

# Retirement Policy and Procedure

## Ratification Process

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**Cambridgeshire & Peterborough CCG  
Retirement Policy and Procedure**

**Document Control Sheet**

<b>Development and Consultation:</b>	This policy was developed by the CCG HR team and consulted upon with senior managers and staff representatives. This policy has been approved through the Joint Consultation and Negotiating Partnership (JCNP).
<b>Dissemination</b>	All new and updated policies and procedures are notified to senior managers via email for dissemination to their staff. Notification is also sent to all staff via the bi-weekly staff newsletters.
<b>Implementation</b>	All staff and managers. Line managers have an additional duty to authorise in accordance with the policy.
<b>Training</b>	The CCG HR team will organise to inform managers of this policy.
<b>Audit</b>	The CCG HR Team will hold a database of all policies and a reminder will be sent when a policy is due for renewal.
<b>Review</b>	This policy will be reviewed by the CCG HR Team and JCNP every two years, unless an earlier review is required e.g. due to changes in legislation or in NHS direction.
<b>Links with other documents</b>	This policy should be read in conjunction with:  CCG Flexible Working Policy CCG Equal Opportunities Policy CCG Managing Sickness Absence and Attendance at Work Policy and Procedure CCG Grievance Policy and Procedure

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**Revisions**

<b>Version</b>	<b>Page/Para no</b>	<b>Description of change</b>	<b>Date approved</b>
2	Page 6, section 3.7	Inclusion of information regarding notice required by NHS Pensions	10/07/2018
2	Page 8, section 7.3.4.1 and Page 13, appendix 1	Employees retiring and returning to employment with the CCG must have a two week break between employments	10/07/2018
2	Page 8, section 7.3.4.3	Inclusion of information about NEST Pension Scheme	10/07/2018
2	Page 9, section 7.3.4.5	Amendment to approval process for Retire and Return Option; requires approval by Establishment Control Panel	10/07/2018

# Cambridgeshire & Peterborough CCG Retirement Policy and Procedure

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## **Cambridgeshire & Peterborough CCG Retirement Policy and Procedure**

### **1. Introduction**

Cambridgeshire and Peterborough Clinical Commissioning Group (CCG) is committed to ensuring all employees retiring from the CCG are aware of the choices available to them and are given the facilities to make proper preparation for their retirement in accordance with equal opportunities and statutory requirements.

### **2. Purpose & Scope**

2.1. The CCG Retirement Policy and Procedure applies to all employees directly employed by the CCG.

2.2. Under current legislation employers may use a fixed retirement age in only limited circumstances where it would be a proportionate measure to achieve a legitimate business aim. The CCG considers that it does not require a fixed retirement age, or employer justified retirement age for its employees, although the CCG may review this decision at a future date.

2.3. The CCG believes in providing excellence and quality in all its services, in treating people fairly and with respect and dignity, being patient focused and working locally to become an employer of choice. The CCG aims to be honest and trustworthy, making sound decisions. These values and beliefs will apply in the application of this policy and procedure.

### **3. General Principles**

3.1. This policy sets out the retirement planning procedure that managers and staff must follow when considering the option of retirement.

3.2. The policy sets out the alternatives leading up to formal retirement through flexible retirement options including step down, wind down, retire and return and draw down.

3.3. There is no right to retire and return to work. A return to work will depend upon the business need in each individual case.

3.4. The CCG is committed to a positive approach to equality and diversity in employment of staff and operates a flexible retirement age, which means the decision about whether and when to retire is a matter for each member of staff. The CCG is committed to employing a diverse workforce.

3.5. When considering retirement options employees should bear in mind the potential impact on their pension.

3.6. The provisions of Section 16 of NHS Terms and Conditions will apply to employees retiring early on grounds of redundancy.

3.7. Employees should bear in mind that NHS Pensions requires 4 months' notice of any request for payment of pension benefits.

#### **4. Retirement Age**

4.1. The CCG operates a flexible retirement policy without any set retirement age.

4.2. The CCG recognises the contributions of a diverse workforce including the skills and experience of older employees.

#### **5. Retirement Options and the NHS Pension Scheme**

5.1. Employees wishing to fully retire from work must resign from their employment, giving the appropriate contractual notice. They will be expected to take all accrued annual leave prior to their leaving date.

5.2. Employees who have contributed to the NHS Pension Scheme will qualify for retirement benefits from the NHS Pension Scheme at age 60 if they have opted for the 1995 Section and age 65 if they are in the 2008 Section. Employees may however continue working and making contributions into the pension scheme up to age 75.

5.3. For certain groups of staff with Special Class status the NHS Pension is payable at the age of 55, if they request it. These groups are:

- a. Nurses
- b. Health Visitors
- c. Midwives
- d. Physiotherapists
- e. Occupational Health Nurses
- f. Mental Health Officers (employees before 6 March 1995 with 20 years' service at age 55)

5.3. Female members with Special Class status are entitled to retire with benefits from age 55 provided that their last 5 years' membership is in one of these jobs.

5.4. Male members in any of these jobs can retire from age 55 provided that their last 5 years' membership is in one of these jobs. However, their benefits will only be based on their membership from 17 May 1990. Benefits for membership before that date will not be paid until age 60, unless they choose to retire early voluntarily and take a reduction in those benefits.

5.5. Special Class status only applies to those who were members of the scheme employed as a nurse, midwife, physiotherapist or health visitor before 6 March 1995 and who have not had a break of five or more years of pensionable NHS service.

5.6. Full details of the NHS Pension Scheme can be accessed on this website:  
[www.nhsbsa.nhs.uk/pensions](http://www.nhsbsa.nhs.uk/pensions).

## **6. Early Retirement Options**

6.2. Employees may choose to take early retirement under the NHS Pensions Scheme's Voluntary Early Retirement Scheme. This can be from the age of 50 for employees in the 1995 Section and from age 55 within the 2008 Section. Benefits may be reduced to cover the extra cost of receiving a pension for longer.

## **7. Flexible Retirement Options**

7.1. The CCG recognises the benefits of offering the opportunity of flexible retirement. To this end staff may or may not wish to claim their NHS Pension at this point but may wish to exercise the choice of full or part time working, working in a different capacity or in a less demanding role.

7.2. There may be implications for their NHS Pension for staff who change their working arrangements. Employees are recommended to seek advice from the Serco Pensions Team before they make any changes.

7.3 Requests to continue to work may include:

### **7.3.1 Step down**

7.3.1.1 An employee who does not want to leave work altogether but instead wishes to continue in a less demanding role can request to step down to a lower banded post. Where such requests are made the employee must also provide their intended date of retirement and plans will commence on that basis.

7.3.1.2 Approval of a request to "step down" is at the organisation's discretion and the decision will be based on the organisational need to retain operationally critical skills. The employee will be advised to seek advice from the Serco Pensions Team regarding the impact of step down on their pension benefits.

7.3.1.3 There will need to be a suitable role which is available or a range of duties at a lower level which is required to be performed to enable this option to be pursued. The employee would have to apply for the vacant role and be successful at interview; the employee would not be slotted into a lower banded role, nor would they be provided preferential treatment over other applicants. The line manager will need to seek approval via the CCG Establishment Control Process, giving details of the existing role and the proposed role which the flexible retiree will occupy.

7.3.1.4 In a step down arrangement pension benefits can be frozen at a higher salary band and further pension service can be accrued in the lower graded job until the date of retirement.

### 7.3.2 **Wind down**

An employee can request to reduce their working commitments by “winding down” in the lead up to retirement by reducing their working days or contractual hours. The employee would need to request a reduction in their contracted working hours by submitting a completed Flexible Retirement Request Form to their line manager, which can be found in appendix one.

### 7.3.3 **Draw down**

An employee may wish to take part of their pension benefits whilst continuing in NHS employment. This option is known as Draw down and is available to members of the 2008 Section of the NHS Pension Scheme. Employees wishing to take this option should contact the Serco Pension Team in the first instance. Employees should bear in mind that NHS Pensions requires 4 months’ notice of any request for payment of pension benefits.

### 7.3.4 **Retire and Return**

7.3.4.1 An employee may request that they retire and commence receiving pension benefits and come back to work on reduced hours in the same or a changed capacity after a short break. If the request is agreed, there must be at least a two week break between employments, to include a minimum 24 hour break in pensionable employment to satisfy the requirements of the NHS Pension scheme. For those retiring from the 1995 Section there will be a maximum of 16 hours per week working time during the rest of the first month after retirement. After that time, weekly working hours can be increased without affecting the employee’s pension. Alternatively there may be a break of one calendar month and the return to work can be on more than 16 hours per week.

7.3.4.2 Individuals returning to employment with the CCG are not permitted under NHS Pension Scheme rules to pay further contributions into the NHS Pension Scheme while working, at the same time as being paid accrued benefits. In addition, in accordance with section 16.6 of the NHS Terms and Conditions of Service Handbook reckonable service for redundancy or mutually agreed resignations schemes cannot include any service which has been taken into account for the purposes of pension benefits.

7.3.4.3 Individuals returning to employment who are no longer eligible to pay into the NHS Pension Scheme will automatically be enrolled into the NEST Pension Scheme. Employees can opt out of the NEST pension scheme once they have received their welcome pack from NEST.



- 7.3.4.4 Approval to retire and return is at the discretion of the CCG, and the following factors will be considered:
- a. ability to reorganise work among existing staff;
  - b. burden of additional costs;
  - c. detrimental effect on ability to meet customer demand;
  - d. inability to recruit additional staff;
  - e. additional costs, detrimental effects on the business;
  - f. detrimental impact on quality and performance;
  - g. the advantages of retaining valued skills and knowledge in the workforce;
  - h. the advantages of employing a diverse workforce;
  - i. promoting flexibility in work patterns and creating further capacity within the workforce.
  - j. Potential savings through reduced employer contributions to pension.
- 7.3.4.5. All requests for flexible retirement should be submitted by the employee to the line manager for their consideration. The employee's line manager will need to seek the approval of the appropriate director before submitting to the CCG Establishment Control Panel for approval. Where the Establishment Control process is uncomfortable with the proposal either in terms of use of public money or impact on CCG reputation the request will be referred to the Terms of Service & Remuneration Committee.
- 7.3.4.6. Once the Retire and Return application has been approved, the Line Manager will be notified by the Establishment Control Panel. The Line Manager will need to ensure a P4 Leavers Form is submitted to Serco, and a P2 New Starter Form, which reflects the minimum two week break from employment, is also submitted to Serco.
- 7.3.4.7. If the retire and return application is supported by the line manager and appropriate Director, but not approved by the Establishment Control Panel, the employee should submit an appeal in writing to their line manager who will submit as a grievance in line with the CCG Grievance Policy and Procedure.

- 7.4. All employees should take advice about their pension entitlement from Serco Pension Team before making a decision to retire. Employees should bear in mind

that NHS Pensions requires 4 months' notice of any request for payment of pension benefits, therefore any requests to take flexible retirement should be made well in advance of the proposed retirement date, or date of retire and return.

## **8. Pre-Retirement Training**

8.1. From time to time, the CCG will arrange pre-retirement training events to give practical information about pensions and retirement.

## **9. NHS Retirement Fellowship**

The NHS Retirement Fellowship is the social, leisure, educational and welfare organisation for retired NHS employees and their partners. It is made up of over 200 branches across the country. Further details are available from <http://www.nhsrf.org.uk/>

## **10. State Retirement Pension**

Entitlement to a state retirement pension begins at the State Pension Age. The government is processing changes to the state retirement age and pension. Employees should check their own personal position with the Department for Work and Pensions. Further information about state pensions and retirement age can be found here: <https://www.gov.uk/browse/working/state-pension>

## **11. Roles and Responsibilities**

11.1. Employees are responsible for:

- a. Discussing their plans with their line manager and providing written confirmation of their wish to retire in accordance with their contractual notice period;
- b. If the employee is a member of the NHS Pension Scheme: giving four months' notice of their intention to retire to enable pension payments to be calculated and arrange payments to avoid a delay in the pension being paid;
- c. To engage fully with their manager in pre-retirement discussions to enable service continuity and succession planning;
- d. Making an application for a flexible retirement through their line manager;
- e. Managing their pension by maintaining contact with the CCG Pensions Advisor at Serco via [contactemploymentservices.asp@serco.com](mailto:contactemploymentservices.asp@serco.com) or by telephone on 0800 0181 990.

11.2 Line managers are responsible for:

- a. Considering all requests for flexible retirement options fairly and providing written reasons for declining requests within two weeks of receipt;

- b. Act promptly on receiving requests for retirement, including seeking appropriate Director approval and submitting requests to the Establishment Control Panel for approval, and feeding back any outcomes to the employee;
- c. Completing the appropriate P forms to enable employees requesting retire and return. This includes a P4 Leavers Form and a P2 New Starter Form to enable the employee to draw their pension.

11.3 Human Resources staff are responsible for:

- a. Providing advice and support to managers and employees in the practical application of this policy;
- b. Monitoring the policy and its application. Updating the policy in line with national, legislative and good employer practices.

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**Appendix 1 – Flexible Retirement Request Form**

**Part one – to be completed by the employee**

<b>Full Name</b>	
<b>Work email address</b>	
<b>Contact telephone number</b>	
<b>Job Title</b>	
<b>Base Location</b>	
<b>Line Manager</b>	
<b>Start Date with the CCG</b>	
<b>Start Date in the NHS</b>	
<b>Please state which flexible retirement option you are requesting</b> (circle as appropriate)	<b>Wind down</b>  <b>Step down</b>  <b>Retire and return</b>  <b>Draw down</b>
<b>Other and/ or Further information</b> (please provide details regarding your preferred retirement option, including timescales, reduction in hours etc, as appropriate)	

<b>Date of proposed change</b>	

**Declaration**

I have read and understood the CCG Retirement Policy and Procedure. I understand that I should speak to the pensions' provider and/ or seek independent financial advice on pension implications with regard to my choices.

I understand that if I request to retire and return, my application will not automatically be approved and it is at the discretion of the CCG to approve my application based on the criteria set out in the CCG Retirement Policy and Procedure.

I understand that my application to retire and return to work is approved, I will have a minimum break of two weeks between my retirement date and the date I return to work for the CCG and my reckonable service for redundancy or mutually agreed resignation schemes cannot include any service which has been taken into account for the purposes of pension benefits.

Signed ..... Date .....

**Please keep a copy for your own records, send the original to your line manager and provide a copy to the OD & HR team at [CAPCCG.recruitment@nhs.net](mailto:CAPCCG.recruitment@nhs.net) so it can be considered by the Establishment Control Panel.**

**Once approved the line manager will be notified, so that the employee can action as necessary with the Pension team at Secro.**

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**Appendix 1 – Flexible Retirement Request Form**

**Part Two – to be completed by Line Manager**

<b>Approval for flexible retirement option / working pattern to be implemented</b>	
<b>Has approval been provided?</b> (delete as appropriate)	<b>Yes / No</b>
<b>Line Manager Name</b>	
<b>Line Manager Job Title</b>	
<b>Director Name</b>	
<b>Director Signature</b>	
<b>Date approved by Director</b>	
<b>If approval has not been provided, please state objective reasons below:</b>	

Please note, if a request is not approved an employee may appeal the decision. If an employee wishes to appeal the Establishment Control Panel decision, the employee should submit their appeal in writing to their line manager who will take it through the CCG Grievance process in line with the CCG Grievance Policy and Procedure.

Once completed, please send a copy of this form to [CAPCCG.recruitment@nhs.net](mailto:CAPCCG.recruitment@nhs.net) so the request can be reviewed by the Establishment Control Panel.