

RETIREMENT POLICY

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Document Control

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Amendments: 4.5 Line Managers Responsibility and 4.6 Employees Responsibilities.			
Special Class Status: members of the 1995 section of the NHS Pension Scheme who work as a nurse, midwife, physiotherapist or Health Visitor.			
General Retirement Principles: brief details of the NHS Pension scheme. Flexible Retirement Options, inclusion of pre-retirement step down, pre-retirement wind down, Retirement Course, Retirement gratuity, NHS retirement fellowship, Appendix 1, Appendix 2			
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1. INTRODUCTION

- 1.1 Somerset Partnership NHS Foundation Trust (the Trust) recognises the importance of ensuring that all employees are supported to continue working for as long as they are capable, skilled and motivated to do so.
- 1.2 Equally, the Trust wishes to ensure that employees who do wish to retire at the 'normal retirement age' or take 'voluntary early retirement' are supported through the retirement process.
- 1.3 The Trust will always seek to take a flexible approach to retirement and consistently looks to balance the needs of the service with the requests of individuals.

2. BACKGROUND

- 2.1 From October 2006, the Employment Equality (Age) regulations (incorporated into the Single Equality Act 2010) made it unlawful to discriminate against workers, employees, job seekers or trainees because of their age.
- 2.2 Since 1 October 2010 the statutory default retirement age of 65 no longer applies, therefore, staff are able to continue working beyond this age if they wish without having to apply to work beyond this age.
- 2.3 The encouragement of a flexible approach to retirement and extended working based on the member of staff's fitness, skills and ability and not on their age is in line with the Trust's Values and the NHS Constitution.

3. PURPOSE AND SCOPE

- 3.1 This policy applies to all employees of the Trust and aims to ensure a flexible, fair and consistent approach is taken when employees approach their retirement.
- 3.2 This policy does not include retiring on ill-health grounds, which is covered in the Sickness Absence Management Policy.
- 3.3 This policy does not include early retirement on the grounds of redundancy or in the interests of the efficiency of the service, which are subject to the NHS National Terms and Conditions Handbook and subject to the Organisational Change policy.

4. DUTIES AND RESPONSIBILITIES

- 4.1 The **Trust Board** has a responsibility to ensure that safe employment practices exist to protect patients and staff which are achieved through robust processes, thus meeting its legal obligations.
- 4.2 The **Director of Workforce and Organisational Development** is the Executive lead with devolved responsibility for this policy and will provide

reports to the Workforce Governance Group.

- 4.3 The **Human Resources Team** is responsible for providing fair and consistent advice to Trust Managers and Staff and ensuring the provision of accurate and regular statistical information as requested.
- 4.4 The **Pensions Officer** is responsible for ensuring timely completion of requests for pensions information/support. By law, Pensions Officers may not offer financial advice to scheme members. Therefore, while they have a duty to provide information about the scheme and the options available, they may not advise staff.
- 4.5 **Line Managers** are responsible for:
- Ensuring the correct application of this policy
 - Considering requests from staff fairly and consistently and in accordance with requisite timeframes.
 - Making sure the wider impact of the requests are considered and discussed with their Divisional Head/Head of Service.
 - Seeking advice from and support from the Human Resources Team.
 - Advising the employee making a request under Flexible Retirement to Pre-retire wind down, Pre-retirement step down or retire and return, the reasons for agreement and/or refusal.
 - Completing the necessary paperwork for, self, Payroll and Human Resources.
- 4.6 **Employees** are responsible for:
- Contacting the Pensions Officer for information regarding pension scheme.
 - Seeking necessary advice from an Independent Financial Advisor.
 - Completing the appropriate paperwork in accordance with the requisite timeframes.
- 4.7 The **Regulation Governance Group** is responsible for approving any changes to this document.

5. EXPLANATIONS OF TERMS USED

- 5.1 Normal Retirement Age (NRA) – is the age that you can retire from the NHS employment and have your pension paid without reduction or enhancement. The actual age that applies to you will depend on which section of the Scheme (if appropriate) you are in and in your status (please refer to the NHS Pension Scheme Guide).
- 5.2 **Voluntary Early Retirement (VER)** occurs when you voluntarily choose to resign from your position and retire before the Normal Retirement Age. This includes staff who are members of the NHS Pension Scheme/Personal Pension and who wish to retire once they have built up sufficient pension contributions, and any staff who wish to retire early for other personal reasons.

- 5.3 **Planned Retirement Date (PRD)** is either the 'normal retirement age' or the date at which you choose 'voluntary early retirement'.
- 5.4 **Special Class Status (SCS)** is applicable to staff who are members of the 1995 section of the NHS Pension Scheme who work as a nurse, midwife, physiotherapist or Health Visitor. To qualify you must have been awarded special class status on or before 6 March 1995 and at no time since had a break in pensionable employment for five years or more. You must also have special class status when you are retiring and have had this status for the five years leading up to retirement. If you have special class status you can retire from age 55 onwards without having your benefits reduced. For further information regarding this please contact the NHS Pensions Agency (<http://www.nhsbsa.nhs.uk/Pensions.aspx>).
- 5.5 **Mental Health Officer Status (MHO)** is applicable to staff who are members of the 1995 Section of the NHS Pension Scheme working in an approved place used for the treatment of patients suffering from mental health disorders, and employed for the whole or almost the whole of their time in the direct treatment or care of those patients. MHO's in post before 7 March 1995 with at least twenty years MHO membership, who have not had a break in pensionable employment of any one period of five years or more may have the right to retire from age 55. For further information regarding this please contact the NHS Pensions Agency (<http://www.nhsbsa.nhs.uk/Pensions.aspx>).

6 GENERAL RETIREMENT PRINCIPLES

- 6.1 This section is intended to provide brief details about the NHS Pension Scheme. The Scheme is subject to change therefore please contact Pensions Officer or the NHS Pensions Website for the most up to date information: www.nhsbsa.nhs.uk/pensions
- 6.2 When considering retirement options staff should bear in mind the potential impact on their pension. They are strongly encouraged to seek information from the Pensions Officer and advice from an Independent Financial Advisor during the planning period and before making a decision.
- 6.3 The key retirement principles are as follows;
- The Trust does not operate a compulsory retirement age.
 - Age related criteria, however, will apply in relation to the NHS Pension Benefits.
 - The normal pension ages for members of the NHS Pension Scheme are:
 - Age 60 – under the 1995 Section
 - Age 65 – under the 2008 Section
 - State Pension Age – under the 2015 Scheme
 - The minimum retirement ages for members of the NHS Pension

Scheme are:

- Age 50 – under the 1995 Section, except for staff who joined or returned to the Scheme after 6 April 2006 for whom the retirement age is 55.
- Age 55 – under the 2008 and 2015 Schemes.

- 6.4 If you choose to take Early Retirement your benefits will be at a reduced level. This is because they are being paid earlier and for longer than expected.
- Under the 1995 Section of the Scheme for members with Special Class Status or Mental Health Officer status, may choose to retire at any time from age 55 provided they have met the relevant criteria. Benefits are not reduced in these circumstances.

7 PLANNING FOR RETIREMENT

Choosing to retire at the ‘Normal Retirement Age’ (NRA)

- 7.1 If you wish to retire at the ‘normal retirement age’, the Retirement Notification Form (Appendix 1) should be completed by your Line Manager and sent to the Payroll and Human Resources Department Inbox:
PayrollForms@sompar.nhs.uk
- 7.2 A formal letter of confirmation of retirement will be sent to you from your Line Manager, copied to the Human Resources Department and Payroll Department.
- 7.3 For Pension Scheme members your Line Manager should complete a Leavers Form at least 4 months before your retirement date to allow sufficient time for your pension to be processed.
- 7.4 A Leavers form should be completed in the normal way.

Choosing to retire before the ‘Normal Retirement Age’

- 7.5 If you wish to take ‘voluntary early retirement’ and retire before your ‘normal retirement age’, you are choosing to resign from your position and may have the option to draw some or all of your pension benefits.
- 7.6 If you wish to retire and take ‘voluntary early retirement’, the Retirement Notification Form (Appendix 1) should be completed by your Line Manager and sent to the Payroll and Human Resources Department Inbox:
PayrollForms@sompar.nhs.uk
- 7.7 A formal letter of confirmation of retirement will be sent to you from your Line Manager, copied to the Human Resources Department and Payroll Department.
- 7.8 For Pension Scheme members your Line Manager should complete a Leavers Form at least 4 months before he retirement date to allow sufficient time for your pension to be processed.
- 7.9 It is the responsibility of individual staff members to seek independent

financial advice or advice from the NHS Pensions Agency (available via Payroll) regarding pensions benefits and the required notice to enable early retirement. Line Managers (or any other employees of the Trust) are not permitted to offer advice regarding pension benefits.

8. FLEXIBLE RETIREMENT

- 8.1 The Trust recognises that staff may wish to retire with greater flexibility and may want to look at their options to work full or part-time, or in a different or less demanding post. The Trust also recognises that experienced staff have a great deal to offer the Trust, with valuable knowledge and skills, flexible retirement could provide time for succession planning.
- 8.2 Flexible Retirement Options may be requested by all employees. Each Request will be considered in line with the needs of the individual Service and the wider workforce planning issues facing the Service and Trust at that time.
- 8.3 Please note that there may be circumstances when a flexible retirement request cannot be supported and the Trust reserves the right to refuse a request. All requests will be subject to Vacancy Request Form (VRF) approval.
- 8.4 The following Flexible Retirement options are available within the NHS Pension Scheme:
- Pre-retirement wind down (a reduction in working hours)
 - Pre-retirement step down (to a less demanding role)
 - Retire and Return
 - To the same post on different hours
 - To a different post
 - Work on the bank
 - Draw Down (applicable to 2008 Section and 2015 Section Scheme members.)
 - Late Retirement (applicable to 2008 Section and 2015 Section Scheme members).
- 8.5 Further detail on each option is given below and staff are encouraged to contact the Pensions Agency (available via Payroll) in order to clarify how their pension entitlement could be affected we encourage you also to seek advice from an Independent Financial Advisor.

9 RETIREMENT OPTIONS

Pre-Retirement Wind Down (Reduction in Working Hours)

- 9.1 As you approach retirement you may wish to gradually reduce the number of hours you work leading up to your actual date of retirement.
- 9.2 If you wish to reduce your working hours when approaching retirement you will need to complete the attached Flexible Retirement Application Form

- (Appendix 2), clearly outlining your proposed work pattern.
- 9.3 Your Line Manager will consider your request in line with the procedure in the Flexible Working Policy and take into account the impact on service needs and how this may be accommodated.
 - 9.4 If a reduction in hours is agreed your pay will be adjusted to reflect your new working hours. Please be aware that this **could** affect your Pension and therefore you should seek clarity from the Pensions Officer.
 - 9.5 If you choose to defer retirement and continue to work part-time, you can carry on contributing to the pension scheme and building up your pension entitlement.

Pre-Retirement Step Down (less demanding role)

- 9.6 As you approach retirement you may request to continue working in a less demanding role.
- 9.7 If you wish to be considered for this option you should complete the Flexible Retirement Application (Appendix 2), clearly outlining your proposed role, hours of work, start date of the arrangements and retirement date.
- 9.8 Your Line Manager will consider your request in line with the procedure in the Flexible working Policy and take into account the impact on service needs and how this may be accommodated.
- 9.9 If a change in role is agreed, the employee will be paid the appropriate rate for that post. If there is also a reduction in working hours, the employee will be paid pro rata to hours worked. Please be aware that this **could** affect your Pension and therefore you should seek clarity from the Pensions Officer.
- 9.10 Members of the NHS Pension Scheme who are over the minimum retirement age, and whose pay reduces by at least 10%, may apply for the higher rate of pay to be protected for pension purposes. The application must be made within 15 months of the date the rate of pay is reduced, for further information please contact the Pensions Agency (via Payroll).
- 9.11 When an employee leaves, their pension up to the date they stepped down will be based on the higher rate of pay, and their pension earned after the step down date will be based on the reduced rate of pay. Cost of living increases will be applied to the protected higher rate of pay and both pensions will be added together for payment.

Retire and Return

- 9.12 Under the provisions of the NHS Pension Scheme staff have the option to retire from the Trust and take all of their pension benefits before returning to NHS employment. However, it should be noted that there is no automatic right for a retiree to return to their current or different role on a full or part-time basis.
- 9.13 If you wish to retire and return to work you must make your request to your manager 4 months before your planned retirement date and complete the Flexible Retirement Application Form (Appendix 2).

- 9.14 The Line Manager will consider this request in line with the procedure in the Flexible Working Policy and will be considered on the basis of the service needs.
- 9.15 If a change in role is agreed, the employee will be paid the appropriate rate for that post. If there is also a reduction in working hours, the employee will be paid the new hours worked. Please also be aware that the amount of hours you can work before your pension is affected will depend on your individual Pension Plan, please contact the Pensions Officer for further details.
- 9.16 A leaver's form will need to be completed in the normal way and the vacancy created will need to be approved by the Vacancy Request Form (VRF).
- 9.17 All employees who return to work following retirement will be engaged on a new employment contract and will be subject to normal pre-employment checks and a starter form will need to be completed in the normal way.
- 9.18 All employees returning to work following retirement, will continue to be expected to discuss their future career plans and aspirations on an ongoing basis with their Line Manager

Bank

- 9.19 Employees retiring and wishing to return may consider joining the staff bank. Bank staff do not have a regular commitment in terms of how many hours they will work and there is no obligation on the part of the Trust to offer bank employment, although the Trust may expect a minimum amount of work to be undertaken, such as at least one shift in three months. For many staff this is an ideal way of working occasionally without commitment. Staff should not be employed on a bank contract if they are working regular hours every week. Retiring employees must have a 14 calendar day break before being re-employed by the Trust. A new bank contract will be issued within eight weeks of the first bank shift worked
- 9.20 If an employee returns to the Trust on the Bank they will be subject to normal pre-employment checks and a starter form will need to be completed in the normal way.

10 RETIREMENT COURSE

- 10.1 The Trust recognises that forward planning is advisable when making any major change and retirement is no exception. Therefore the Trust is now offering courses which are designed to raise your awareness of the key issues you will need to consider, and decisions you will need to make, as you begin to approach this new stage in your life.
- 10.2 The aim of the course is for you to understand more clearly the changes you

will face both in your lifestyle and finances. In addition the course trainer will explain your occupational and state pension entitlements and the decisions you will need to consider in respect of how you draw your pension benefits. Further details of the workshops available can be found on the Learning and Development Login page:

<https://learninganddevelopment.sompar.nhs.uk/Login.aspx?p=107714>

- 10.3 The Trust would still encourage staff to seek information from the Pensions Agency (via Payroll) and advice from an Independent Financial Advisor; these courses are not intended to replace that advice

11 RETIREMENT GRATUITY

A fixed amount of £50 in vouchers for love2shop will be given to retiring colleagues with over ten years of service. This process will be managed by the HR department upon receipt of the Retirement Notification Form (Appendix 1). Details of love2shop can be found at:

www.highstreetvouchers.com/gift-vouchers/love2shop

12 NHS RETIREMENT FELLOWSHIP

The NHS Retirement Fellowship provides an opportunity for NHS and social care staff and their partners to meet and spend time with other like-minded people, to enjoy existing friendships, make new friends and enjoy themselves together. For further details on joining the fellowship please go to <http://www.nhsrf.org.uk/index.html>

13 TRAINING REQUIREMENTS

The Trust will work towards all staff being appropriately trained in line with the organisation's Staff Mandatory Training Matrix (training needs analysis). All training documents referred to in this policy are accessible to staff within the Learning and Development Section of the Trust Intranet:

- Raising Awareness for staff as Individuals
- Short Briefing sessions for managers
- Raising awareness for the Board

14 FURTHER INFORMATION

For further details, staff are advised to contact the Trust's Pension Officer at Wynford House on 01935 385290 or obtain information from the NHS Pensions Agency – www.nhsbsa.nhs.uk/pensions

15 EQUALITY IMPACT ASSESSMENT

All relevant persons are required to comply with this document and must demonstrate sensitivity and competence in relation to the nine protected characteristics as defined by the Equality Act 2010. In addition, the Trust has identified Learning Disabilities as an additional tenth protected characteristic. If you, or any other groups, believe you are disadvantaged by anything contained in this document please contact the Equality and Diversity Lead who will then actively respond to the enquiry.

16 MONITORING, COMPLIANCE & EFFECTIVENESS

Monitoring arrangements for compliance and effectiveness

Overall monitoring will be by the Regulation Governance Group. The Human Resource Department will monitor all retiring employees progress and contract status and provide a six monthly report to the Workforce Governance Group.

Internal Audit results will be presented to the Workforce Governance Group for consideration, identifying good practice, any shortfalls, action points and lessons learnt. This Group will be responsible for ensuring improvements, where necessary, are implemented. The Workforce Governance Group will escalate any areas of concern and risk issues to the Regulation Governance Group within the six monthly report.

17 COUNTER FRAUD

The Trust is committed to the NHS Protect Counter Fraud Policy – to reduce fraud in the NHS to a minimum, keep it at that level and put funds stolen by fraud back into patient care. Therefore, consideration has been given to the inclusion of guidance with regard to the potential for fraud and corruption to occur and what action should be taken in such circumstances during the development of this procedural document.

18 RELEVANT CARE QUALITY COMMISSION (CQC) REGISTRATION STANDARDS

18.1 Under the **Health and Social Care Act 2008 (Regulated Activities) Regulations 2014 (Part 3)**, the **fundamental standards** which inform this procedural document, are set out in the following regulations:

Regulation 17:	Good governance
Regulation 18:	Staffing
Regulation 19:	Fit and proper persons employed
Regulation 20:	Duty of candour
Regulation 20A:	Requirement as to display of performance assessments.

18.2 Under the **CQC (Registration) Regulations 2009 (Part 4)** the requirements which inform this procedural document are set out in the following regulations:

Regulation 12: Statement of purpose
Regulation 18: Notification of other incidents

18.3 Detailed guidance on meeting the requirements can be found if you [CLICK HERE](#)

19 REFERENCES, ACKNOWLEDGEMENTS AND ASSOCIATED DOCUMENTS

19.1 References

NHS National Terms and Conditions Handbook

NHS Pension Scheme Guide: 2015 Scheme:

[http://www.nhsbsa.nhs.uk/Documents/Pensions/2015_Members_Guide_\(V3\)_online_11.2015.pdf](http://www.nhsbsa.nhs.uk/Documents/Pensions/2015_Members_Guide_(V3)_online_11.2015.pdf)

1995 & 2008 Scheme Guides:

[http://www.nhsbsa.nhs.uk/Documents/Pensions/SD_Guide_\(V15\)_online_10.2015.pdf](http://www.nhsbsa.nhs.uk/Documents/Pensions/SD_Guide_(V15)_online_10.2015.pdf)

19.2 Cross reference to other procedural documents:-

Clinical Supervision Policy

Development & Management of Procedural Documents

Equality and Diversity Policy

Flexible Working Policy

Recruitment and Selection Policy

Sickness Absence Management

Staff Appraisal and Managerial Supervision Policy

All current policies and procedures are accessible in the policy section of the public website (on the home page, click on 'Policies and Procedures'). Trust Guidance is accessible to staff on the Trust Intranet.

20 APPENDICES

For the avoidance of any doubt the appendices in this policy are to constitute part of the body of this policy and shall be treated as such.

Appendix 1 - Retirement Notification Form

Appendix 2 – Flexible Retirement Application Form

RETIREMENT NOTIFICATION FORM

Full Name			
Position/Job Title			
Band		Contract hours per week	
Team/Ward/Department			
Home Address			
Date of Birth			
Normal Retirement Age (Depending on Pension Scheme Membership)			
OR Voluntary Early Retirement Date			
I have met with the above employee who has indicated that he/she wishes to retire on the 'planned retirement date' of			
Signed (Line Manager)		Date	
Print Name			
Signed (Employee)		Date	
Print Name			
Retirement Voucher Details (to be completed by the Line Manager)			
Number of years NHS Continuous service and date		Cost Centre and subjective code (for recharging of gratuity cost)	

Please return this form (completed and signed) to Human Resources Department, Mallard Court, Bridgwater, TA6 4UQ. Electronic versions can be sent:

Payrollforms@sompar.nhs.uk

Confirmation of Retirement Vouchers provided:			
Date sent to Manager:			
Signed HR:		Print Name:	

Section B

Impact of the New working Pattern. Please detail how you think the new working pattern will affect your team and colleagues and how this will be accommodated:

Employee Signature:					Date:		
Managers Signature:					Date:		
Comments from Manager:							
Request Agreed:		Yes		No			
Section C to be completed by Head of Division							
Request Supported:		Yes		No			
If no please confirm reasons:							
Signature:				Date:			
Print Name:				Job Title:			

Please return this form (completed and signed) to Human Resources Department, Mallard Court, Bridgwater, TA6 4UQ. Electronic versions can be sent to:

Payrollforms@sompar.nhs.uk

Please note all requests are subject to VRF Approval.