

<b>Policy Number</b>	9.22
<b>Policy Name</b>	Retirement Procedure
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<b>Approving Committee</b>	SpLDD Governance Committee
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This document is a valid document, however due to organisation change some references to organisations, organisational structures and roles have now been superseded. The table below provides a list of the terminology used in this document and what it has been replaced with. When reading this document please take account of the terminology changes on this front cover

<b>Terminology used in this Document</b>	<b>New terminology when reading this Document</b>
Calderstones Partnership NHS Foundation Trust	Mersey Care NHS Foundation Trust

## **SPECIALIST LEARNING DISABILITY DIVISION**

<b>RETIREMENT PROCEDURE (SpLDD Division Wide)</b>	
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<i>Lead Executive Director:</i>	<b>Mark Hindle</b>
<i>Lead Author(s):</i>	<b>Liz Seed – HR Advisor</b>

**2016 – Version  
7.0**

**Quality, recovery and  
wellbeing at the heart  
of everything we do**

## **9.22 RETIREMENT PROCEDURE**

### **(Division Wide)**

Summary	This memorandum introduces the Retirement Procedure
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Published by  Copies of this document are available from the Author(s) and via the trust's website	Mersey Care NHS Foundation Trust SpLD Division Whalley Mitton Road Whalley BB12 8EF Trust's Website <a href="http://www.merseycare.nhs.uk">www.merseycare.nhs.uk</a>
<b>This document can be made available in a range of alternative formats including various languages, large print and braille etc</b>	
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Version Control	Please see rear of document

**THIS PROTOCOL REQUIRES 'ANNUAL REVIEW'**

**SUPPORTING STATEMENTS** – this document should be read in conjunction with the following statements:

### **SAFEGUARDING IS EVERYBODY'S BUSINESS**

All Mersey Care NHS Foundation Trust employees have a statutory duty to safeguard and promote the welfare of children and vulnerable adults, including:

- being alert to the possibility of child/vulnerable adult abuse and neglect through their observation of abuse, or by professional judgement made as a result of information gathered about the child/vulnerable adult;
- knowing how to deal with a disclosure or allegation of child/adult abuse;
- undertaking training as appropriate for their role and keeping themselves updated;
- being aware of and following the local policies and procedures they need to follow if they have a child/vulnerable adult concern;
- ensuring appropriate advice and support is accessed either from managers, *Safeguarding Ambassadors* or the trust's safeguarding team;
- participating in multi-agency working to safeguard the child or vulnerable adult (if appropriate to your role);
- ensuring contemporaneous records are kept at all times and record keeping is in strict adherence to Mersey Care NHS Foundation Trust policy and procedures and professional guidelines. Roles, responsibilities and accountabilities, will differ depending on the post you hold within the organisation;
- ensuring that all staff and their managers discuss and record any safeguarding issues that arise at each supervision session

### **EQUALITY AND HUMAN RIGHTS**

Mersey Care NHS Foundation Trust recognises that some sections of society experience prejudice and discrimination. The Equality Act 2010 specifically recognises the *protected characteristics* of age, disability, gender, race, religion or belief, sexual orientation and transgender. The Equality Act also requires regard to socio-economic factors including pregnancy /maternity and marriage/civil partnership.

The trust is committed to equality of opportunity and anti-discriminatory practice both in the provision of services and in our role as a major employer. The trust believes that all people have the right to be treated with dignity and respect and is committed to the elimination of unfair and unlawful discriminatory practices.

Mersey Care NHS Foundation Trust also is aware of its legal duties under the Human Rights Act 1998. Section 6 of the Human Rights Act requires all public authorities to uphold and promote Human Rights in everything they do. It is unlawful for a public authority to perform any act which contravenes the Human Rights Act.

Mersey Care NHS Foundation Trust is committed to carrying out its functions and service delivery in line the with a Human Rights based approach and the FREDA principles of **Fairness, Respect, Equality Dignity, and Autonomy**

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## SUMMARY OF AMENDMENTS

Section 5.2.3 Employees who require a pensions estimate should contact the Payroll Department or NHSPA on 0300 330 1346. For NEST pension estimates please contact [www.nestpensions.org.uk](http://www.nestpensions.org.uk)

Calderstones to Mersey Care

P&P references updated

Removal of references to ELFS

## 1. INTRODUCTION

1.1 Calderstones Partnership NHS Foundation Trust (*hereby after referred to as the Trust*) recognises that its success depends on its ability to attract, recruit and retain suitably qualified, skilled and experienced staff, particularly as the demand for healthcare grows. The Trust also recognises the importance of supporting its staff to achieve a balance between their work and home life not just during employment but also in planning the transition to retirement at a time and pace which suits the individual.

1.2 This procedure provides guidance for all staff and managers directly employed by the Trust and sets out the options for employees in relation to retirement from the organisation. The procedure also signposts the reader to other sources of additional information regarding NHS Pensions.

NEST is an alternative qualifying pension scheme for those employees who are not eligible to join the NHS Pension Scheme. Information regarding NEST pensions can be found at [www.nestpensions.org.uk](http://www.nestpensions.org.uk).

1.3 In line with the Equality Act 2010 the Trust has removed any default retirement age, and has no requirement for staff to retire at a particular age. If staff wish to 'retire'/cease working with the Trust then they must give notice in accordance with their contract of employment.

1.4 The removal of the retirement age will ensure that all employees are treated in the same way, irrespective of their age. All employees will be governed by the same terms and conditions, and be subject to the same performance management procedures.

## 2. SCOPE

The procedure applies to all substantive employees within the Trust.

## 3. AIMS

The aims of this procedure are to:-

- Allow sufficient flexibility in terms of the options for retirement to accommodate the needs of the service and those of the individual.
- Increase age diversity in the workforce and retain skilled and able workers.
- Aid in workforce planning.
- Meet the requirements of the Equality Act 2010
- Provide guidance so that managers and staff are aware of the options that are available and the ability of the individual to make choices about the way in which they wish to retire and their eventual retirement.
- Clarify the rights of the individual and the organisation.
- Increase staff commitment and loyalty through enabling more ownership of length of working lives.

## 4. IMPLEMENTATION AND COMPLIANCE

The Trust Board has a strategic responsibility to ensure that the procedure is communicated to all staff and is effectively implemented.

The Human Resources (HR) Department will:

Procedure No. 9.22 v7.0 Dated: 04/11/16  
Retirement Procedure  
(Trust Wide)  
Review Date: 04/11/17  
Equality Impact Assessment completed:

- Oversee the introduction, operation and monitoring of the procedure.
- Ensure the provision of guidance and support for Managers on the operation and application of the procedure.
- Ensure that appropriate support and information is provided to staff with regard to this procedure.

## 5. RETIREMENT PRINCIPLES

There are two distinct, separate options for retirement:-

- Retirement in accordance with the NHS Pension Scheme including normal, ill health and voluntary early retirement.
- Flexible Retirement.

### 5.1 Retirement in Accordance with the NHS Pension Scheme

On 1 April 2015 a new NHS Pension Scheme was introduced which covers all transitioning and new NHS employees. Some members are entitled to remain in the 1995 or 2008 Sections until retirement, through the Scheme's Protection arrangements. Scheme members who are planning on taking the NHS Pension Scheme benefits at retirement are advised to read the **NHSBSA Retirement Booklet: For members of the NHS Pension Scheme**, available from the NHSBSA website <http://www.nhsbsa.nhs.uk/Pensions.aspx>.

- 5.1.1 Staff who are thinking about taking voluntary early retirement must ensure that they pass the Guaranteed Minimum Pension (GMP) test prior to committing to retirement as NHS Pensions have no discretion to pay the pension early when the GMP test is not satisfied. This test can be carried out by contacting [elfs\\_helpdesk@elht.nhs.uk](mailto:elfs_helpdesk@elht.nhs.uk).
- 5.1.2 Staff who are members of the NHS Pension Scheme will receive retirement benefits, which consist of an annual pension paid for life and a tax-free lump sum. The amount received depends on the individual's pensionable pay, how long they have been a member of the scheme and whether they have worked part time.
- 5.1.3 There are people in certain staff groups with Special Class Status i.e. Mental Health Nurses, who were members of the NHS Pension Scheme before 6 March 1995 and who have qualifying service. They can retire with full pension benefits from age 55 although the same conditions with regard to retirement before age 55 still apply. Special Class Status is no longer granted to new entrants to the Scheme on or after 6 March 1995.
- 5.1.4 Re-entrants to Special Class type employment retain the status in the Scheme if they do not have a break in pensionable scheme membership of 5 years or more.

### 5.2 Retirement Due To Ill Health

- 5.2.1 If you have at least two years membership and are too ill to work in your present job you may be able to retire early and take your pension benefits. There are two tiers of Ill health retirement and the benefits you get will depend on whether or not you are capable of undertaking employment elsewhere. The minimum pension age does not apply in the case of ill health retirement.

- 5.2.2 Staff retiring on grounds of ill health must have been a member of the NHS Pension Scheme for more than two years and have the support of either the Trust's Occupational Health Medical Advisor or his/her own Doctor. The request then has to be accepted by the NHS Pensions Agency. In these circumstances the pension may be enhanced subject to age and service at the time of a successful application.
- 5.2.3 Employees who require a pensions estimate should contact the Payroll Department or NHSPA on 0300 330 1346. For NEST pension estimates please contact [www.nestpensions.org.uk](http://www.nestpensions.org.uk).
- 5.2.4 Where an application for ill health retirement is the member of staff's preferred option, all possible support will be provided by their manager, however, it must be recognised that the decision is made by the Pension Agency and not the Trust. With this in mind the member of staff should be advised of the possibility that their application may not be accepted. Please contact the HR Department for further information.
- 5.2.5 Where an application is unsuccessful and all other options for return to work have been exhausted and the individual remains unable to return to work the Trust will consider termination of the employee's contract of employment.

### 5.3 Notice Requirements

- 5.3.1 Where an employee is intending to retire under the provisions of the NHS Pension Scheme, whether taking normal age retirement, ill health or voluntary early retirement, it is necessary for the member of staff to provide 4 months notice (*or their contractual notice if this is greater*), in writing, of their intention to retire, in order to ensure that the relevant documentation is processed for calculation of final pension figures and to arrange payment. If sufficient notice is not given to the NHS Pension Agency it may be that there is a delay in the receipt of pension benefits.
- 5.3.2 Employees should be encouraged to use their full allocation of annual leave prior to their retirement date because any untaken leave will extend the last day of pensionable service beyond their last day of work. Pension benefits are paid from the last day of pensionable service.

### 5.4 Flexible Retirement

- 5.4.1 The purpose of flexible retirement is to set out arrangements which will encourage retired employees to return to the employment of the Trust, albeit for limited hours, or to undertake different duties and or grade to those performed before their retirement. In addition, flexible retirement may permit employees approaching retirement to reduce their working commitments by assisting them in winding down their work generally using a variety of mechanisms.
- 5.4.2 This procedure does not confer an individual right upon employees to return to work in the same job or grade following their retirement. Any flexible return arrangements are entirely at the discretion of the Trust.
- 5.4.3 Employees returning to work under the terms of this procedure will do so under an entirely new contract of employment in respect of which no credit will be given for any prior period of permanent or part-time employment by the Trust except in respect of the requirements of the NHS Terms and Conditions of Service.

5.4.4 Each “Flexible Retirement Plan” will depend upon the particular circumstances of an individual’s case and will be separately negotiated with each employee in conditions of confidentiality. Any arrangements made under this procedure are not intended to create legal rights and obligations in respect of the contract of employment that exists before any employee retires.

5.4.5 The Trust may, at its discretion, terminate the flexible retirement arrangement with any individual employee by notice, at any time, during the term of the Flexible Retirement Plan and in accordance with the provisions of the flexible retirement contract.

## 5.5 **Winding Down**

Instead of retiring completely, employees may be able to reduce their hours and undertake part time work. Pensions for part time staff are calculated on the whole time equivalent salary, so moving from full time to part time work, rather than retiring, should not reduce the level of pension although it will reduce the length of service.

## 5.6 **Stepping Down**

Defer retirement by “stepping down” to a less demanding, lower graded (*paid*) post. Subject to the Trust’s agreement, accrued pension rights will be preserved at the previous higher level.

## 5.7 **Working When Needed**

Retirement, but remaining available to work through registering for bank work or by advising of availability for work during peak periods.

## 5.8 **Partial Retirement (“Draw Down”) Members of NHS Pension Scheme 2008 Section Only**

On reaching age 55 members of the NHS Pension Scheme 2008 Section can take some of their pension if they reduce their pay by switching to a lower paid job, or reducing their hours of work. This facility is known as “draw down” of pension benefits. They do not need to take a break in employment. However the rules are:-

- Be age 55 or older.
- Reduce their actual pensionable pay by at least 10%.
- The previous level of pensionable pay lasted for at least 12 months.
- The new level of pensionable pay is expected to last for at least 12 months.
- Not already drawn down twice.

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

**NB: Benefits drawn down prior to age 65 are subject to an actuarial reduction because they are being paid early.**

## 5.9 **Retire and Return to Work**

5.9.1 With formal agreement from management, and dependant on if there are suitable vacancies available, it may be possible for an employee to return to work within the NHS after retirement.

Retirement benefits are paid because the employee is retiring not simply taking a break in employment.

- 5.9.2 The employee is required to have a break of at least 4 calendar weeks and retire from all NHS employments in order to qualify for retirement benefits
- 5.9.3 Individual Flexible Retirement Plan offers will be made in writing to the employee, with the option to accept or reject the offer. Prior to commencement of the Flexible Retirement Plan, a new written contract of employment will be prepared for acceptance and signature by the employee.
- 5.9.4 The employee's continuous service date for the purposes of sick pay and annual leave will not change however the employee's continuous service date for the purposes of the Employment Rights Act (1996) will be the new NHS start date (*the date the employee returned to work after retirement*).
- 5.9.5 For employee's who have reached their normal retirement age, and who wish to retire and return, there is no restriction on the number of hours they can work (up to full time) however, employees who take early retirement may not earn more with their pension and returning salary than they were earning before retirement.

## **6. MAKING AN APPLICATION FOR NORMAL, VOLUNTARY EARLY OR FLEXIBLE RETIREMENT**

- 6.1 Any employees wishing to make an application to retire should complete the Application for Retirement Form<sup>1</sup>. Applications must be completed and returned to the HR Department Whalley, **at least 4 months** before the date of retirement. All applications must state which option is being applied for. Only one option can be selected or altered within each application.
- 6.2 Each application will be considered by a Senior Manager from the service area in which the employee is based, and a HR Manager/Advisor. Consideration will be given to the individual circumstances of the application, and any workforce planning or service implications of the request. The applicant will be informed, in writing, whether their request has been approved, rejected or amended within 21 days, and this decision will be made in accordance with the overriding objectives of the Trust's obligations for that service. Successful applications must be approved by the Head of Service.
- 6.3 Successful applications will normally result in the offer of a renewable fixed term contract of between 6 and 12 months. Further fixed term contracts may be offered after a suitable interval and at the discretion of the Trust. It is an express condition of the flexible retirement plan that the employee will not have an enforceable legal option to renew any fixed term contracts and that termination of any fixed term contract can occur at any time during that contract if the Trust operation requirements mandate such a termination.

## **7. APPEAL**

If an application is unsuccessful, employees will have the right to invoke the Trust's HR2 Grievance Procedure.

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<sup>1</sup> Application for Retirement Forms are available on G:\Common Tools\HR Forms\Pensions & Retirement  
Procedure No. 9.22 v7.0 Dated: 04/11/16  
Retirement Procedure  
(Trust Wide)  
Review Date: 04/11/17  
Equality Impact Assessment completed:

## 8. RETIREMENT GIFT AND BUFFET

- 8.1 As recognition of service, the Trust shall arrange for a retiring employee to receive a retirement gift of High Street vouchers to the value of £150.00 and buffet. Eligible employees will need to have worked for the NHS for at least 20 years, which need not be continuous.
- 8.2 A retirement buffet for up to 25 people can be provided on-site by the Trust's restaurant. If an employee prefers to have a retirement party off-site, the Trust will contribute £100 towards the cost of catering (*excluding alcohol*) provided the necessary receipts are obtained.
- 8.3 The retirement gift and buffet must be claimed within 3 months of the retirement date.
- 8.4 Employees who have aggregated NHS service of 30 years or over may also be entitled to a Long Service Award (*currently £150.00 High Street vouchers*) if this has not previously been claimed.

## 9. EMPLOYEES SUPPORT MECHANISMS

- 9.1 The Trust recognises that employees may not be familiar with the various options available and may require further information before deciding which option best suits their needs. Further information is available from: [www.nhsbsa.nhs.uk/pensions](http://www.nhsbsa.nhs.uk/pensions) or [www.nestpensions.org.uk](http://www.nestpensions.org.uk).
- 9.2 It is important that employees have full knowledge of the financial impact and pension implications involved. Details of pension entitlements can be obtained from the Payroll Department.

**NB: The Trust's Human Resources Department is able to provide employees with basic information on pension options but is not able to offer advice.**

- 9.3 The Trust accepts that it has a contractual duty to inform employees of any changes to their pension entitlement. The Trust will respond to this duty by publicising changes in pension entitlement via team briefings and on the Trust's Intranet site. Details of pension entitlements and other changes may also be obtained from the NHSPA. ~~the ELFS.~~
- 9.4 The Trust is not able to bring to the attention of each individual employee details of all changes in that employee's terms of service. All employees must take responsibility for making reasonable efforts to acquaint themselves with the information that may be disseminated by the Trust in the course of their employment.

## 10. NHS RETIREMENT FELLOWSHIP

All staff who are approaching retirement are encouraged to join the NHS Retirement Fellowship. The NHS Retirement Fellowship is a registered charity with 190 branches throughout the UK. Staff who are about to retire or have retired are eligible to join together with their spouses. The main objective of the fellowship is to promote the welfare and interests of retired staff and each branch organises its own activities to suit the requirements of its members.

For further details please contact:-

NHS Retirement Fellowship  
Central Office  
Forston Clinic  
Charminster  
Dorchester  
DORSET  
DT2 9TB

Tel: 01305 361317

## 11. EQUALITY AND DIVERSITY STATEMENT

Mersey Care NHS Foundation Trust Whalley is committed to ensure that, as far as it is reasonably practicable, the way we provide services and the way we treat our staff, reflects their individual needs and does not discriminate, directly or indirectly, against individuals or groups on the basis of their protected characteristics.

The Trust does not believe that this procedure represents a significant advantage/disadvantage to any individual or group of individuals on the basis of their protected characteristics and confirms that the arrangements set out within the procedure are acceptable/objectively justifiable by reference to the requirements of the Trust or the needs of the service.

The Trust will regularly review this document, however, should you feel that the procedure requires amendment prior to the review date outlined (*on the cover page*), or represents a potential source of advantage/detriment to you or another individual or group based upon protected characteristics, please make representations to the Equality and Diversity Lead to enable the Trust to consider whether an amendment may be required.

Should a member of staff or any other person require access to this procedure in another language or format please contact the Equality and Diversity Lead.

## VERSION CONTROL SHEET

Version	Date	Author	Status	Comment
1.0	21.7.09	P. Robinson-Kerr	Draft	Circulated for comments
1.1	10.8.09		Draft	Comments incorporated via Policy/Procedure Committee
1.2	28.8.09		Approved	Policy/Procedure Committee approval – issued at Team Brief
2.0	14.3.11	L. Seed	Draft	Circulated for comments
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5.0	4/9/14	L Seed	Draft	Review
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6.0	18/8/15	L Seed	Draft	Annual Review
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