form (Appendix F) and submit to their line Manager **no later than 4 months before the date of retirement**. For requests to return to a lower banded post, the individual will need to apply through the normal recruitment process.

9.2.2 The request should document any changes they wish to make to their future working arrangements after retirement. This may include things such as contracted hours, shift patterns, on call duties and work location.

9.2.3 The decision whether to agree to a Flexible Retirement Request will be made in accordance with the provisions documented in Appendix E & F, please refer to section 6 above.

9.2.4 For Consultants, the British Medical Association have some helpful guidance which should be taken into account (see reference section for link).

10 Retirement Presentations and Gifts

10.1 It is customary and desirable that employees retiring after long service with the NHS will have their contribution recognised. The member of staff can either access their vouchers when they take their pension and 'retire and return' or when they retire from all work/roles and stop working altogether. The employee can choose either of those options.

10.2 A retirement presentation should be offered to all employees leaving who are retiring from **all** NHS related employment.

10.3 With the agreement of the employee, the line manager will be responsible for organising the event or presentation, which should be of a style appropriate to the NHS, the length of NHS service and acceptable to the retiree. The line manager should involve the team in the organisation of the event, which should be held on Trust premises. The proposed arrangements should be discussed with the line Management Executive member. For employees retiring with 15+ years' service, managers may authorise a contribution of up to £100 towards the cost of a finger buffet with non-alcoholic drinks.

10.4 Any agreed Trust contribution should be charged to Trust Funds and Managers are asked to liaise with their Finance lead. Where Trust Funds are insufficient then the costs may be charged to the employee's departmental budget. **No other costs may be charged to the Trust.**

10.5 Employees **retiring** after 15 or more years NHS service will receive a gift. The Manager arranging the retirement should liaise with the Chief Executive's office to arrange the presentation of the gift by a Trust Board member, if the employee would like this. A certificate signed by the Trust Chairman will also be presented. The gift will take the form of vouchers (which may be used in a wide range of retailers) to the values listed below:

15+ years NHS service - £150

20+ years NHS service - £250

25+ years NHS service - £300

30+ years NHS service - £400
35+ years NHS service - £500

- 10.6 The period of service will count all NHS service, whether continuous or not, but will exclude any employment taken into account for a redundancy or other loss of office payment.
- 10.7 Vouchers received by employees with less than 20 years' service are taxable at the individual's highest tax rate in line with Inland Revenue arrangements. HRMC will be notified by Pay Services.
- 10.8 Vouchers received by employees with more than 20 years' service are not taxable in line with Inland Revenue arrangements.
- 10.9 It is the line Manager's responsibility to follow the process set out in Appendix A (Application Form Appendix B) for those retiring employees who are entitled to receive a Retirement Gift and Certificate.
- 10.10 Eligibility for Retirement vouchers and presentations will include any premature retirement, e.g. on health grounds where Occupational Health have advised an individual is unable to carry out their role or are unfit to carry out any form of work, resulting in an application for ill health retirement.
- 10.11 Additionally, in instances where a staff member of pensionable age has their employment terminated due to sickness absence (regardless of whether they are in the pension scheme or not), they will be eligible for retirement vouchers.
- 10.12 If employees are unable to access an e-voucher they can have Love2Shop Vouchers as an alternative which can be ordered via Oracle.

11 Training

- 11.1 Training required to fulfil this policy will be provided in accordance with the Trust's Training Needs Analysis. Management and monitoring of training will be in accordance with the Trust's Development and Training Support Policy (HR59).
- 11.2 This information can be accessed via the Learning Zone pages on the Trust intranet.

12 Review Process

- 12.1 The Trust will review this policy when there are changes to relevant legislation or good practice, or within the normal policy review cycle.

13 Equality Impact Assessment (EQIA)

- 13.1 This policy applies to all employees and positively applies benefits to older people in accordance with statutory requirements.

14 Process for Monitoring Compliance

Aspect of compliance or effectiveness being monitored	Monitoring method	Responsibility for monitoring	Frequency of monitoring	Group or Committee that will review the findings and monitor completion of any resulting action plan
Access and uptake to be monitored	At policy review access and uptake to be reviewed in relation to: Number of employees Retiring Number of employees applying for flexible retirement and outcomes Exit Questionnaires	HR Team	On policy review	JNCC
Organisation's expectations in relation to employees training	Management and monitoring of training will be in accordance with the Trust's Development & Training Support (HR59) and Risk Management Training Policy			

15 References

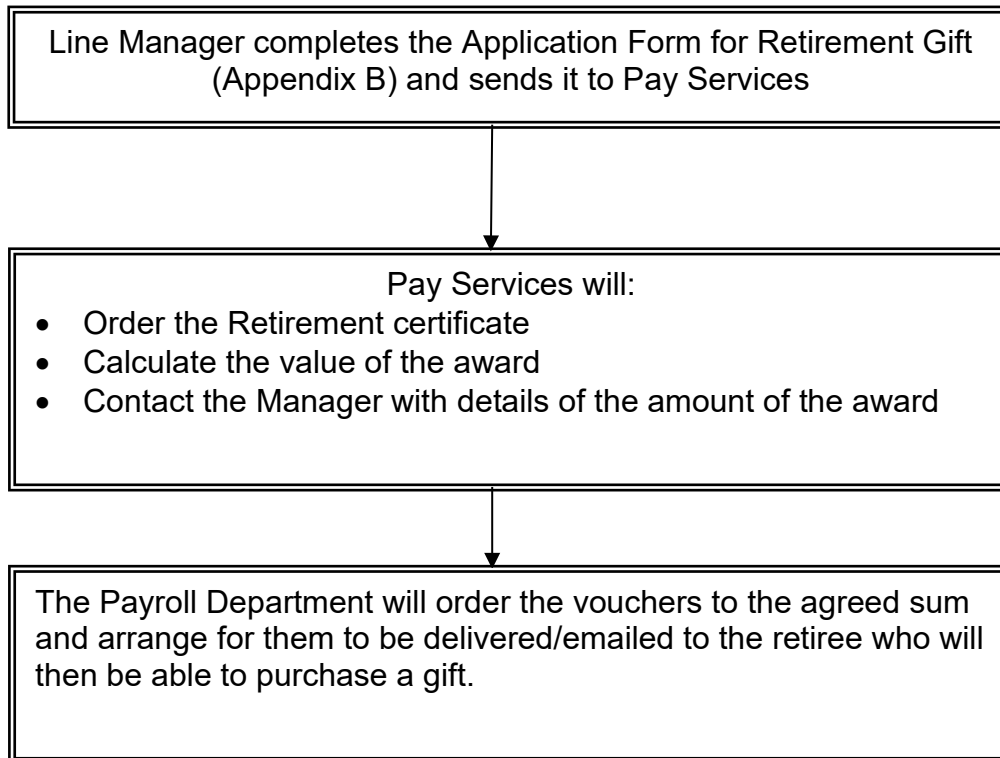
15.1 Legislation

- Equality Act 2010
Available at www.legislation.gov.uk/ukpga/2010/15/contents

15.2 Other references

- NHS Pensions
Available at <http://www.nhsbsa.nhs.uk/pensions>
McCloud Remedy Information: [Your NHS Pension after 1 April 2022 | NHSBSA](#)
- The NHS Employers Website provides further information and resources on retirement options.
Available at www.nhsemployers.org
- Agenda for Change Terms and conditions Handbook. (AfC). (2011)
http://www.nhsemployers.org/SiteCollectionDocuments/AfC_tc_of_service_handbook_fb.pdf
- ACAS Retirement Rights www.acas.org.uk
- BMA Guidance: '[Working in the peri-retirement period: possible changes to working practices \(bma.org.uk\)](#)'
<https://www.bma.org.uk/advice-and-support/nhs-delivery-and-workforce/the-ageing-workforce/working-in-the-peri-retirement-period-possible-changes-to-working-practices>

Appendix A Retirement Gifts and Presentations



Appendix B Application for Retirement Gift

Eligibility: Employees who are retiring and have been employed by the NHS for 15 years or more. Such service need not be consecutive.

Surname:

First names:
 (Please underline which name(s) should be written on the Retirement Certificate)

Personal number: **Date of Birth:**

Date of Retirement:

Job Title: **Department:**

Email address:.....

Details of Full-Service History (to enable Pay Services to calculate the value of the gift)

Dates of Service	NHS employer

Additional Details can be attached on separate sheet if necessary

Name of Manager (in capitals) submitting request:

Ext no..... **Signature:**.....

The award will be in the form of e-vouchers and will be charged to the appropriate department budget.

If employees are unable to access an e-voucher they can have Love2Shop Vouchers as an alternative which can be ordered via Oracle – please notify pay services when sending this form if you have ordered Love2Shop Vouchers.

Pay Services use only:

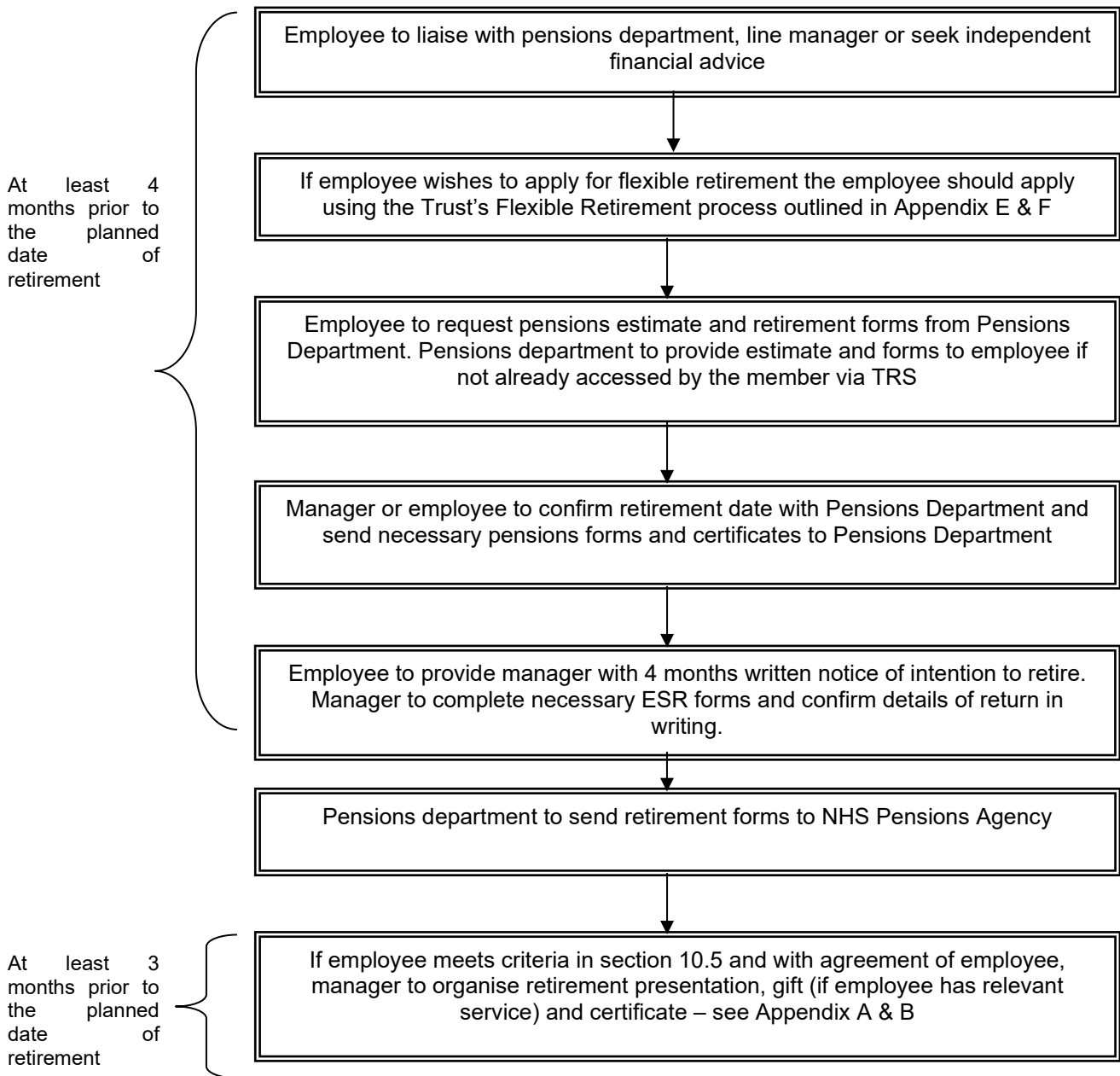
Number of years' service..... **Value of award £**.....

Vouchers Ordered: **(Date)**

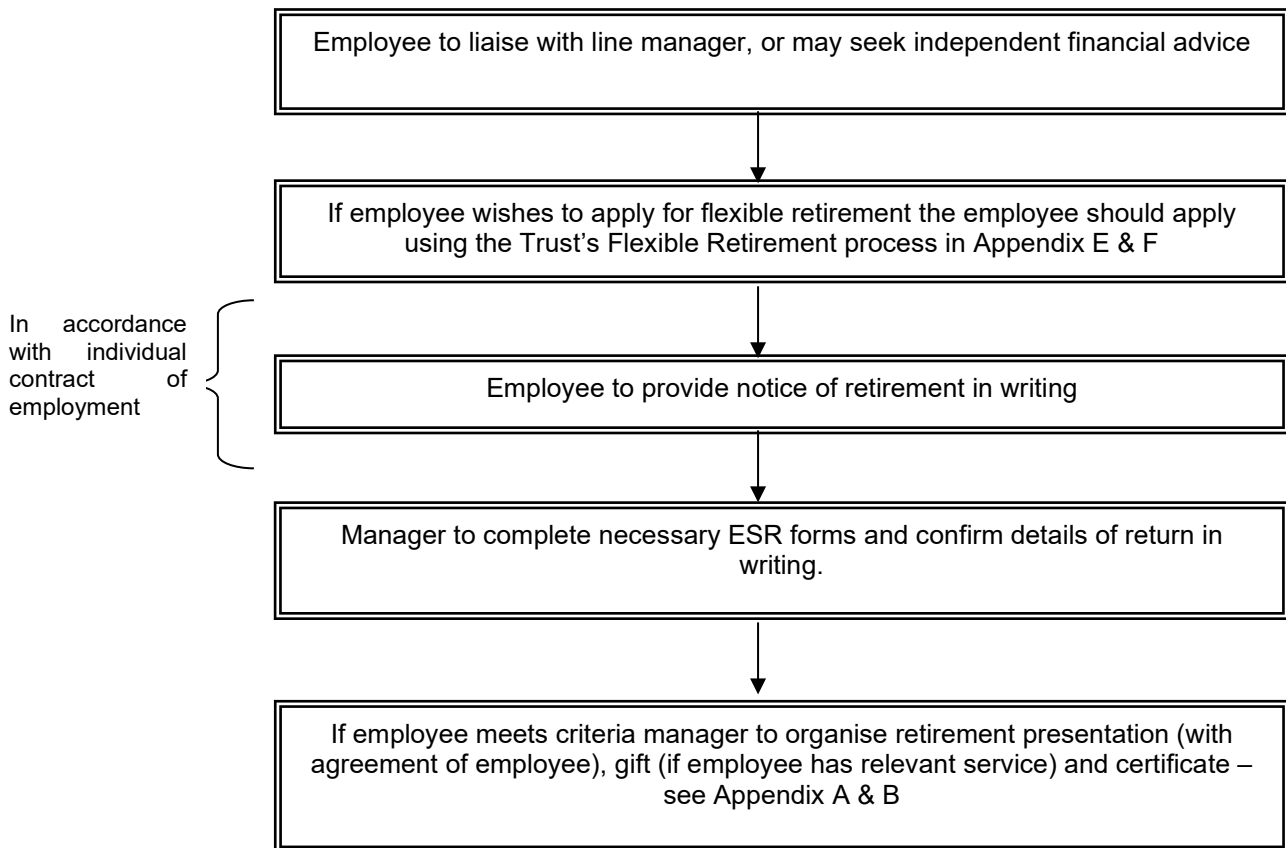
Certificate Ordered: **(Date)**

PLEASE FORWARD THIS FORM TO PAY SERVICES DEPARTMENT

Appendix C Retirement Process – NHS Pension Scheme Members



Appendix D Retirement Process – Non-NHS Pension Scheme Members



Appendix E - Flexible Retirement – A guide for employees and managers

Employee seeks financial advice and speaks to Pensions Team to understand implications. Employee submits a completed Flexible Retirement request to their manager using the form in Appendix F. Should an application form be submitted that is incomplete, this will be returned to the employee, by their line manager, to review and re-submit, delaying the process.



Once a complete request has been received the line manager will arrange to meet the employee within 28 days to discuss the request in more detail and consider it against the bullet points noted below. Each request will be considered on its merits taking into account the business needs. There is no automatic right to return to the original or another role.



Following meeting Manager notifies the employee of their decision using Section C of the form within 7 calendar days of the meeting, including reason for declining if cannot agree and who any appeal is to be addressed to.

Request agreed – employee resigns and applies for pension. **See below list of actions for managers at end of form**

Request declined



Employee may choose to appeal – Appeal should be in writing within 14 days of employee receiving decision detailing the grounds for appeal (decision was unreasonable, the manager did not take into account all the evidence or the employee has further evidence which may affect the outcome.)



Appeal meeting arranged within 14 days, employee invited in writing and has right to be accompanied, Appeal manager maybe be supported by member of HR Advisory Team



The appeal manager may request the original manager to attend the appeal hearing as a witness to ensure rationale of the original decision is clear or request for this in advance of the appeal or following the appeal may need to go back to the original manager to clarify points.



Appeal manager writes to employee to inform them of the decision within 7 days of the meeting and the decision of the appeal meeting will be final.

Request agreed – employee resigns and applies for pension. **See below list of actions for managers at end of form**

Request declined
End of process



Considerations for managers when reviewing requests

The Trust will handle all flexible retirement requests in a reasonable manner. In doing so the following criteria will usually be taken into account when making a decision:

- The requirement for the post to be filled through 'retire and return,' 'step down' or 'wind down' in light of cost improvement pressures
- Equality requirements – giving other individuals the opportunity to apply for a role
- Cost / Value for money of any new arrangement.
- The standard of the employee's work and attendance
- The employee's competence (skills, knowledge and experience) against the essential requirements of the post they wish to return to
- Whether the hours proposed can be accommodated / meet service needs – considering the workload of the role and whether any work can be redistributed within the department or backfilled. The impact on other employee's workload of the new flexible retirement arrangement. If the change requested by the employee is operationally viable or would adversely impact the department or ability to delivery the service
- Succession planning and the potential impact the employee's return will have on their team
- Whether it is in the best interests of the service to accommodate the 'retire and return' request
- Longer term workforce / service plans for the post and team and how the 'retire and return' request fits with this
- Other issues particular to the working of the department / business, including, but not limited to skill sets, recruitment restrictions and supervision levels. If it is a hard to fill post/National Shortage

Useful Contacts

National NHS Pensions Helpline - For more detailed information on your own pension position or how to apply for your Pension, log into the Members hub at <http://www.nhsbsa.nhs.uk/Pensions.aspx> or call the NHS Pensions helpline on 0300 330 1346

Your Manager - for a Pre-Retirement discussion/meeting about what you would like to do

Sath Pensions Team - Pensions scheme guidance ext. 2344 or 1128

NHS Retirement Fellowship information on benefits and joining the Fellowship - www.nhsrf.org.uk

HR Advisory Team - Guidance on Retirement policy and Flexible Retirement Application process from on 2891

Appendix F - Application Form for Flexible Retirement

Please ensure that you have read and understood the Retirement Policy and have sought independent financial advice and/or spoken to the Pensions Team before submitting this form. Once completed please pass this form to your manager who will arrange to meet with you to discuss your request.

Section A - To be completed by the employee:			
Part 1 - Personal Details			
First Name:		Surname:	
Employee No:		Department:	
Date of Birth:		Job Title:	
Band:		Date of proposed retirement: <i>(This is the date you would terminate your contract with the Trust)</i>	
Are you a member of the NHS Pension Scheme:	Yes/No (delete as appropriate)		
Part 2 - Current Working Pattern			
Days worked:		Times worked:	
No of Hours Worked:		No of Shifts per week / month:	
Part 3 – Details of Flexible Retirement being requested			
Please tick and give further details in section below, (please note incomplete forms could delay the process) <i>note rules and maximum hours in first month if returning</i>			
Wind Down (Same post reduced hours) available to NHS Pension Members and non NHS Pension scheme member prior to retiring.			
Step Down (To a lower banded post) <i>please note vacant posts will need to be advertised, please refer to section 6.1</i>			
Retire and Return (Take pension and return to same post or lower banded post if a vacancy) <i>please note vacant posts will need to be advertised, please refer to section 6.1</i>			

Draw Down (2008 and 2015 section members only) draw pension whilst remaining in employment – either same post on less hours or lower banded/less paid role			
Date of proposed new contract:		Job Title:	
Band:		Preferred Days to work:	
Preferred hours to work:		Preferred No of Hours to work per week:	
Any other information to include			
For Medical Staffing:	Insert Details on a separate sheet of intended job plan and measures to respond to service implications. For consultant staff Medical Director or Deputy Medical Director must be sighted on plans through Divisional Medical Case Management meetings		
Part 5 - Employee Declaration			
<p>Under the terms and conditions of the Trust's Retirement Policy, I would like consideration to be given to my request to retire and return as indicated above:</p> <p>I confirm that I have read and understand the detail contained within the Trust Retirement Policy and have sought financial advice regarding my pension. I understand approval is not guaranteed and needs to be considered in light of current service need, workforce plans, staffing and recruitment issues.</p> <p>It is my responsibility to apply for my Pension and submit my resignation if I wish to retire, regardless of whether my application is approved or declined.</p>			
Signed:		Date:	

Section B Continued (To be completed jointly by the manager and the employee)

Part 1 – Impact of request: (please state how this change will affect your department / colleagues)

Part 2 –Accommodating the request: (please state how the department / colleagues can support your requested change)

Section C - To be completed by the Manager: Review the considerations documented in Appendix E

I confirm I have met with the individual to discuss their application and having considered their above request under the Trust Retirement Policy: ***Please ensure you have given consideration to the factors in the above guidance and explored compromises if the request cannot be approved.***

A) I approve the individual's above request for Flexible Retirement,
(please tick)

B) I have rejected the individual's above request for Flexible Retirement for the following reason/s (please tick), We have explored alternative arrangements but have been unable to reach an arrangement that is mutually acceptable, despite consideration having been made.			
• Unreasonable burden of additional costs			
• Detrimental affect on the ability of the service to meet service demands			
• Detrimental impact on the provision of continuous standards of care to patients			
• Inability to reorganise work among existing staff			
• Inability to recruit additional staff			
• Detrimental impact on quality or performance of service			
• Insufficiency of work during the periods the employee proposes to work			
• Planned structural changes			
• Other (please state below)			
If the request is refused employees are able to appeal this decision. If refused insert the name of the manager to whom an appeal should be addressed. Appeals must be submitted within 14 days of receipt of this returned form.			
Name and job title of Manager to submit Appeal to:			
Further comments/reasons for refusal to give a clear, demonstrable operational reason for the reasons ticked above and to demonstrate why the working arrangements are not practicable:			
Name (Print):		Job Title:	
Signed:		Date:	

Line Manager Action:	Date completed
Confirm decision in writing to employee using Section C of this form,	
Copy of completed form on employees personal file	
Receive employees resignation	
Acknowledge employees resignation	
Complete and submit ESR Retire and return form or termination form as appropriate	
Instruct Recruitment Team to issue Statement of Main Terms and Conditions of Employment if returning to the same or a new post	
Request Retirement Vouchers/Presentation (see Appendix A & B)	