

Retirement Policy

Policy reference – HR008

SUMMARY	This policy provides information and a framework to support employees who wish to retire or take flexible retirement and to assist Line Managers to manage and support those employees who wish to retire or take flexible retirement.
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This policy has been aligned to Greater Huddersfield and North Kirklees CCGs in light of shared staff working across the CCGs.

THIS POLICY HAS BEEN SUBJECT TO AN EQUALITY IMPACT ASSESSMENT

VERSION CONTROL SHEET

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1. POLICY STATEMENT

- 1.1 This policy is designed to assist employees who are considering or have taken the decision to retire and outlines the options available and support that can be expected. The policy provides –
- Clear guidance for Line Managers and employees in relation to retirement and flexible retirement options.
 - It ensures that both Line Managers and employees are aware of the different retirement and flexible retirement options within the NHS Pension Scheme and any associated arrangements.
 - It ensures that there is a consistent approach to retirement and requests for flexible retirement across the CCG.
- 1.2 The policy provides a summary, and does not replace information provided at a national level by the NHS Pension Scheme. Individuals should liaise with NHS Pensions in relation to their specific circumstances.

2. PRINCIPLES

- 2.1 In line with Government regulations, all eligible employees will automatically be enrolled in the NHS Pension Scheme, unless they choose to opt out. If any member of staff wishes to opt out, they must complete the opt out form available on the NHS Pensions website: <http://www.nhsbsa.nhs.uk/pensions>
- 2.2 As specified below, some staff are not entitled to be enrolled in the NHS Pension Scheme. However, the Pensions Act 2008 requires the CCG to automatically enrol certain individuals into a secondary pension scheme. The CCG offers the National Employment Savings Trust scheme (NEST) for this purpose. This includes staff who are already in receipt of an NHS pension, or those who are already enrolled in NHS pensions in another NHS organisation, for instance Bank staff.
- 2.3 The CCG does not operate a compulsory retirement age. However, the CCG will adhere to any national changes relating to pensions and retirement.
- 2.4 When considering retirement options employees should bear in mind the potential impact on their pension. To know what scheme they are in, employees should refer to the Total Rewards Statement (TRS) which provides an annual benefit statement and can be accessed online via the Electronic Staff Records (ESR) employee self-service portal. A TRS is a personalised summary that shows employees their reward package, including basic pay, allowances and pension benefits for NHS Pension Scheme (NHPS) members.
- 2.5 In line with regulations, the CCG, its employees, partners or service providers, can provide information in relation to pensions, but cannot provide advice. If employees need pension's advice, it is recommended that they seek this through an Independent Financial Advisor. A list of advisors can be found at www.unbiased.co.uk or www.findanadvisor.org. The CCG cannot accept any responsibility for any advice provided through accessing such services. Many Trade Unions also have links with financial advice services. It is recommended that staff check that their Advisor is registered with the Financial Conduct Authority (FCA).

- 2.6 The provisions of Section 16 of NHS Terms and Conditions will apply to employees retiring early on grounds of redundancy. The minimum retirement age for members of the NHS Pension Scheme – 1995 section is 50, except for staff who joined on or returned to the scheme after 6 April 2006 for whom the minimum retirement age is 55. The minimum retirement age for members of the 2008 section and the 2015 scheme is 55.
- 2.7 A new NHS Pension Scheme was introduced with effect from 1 April 2015 for all new starters and all section 1995 and 2008 members without any protection. This is known as the 2015 Scheme.
- 2.8 The normal retirement age for pension purposes is:
- Members of the 1995 section age 60 (special class and Mental Health Officer is 55);
 - Members of the 2008 section age 65;
 - 2015 scheme - a person's State Pension Age (SPA).
- 2.9 Nurses who were members of the NHS Pension Scheme prior to 6th March 1995 may hold Special Class Status. If they do then they may retire at 55.
- 2.10 Employees considering retirement, particularly flexible retirement, should discuss their plans initially with their Line Manager at an early stage, to allow for planning.
- 2.11 Information on retirement options and benefits is available from the Payroll and Pensions team or NHS Pensions www.nhsbsa.nhs.uk/pensions. Contact details for Payroll and Pensions are available on the workforce intranet.
- 2.12 Employees should bear in mind that NHS Pensions require 4 months' notice of any request for payment of pension benefits.
- 2.13 Flexible retirement requests will be considered in line with the procedure set out in the Flexible Working Policy.
- 2.14 Members who have scheme membership accruing from 1 April 2008 are no longer subject to the pensionable earning cap. However, those who were subject to the cap in respect of some or all of their membership before that date, who are buying added years or an unreduced lump sum under an agreement starting before 1 April 2008, will have the additional contributions only (such as added years) assessed in line with a notional earnings cap. Where it is relevant the national cap must be applied to the relevant additional voluntary contributions even when actual NHS income did not exceed the cap before 1 April 2008.
- 2.15 If any individual is unsure about their pension status, they should contact NHS Pensions: www.nhsbsa.nhs.uk/pensions or the Payroll and Pensions team. Full details relating to pension schemes can also be found on the NHS Pensions website.

3. RESPONSIBILITY

3.1. Good working relations are vital for the CCG to operate successfully and provide services. There is a joint responsibility for management, trade unions and employees to accept the responsibility of working together on issues in good faith and with the shared intention of facilitating good working relations.

3.2. Line Managers

It is the responsibility of all Line Managers to ensure that this policy is applied fairly to all, irrespective of any protected characteristic detailed within the Equality Act 2010, and to have discussions in line with the guidance in the policy with staff concerning retirement.

3.3. Employees

It is the responsibility of the employee to ensure that they:

- Are aware of the policy and request retirement options in accordance with it;
- Are aware of the potential impact on their pension and are strongly encouraged to seek independent advice and information during the planning period and before making a decision regarding retirement.

3.4. Human Resources

The key responsibilities for Human Resources are:

- To devise a policy and procedure relating to retirement and to ensure that the policy and procedure is maintained and updated accordingly in line with any organisational or legislative changes;
- To provide ongoing support for all Line Managers in dealing with the management of retirement;
- To provide support in the application of the policy in individual cases, where regulations allow.

4. SCOPE

4.1 The policy applies to all employees of the CCG and is mainly specific to those employees who are members of the NHS Pension Scheme.

5. EQUALITY STATEMENT

5.1 In applying this policy, the CCG will have due regard for the need to eliminate unlawful discrimination, promote equality of opportunity, and provide for good relations between people of diverse groups, in particular on the grounds of the following characteristics protected by the Equality Act (2010); age, disability, sex, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, carers and sexual orientation. A consistent Equality Impact Assessment is used for all policies and procedures.

6. ACCOUNTABILITY

6.1 The Chief Officer is accountable for this policy.

7. IMPLEMENTATION AND MONITORING

- 7.1 The Remuneration Committee is responsible for the formal approval of this policy. Following approval, the policy will be disseminated to staff via internal communication methods and available through the staff intranet.
- 7.2 The policy and procedure will be reviewed periodically by the HR Team in conjunction with Trade Union representatives. Where review is necessary due to legislative change, this will happen sooner.

8. FLEXIBLE RETIREMENT OPTIONS

- 8.1 Flexible retirement provides flexibility regarding the age at which an employee retires, the length of time it takes to retire and the nature and intensity of work in the lead up to final retirement. It assists the organisation by retaining the skills of employees who are approaching, or are at retirement age and provides a greater choice for employees.

The NHS Pensions Agency currently has three pension schemes:

- **1995 Section**
- **2008 Section**
- **2015 Scheme**

- 8.2 Flexibilities within the NHS Pension scheme can enable members to take a different approach to retirement. These flexibilities must be discussed between an employee and Line Manager to reach an agreement about how they will be applied on an individual basis is in line with this guidance and the appropriate process. *For a summary of some of these options please refer to appendix 1 and appendix 3 for the pension scheme rules.*
- 8.3 The Pensions team should be contacted if further information is needed about the flexibilities within each scheme.

9. PROCEDURE FOR FLEXIBLE RETIREMENT OPTIONS

- 9.1 In the first instance any employee wishing to apply for any of the flexible retirement options referred to or detailed above should discuss this with their Line Manager. Following initial discussions the Pensions Officer should be contacted to verify current details of a member's contributions and to obtain information of the financial implications for a flexible option for the member.
- 9.2 If the employee decides to apply for flexible retirement they should submit a formal request in writing to their Line Manager (under the Flexible Working Policy where appropriate). The CCG would then review the request and try to reach a solution that would:
- a) Meet the needs of the individual.
 - b) Ensure service requirements are maintained.

9.3 Giving Notice of Retirement

9.3.1 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. Employees should also consider that NHS Pensions requires 4 months' notice of any request for payment of pension benefits.

9.4 Pre-retirement Wind Down (existing post) - Wind down (applies to the 1995, 2008 & 2015 scheme)

9.4.1 Staff can request to 'wind down' to retirement by remaining in their current post but reducing the number of hours or days they work. This is as an alternative to retiring where for example an employee works fewer days or hours in their current post. If working part time, the rate at which the pension is built up will be affected.

9.4.2 Wind down Process

9.4.3 In order to request to 'Wind Down' employees should complete the Retirement Notification Form (appendix 2) to notify the Line Manager of their intentions before making any decisions about their retirement or flexible retirement options. In addition to this the employee must submit a formal request via the Flexible Working Policy to consider any changes to their current post and submit the necessary documents to change their hours through their Line Manager.

9.4.4 The form should be submitted providing a minimum of four months to allow the Pensions team to process any documents via the NHS Pension Scheme and obtain further guidance where necessary.

9.5 Pre-retirement Step Down (less demanding role) - Step down (applies to the 1995, 2008 & 2015 scheme)

9.5.1 Employees can request to 'step down' to a different role, for example reducing the level of responsibility while remaining in NHS employment. This supports the organisation to retain the individual's skills and experience while supporting the staff member to approach retirement. This is an alternative to retiring and employees can take on a less demanding and lower banded post which still makes use of their skills and experiences.

9.5.2 If a change in role is agreed; the employee will be paid the appropriate rate for that post. If there is a reduction in working hours also, the employee will be paid pro rata to hours worked.

9.5.3 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 and Members will need to contact NHS Pensions directly for advice regarding the process.

9.5.4 When the 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.

9.5.5 Step Down Application Process

9.5.6 Employees should usually secure an alternative role via the normal recruitment process. In addition to this the employee should complete the Retirement Notification & Control Form (appendix 2) to allow the Pensions team to process any documents via the NHS Pension Scheme and obtain further guidance where necessary providing a minimum of four months' notice. Due to the different provisions of the three pension schemes, there will be a different impact on final pension benefits so guidance should be sought from the Pensions team before considering this option.

9.6 Draw Down (partial retirement) - Draw Down (applies to the 2008 & 2015 scheme)

9.6.1 Members can take part of their pension benefits and continue in NHS employment. This means that staff can continue working while benefitting from being able to partially draw down their pension benefits and supplement their income. This option is available for those in the 2008 and 2015 part of the scheme and a number of rules apply. To do this the employee must have reached at least the minimum retirement age of 55 and have reduced their pensionable pay by at least 10%. Between 20% and 80% of pension entitlement may be taken and pension membership will continue to build up. Pensionable pay must remain reduced for at least a year otherwise eligibility to a pension will cease. Benefits can be drawn down twice before final retirement.

9.6.2 Draw Down Application Process

9.6.3 Employees can access Draw Down via either:

- The Flexible Working Policy or;
- By securing another post through the normal recruitment process.

9.6.4 In addition to this if a draw request is submitted via the Flexible Working Policy, the employee must submit a formal request to consider any changes to their current post and submit the necessary documents to change their hours through their Line Manager.

9.6.5 If the draw request follows a recruitment process, the recruiting manager will be responsible for submitting the necessary recruitment documentation in the usual way.

9.6.6 The employee should complete the Retirement Notification & Control Form (appendix 2) to allow the Pensions Department to process any documents via the NHS Pension Scheme and obtain further guidance where necessary providing a minimum of four months' notice.

10. Normal Age Retirement

10.1 There is no set contractual date on which an individual is obliged to retire. The normal age retirement age will often, although not necessarily, be linked to the age the employee receives their state pension or the date under the NHS Pension Scheme when the individual's pension benefits become due, on age grounds. Normal pension age is the age that you can retire from NHS employment and have your pension paid without any reductions.

10.2 Normal Retirement Notification Process

The employee must notify their Line Manager of their intentions in writing by completing the Retirement Notification & Control Form (appendix 2) of their decision to retire and their intended retirement date.

- 10.3 A notice period of at least 4 months for those in the NHS Pension Scheme or the contractual notice period for non-pension scheme members must be given to process any pension documents via the NHS Pension Scheme and the Pensions team.
- 10.4 Line Managers will also need to ensure that the employee takes all their annual leave before their retirement. (If this is not done correctly this may result in the employee's pension and lump sum being paid incorrectly and could change the date an employee is allowed to work in the NHS).
- 10.5 The Line Manager should acknowledge, in writing, receipt of the retirement letter within 10 working days.

11. Retire and Return to Work

- 11.1 Under the provisions of the NHS Pension Scheme, employees have the option to retire from service and take all their pension benefits before returning to NHS employment. However, there is no **automatic right** for a retiree to return to their current or different role on a full or part time basis. Any applications will take into account current and future workforce requirements and considered in line with the Department of Health's guidance for Re-employment of Staff in Receipt of NHS Pension Scheme benefits. Further information can be accessed through the following link -
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/634529/NHS_retire_and_return_guidance.pdf
- 11.2 Where a Line Manager considers that a retire and return is in the best interests of their service then they must obtain approval from the Head of Service within that function subject to them meeting the following criteria:-
- The requirement for the post can be filled through 'retire and return' in light of cost improvements pressures;
 - Any employee re-instated has a satisfactory performance and attendance record in line with CCG policy. This can be demonstrated through appraisal records and level of attendance over the last 12 months. Due consideration will be given to staff where absence is disability related;
 - The hours proposed can be accommodated to meet business needs;
 - Succession planning/ longer term workforce plans for the post and team and impact this will have on the team.
- 11.3 On receipt of the formal request to retire and return the Line Manager should meet with the employee within 14 days but in exceptional circumstances within 28 days to advise the employee of the outcome of their request and confirm the decision in writing. Where the decision has been to refuse the return then the employee must be offered a right to appeal.
- 11.4 Employees considering this option, who have NHS Pension Scheme membership prior to 5th April 1997, must request the Guaranteed Minimum Pension (GMP) check from the Pensions Officer in the first instance. Retirement cannot go ahead unless the GMP check has been passed.

11.5 Retire and Return Application

Employees considering this option, and who wish to return to employment with the organisation, must make their request in writing to their Line Manager 4 months before the planned retirement date by completing the Retirement Notification and Control Form (appendix 2). The request must include the proposed retirement date and when and in what capacity, the individual will return to work afterwards.

11.6 Retire and Return - Approval

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 business needs. All retire and return requests must be formally approved and recorded. The Line Manager will be expected to complete and submit the termination form along with the completed Retirement Notification and Control Form (appendix 2) to the Payroll and Pensions team so that they can process this in time.

As this option will mean that the employee is being re hired with a break in service, the Line Manager is expected to complete the necessary establishment control form (provide an updated job description where applicable), along with a completed appointment form.

In some circumstances consideration to a change of role is permitted (e.g. nursing) where there have been recurrent vacancies or continuous recruitment campaigns to fill vacancies. 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.

11.7 Retire and Return - NHS Employment Checks

Employees who retire and return are in effect new starters within the CCG as they are being re-employed as a new employee following a break in service. The previous ESR record will be used to rehire the employee as part of this process and the Recruitment Team will liaise with the payroll service and Pensions Department in order to manage this and where necessary liaise with the manager and employee regarding any gaps or out of date records.

It is a condition of the retire and return process that all employment checks and where relevant to the post DBS checks (Disclosure Barring Services Check) are cleared and updated in ESR prior to official retirement date. Failure to ensure this may result in a delay with the start date.

11.8 Retire and Return - Induction and Mandatory Training

Employees who retire and return are not required to undergo their induction training if they are returning to their previous job role. If however they are returning to a different job role, a local induction plan will be required. It is an obligation of the NHS Pension Scheme that members obtain a Guide to the NHS Pension Scheme. Scheme guides are no longer handed out. Members are asked to download a copy from <https://www.nhsbsa.nhs.uk/nhs-pensions>

It is also a pre-requisite of the retire and return process that the employee ensures that their mandatory training record is up to date at the point of retirement. Failure to ensure this may result in a delay with the start date and the requirement to undertake a local Induction on day one of returning to work following retirement. Line Managers and employee members can check their mandatory training record by using the self-service functionality on ESR.

All employees returning to work following retirement will continue to be expected to discuss their mandatory training and future career plans and aspirations on an on-going basis with their Line Manager in the same way as all other employees.

11.9 Retire and Return -

- 11.9.1. All employees who return to work following retirement will be engaged on a new employment contract, conditional to the normal pre-employment checks before a contract of employment can be issued.
- 11.9.2. If a member holds Special Class status and takes benefits in full at age 55, they are responsible for monitoring their earnings following the required break. Their pension and re-employed earnings combined cannot exceed the amount a member earned prior to retiring. This is the case until they reach age 60. If the earnings exceed this amount then the pension is abated until the correct level is attained.
- 11.9.3. 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. Members of the 1995 section must work less than 16 hours per week within one calendar month of retirement, and/or be under the normal retirement age, to avoid their pension being suspended. This restriction does not apply to members of the 2008 or 2015 section.
- 11.9.4. Employees who are in receipt of any earnings related protection will lose that protection on their return to work following the break in service.
- 11.9.5. Once an employee retires and receives their pension benefits in relation to their NHS service, this service will no longer be counted as 'reckonable' for redundancy purposes. Where an employee takes their pension benefits and returns to work at the CCG, reckonable service will begin from the date of return to employment after the break in service. In this situation, the employee's contract with the organisation is terminated on the agreed date of retirement. Re-employment is on a new contract.
- 11.9.6. Employees who retire and take their pension benefits before returning to work will not be able to re-join the NHS Pension Scheme. However, they may be eligible to be a member of the National Employment Savings Trust (NEST). It is the responsibility of the individual employee to take advice as to whether joining a different pension scheme e.g. NEST is a suitable option. In some cases, the CCG will be required by law to auto-enrol individuals into NEST, and the individual will be advised by the Pensions team, if this is the case.

12. Voluntary Early Retirement (VER) - (applies to the 1995, 2008 & 2015 scheme)

- 12.1 This is a feature in the NHS Pension Scheme and involves the reduction of benefits which would otherwise be paid at the normal age retirement due to the fact that they are being taken early. This option can be taken at age 50 in the 1995 part of the NHS Pension Scheme or age 55 in the 1995 (if joined the scheme after April 2006), 2008 and 2015 part of the scheme.

An employee may opt to take VER at any time from the minimum pension age applicable to the scheme they are, or have been, a member of provided they have at least 2 years membership. The minimum retirement age is 50 for members of the NHS Pension Scheme - 1995 section, and 55 for members of the NHS Pension Scheme - 2008 section. For employees who joined the NHS Pension Scheme – 1995 section for the first time on or after 6th April 2006, or previously left the Scheme before 31st March 2000 with deferred benefits and re-joined on or after 6th April 2006, the minimum retirement age is 55.

- 12.2 The Pensions team do not provide pension estimates. The guidance from NHS Pensions is that a member accesses their TRS and applies the early retirement reduction factors which can be found in the table held on the website under the Members Hub. An up to date estimate will be included with the retirement application. Final figures will be calculated by NHS Pensions. Employees considering VER, who have NHS Pension Scheme membership prior to 5th April 1997, must request the Guaranteed Minimum Pension (GMP) check from the Pensions Officer in the first instance. VER cannot go ahead unless the GMP check has been passed.
- 12.3 To leave employment due to voluntary early retirement the employee 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. If a pension is taken early, this will normally be reduced, because it is being paid early and for longer than if you had retired at your Normal Pension Age. The amount of the reduction depends on how many years before the Normal Pension Age the pension is being claimed.

12.4 Voluntary Early Retirement Notification Process

- 12.5 The employee must notify their Line Manager in writing by completing the Retirement Notification & Control Form (appendix 2) of their decision to retire and their intended retirement date. A notice period of at least 4 months for those in the NHS Pension Scheme or the contractual notice period for non-Pension Scheme members must be given to process any pension documents via the NHS Pension Scheme and the Pensions team.
- 12.6 Line Managers will also need to ensure that (If this is not done correctly this may result in the employee's pension and lump sum being paid incorrectly and could change the date an employee is allowed to work in the NHS).
- 12.7 The Line Manager should acknowledge, in writing, receipt of the retirement letter within 10 working days.

13. Redundancy and Early Retirement

- 13.1 If an employee is made redundant and are eligible to do so they may choose to take early retirement with an unreduced pension. In this instance they will receive immediately the value of their qualifying pension benefits at the point of redundancy. Should this result in the pension being reduced, the employee can choose to fund the value of the shortfall.

14. Late Retirement - (applies to the 2008 & 2015 scheme)

- 14.1 Employees who remain in employment beyond the normal retirement age, and remain in the NHS Pension Scheme, may continue to earn benefits to age 75 or until they reach 45 years membership. There are no provisions to increase benefits for members of the 1995 section if they are paid late. Members of the 2008 section will have any pension earned before age 65 increased to take account of the fact that it is being paid later than the normal retirement age.

15. Ill Health Retirement

- 15.1 When an employee becomes incapable of carrying out their duties on a permanent basis, and no reasonable adjustments can be made or suitable alternative employment secured. The employee may wish to apply to NHS Pensions for retirement on the grounds of ill-health. This option is only available to employees who have two years continuous pensionable NHS service.

To be considered for ill health retirement a staff member of any age, full time or part time, must have:

- At least two years' membership of the NHS Pension Scheme and the;
- Support for ill health retirement from either the CCG's Occupational Health Department or their own GP/consultant who would need to provide this support via Occupational Health.

- 15.2 If an application for ill-health retirement is made, this constitutes a mutual decision that the employee is unable to fulfil their contractual obligations due to their ill-health condition and therefore a termination date will be agreed between the individual and their Line Manager.
- 15.3 There are two tiers of ill health retirement and the benefits an employee receives will depend on whether or not they are capable of undertaking employment elsewhere. The minimum pension age does not apply in the case of ill health retirement.
- 15.4 Where ill-health retirement is identified as an option, the employee will be provided with an estimate of pension benefits via the Pensions Officer. The application must be made on the appropriate form which is available from the NHS Pensions Agency.

- 15.5 Medical Advisers, appointed by NHS Pensions, will assess the available medical evidence and will confirm whether the employee is permanently incapable of carrying out either their present NHS duties or any regular work. A Tier 1 or enhanced Tier 2 pension may be paid dependent upon this decision. Further information may be obtained from a HR representative in the first instance. Line Managers should refer the employee to Occupational Health without delay in all cases where an individual employee is suffering either from a physical or mental ill health condition that means they are incapable of carrying out their full duties to the required standard either permanently or for some considerable time, or from a declining physical or mental health condition that they are becoming incapable of meeting the requirements of their job. Line Managers should liaise with HR, who will advise on any implications and responsibilities under the Equality Act 2010 and the best way forward in individual cases.
- 15.6 The CCG cannot apply for ill health retirement on behalf of the individual but will assist individuals in their application process and employees and Line Managers.

15.7 III Health Retirement Notification Process

- 15.7.1 Employees and Line Managers should refer to the Managing Sickness Absence Policy on the ill health retirement process. In addition to this the Pension's team should be contacted for advice and guidance or by submitting the Retirement Notification & Control Form (appendix 2).
- 15.7.2 The Pensions team may be able to request an estimate in cases where a terminal illness prognosis has been made, or in exceptional cases and this should be done as early as possible as it could take up to 4 months to process pension documents via the NHS Pension Scheme.

16. Breaks in service

- 16.1 In accordance with this document where approval has been granted to re-employ an individual following their retirement, a new contract of employment will be issued to the employee following the minimum break in service detailed in the table below.
- 16.2 The employee must take a break in NHS employment of **two weeks**. This break does not affect accrued entitlements to occupational sick pay and contractual annual leave as detailed in the Agenda for Change Terms and Conditions of employment.
- 16.3 If an employee has previously been given pension benefits, any employment that has been taken into account for the purposes of those pension benefits, will not count as reckonable service for the purposes of NHS redundancy pay or future pay protection. In accordance with this guidance the CCG requires the following breaks in service:

Option	Route	Break in Service Required
Wind Down	Flexible Working Policy	No break in service required
Step Down	Open Recruitment Process	No break in service required
Draw Down	Flexible Working Policy	No break in service required
Draw Down	Open Recruitment Process	No break in service required
Normal Age Retirement	N/A	N/A
Voluntary Early Retirement	N/A	N/A
Ill Health Retirement	Managing Sickness Absence Policy	N/A
Retire & Return	Retirement Guidance	Two week break in service required
Late Retirement Enhancement	N/A	N/A
Early Retirement Reduction Buy Out	N/A	N/A

17. Recruitment to a vacant position following retirement

- 17.1 Where a request to come back to another job is made (Step Down or Retire & Return), this should normally be done via an open recruitment process. The Recruiting Manager must ensure the individual has the necessary skills, experience, values and behaviours for the new role which can be accessed via an informal interview.

18. Special Class Status

- 18.1 Certain groups of staff who were members of the NHS Pension Section before 6 March 1995 are known as the special classes. They are: Nurses, Physiotherapists, Midwives, and Health Visitors. Mental Health Officers (MHOs) also need to fulfil certain criteria to retire at the age of 55.
- 18.2 Female members of the special classes are entitled to retire with benefits from age 55, provided that their last 5 years membership prior to retirement is in one of these jobs. Men in any of these jobs can retire from age 55 provided that their last 5 years membership prior to retirement is in one of these jobs, but their benefits will only be based on their membership from 17 May 1990. Benefits for membership before that date will be paid as voluntary early retirement unless the NHS Pensions Agency is advised by the member what benefits at the age of 60.

18.3 Special class status will not apply to anyone who starts working in one of these jobs for the first time on or after 6 March 1995. Further information; please refer to the NHS Pensions website to obtain a Guide to the NHS Pension Scheme. If a member's retirement age on the TRS is age 55, this indicates the member holds Special Class status.

19. Support and Training

19.1 The CCG recognises that planning for retirement can be complex & often difficult to know where to go for information and support. Employees can seek support and counselling through the Employee Assistance Programme, but the CCG is unable to provide advice to employees.

Appendix 1 - Retirement Flexibilities

<p>Step down</p>	<p>Staff can step down to a different role, for example, to reduce the level of responsibility while remaining in NHS employment. Applicable to 1995 section, 2008 section and 2015 scheme</p>
<p>Wind down</p>	<p>Staff can wind down to retirement by remaining in their current post but reduce the number of hours or days they work. Applicable to 1995 section, 2008 section and 2015 scheme</p>
<p>Retire and return</p>	<p>Members can request to retire, claim their pension benefits and then return to NHS employment. The Department of Health have released guidance to help employers put policies in place to consider applications from staff. Applicable to 1995 section, 2008 section and 2015 scheme</p>
<p>Draw down</p>	<p>Members can take part of their pension benefits and continue in NHS employment. Applicable to 2008 section and 2015 scheme</p>
<p>Late retirement enhancement</p>	<p>Members can retire later than their normal pension age and have their pension benefits increased. Applicable to 2008 section and 2015 scheme</p>
<p>Early retirement reduction buy out (ERRBO)</p>	<p>Members or employers can pay additional contributions to buy out the reduction applied to the member's pension if they retire before their normal pension age. Applicable to 2015 scheme</p>

Appendix 2 - Retirement & Flexible Retirement Notification Form

This form should only be used for the following changes: Retirement leavers, individuals requesting any form of retirement including retire and return cases in accordance with the Retirement Guidance 2016.

In order to process pensions documents and to access your pension, this form should be completed in advance of the retirement date (notice periods provided below) to ensure the necessary forms have been processed in a timely manner.

Section A – Retiring Employee’s Current Details			
Surname:		Forenames:	
Job Title:		Band/Grade:	
ESR Assignment No:		Department:	
Section B – Employee’s Contact Details			
Home Address:			
Email:			
Telephone Number:			
Section C – Retirement Leaving Date			
Retirement date (Last Day of Employment if applicable)			
Termination Form completed:			
Section D – Retirement Description			
Retirement option or retirement reason	Wind Down (minimum 4 months’ notice + flexible working application) Step Down (minimum 4 months’ notice + normal recruitment process) Draw Down (minimum 4 months’ notice + flexible working application or normal recruitment process) Normal Age Retirement (minimum 4 months’ notice) Voluntary Early Retirement (minimum 4 months’ notice) Ill Health Retirement + attendance management process (minimum 4 months’ notice) Retire & Return Application (minimum 4 months’ notice) – see section G and H		
Destination on leaving (if applicable):			
Name of new NHS organisation (if applicable):			

Section E – Additional Payments to be made (if applicable)		
Outstanding worked public holidays:		Hours
Outstanding annual leave:		Hours
Time owing: (i.e. worked hours in excess of paid contractual hours):		Hours
Section F – Deductions to be made (if applicable)		
Overtaken annual leave:		Hours
Time owed: (i.e. contracted hours which have been paid but not worked)		Hours
Section G – Retire & Return Applications only		
Will the employee be returning to their current position?		
If yes, please go to Section H, if no, please detail below the position you would like to return to:		
New Job Title:		New ESR Position Number:
New Cost Centre		New Band / Grade:
Is a DBS required for this position?		
If Yes, DBS is required please confirm level of check		
Will the request include a change in the contracted hours or current working pattern?		
If Yes, please detail below the changes you would like to make:		

Section H – Retire & Return Declaration

EMPLOYEE RETIRE & RETURN DECLARATION

*I understand that my application will be considered at the discretion of my Line Manager in accordance with the needs of the service. I understand that I will need to take a break in service and that it is a prerequisite of the Retire and Return process that my mandatory training and employment checks are all up to date at the date of my retirement and if this is not the case I will forfeit my ability to return. I also confirm that all existing data and personal details recorded on ESR are correct (i.e. Address, bank details etc.)****

Employee Declaration:	Name:	
	Email:	
	Date:	
	Break in Service required (length)	
	Mandatory training** Up to date:	
	Employment checks*** up to date:	

Section I – Additional Comments

Section I - Senior Manager Confirmation/Approval

Manager Approval	Name:	
	Email:	
	Date:	

Retire & Return requests must be approved by a Head of Service of the CCG.

For audit purposes the completed form should be placed and retained on the employee's personal file.

* Flexible working application or normal recruitment processes must be followed up with the appropriate documents and paperwork to process the new change.

Section J – For Office Use - Pensions and Payroll team

Date received in Pensions and Payroll team	
Date sent to Workforce team to process	
Date sent to Recruitment team to process	

Section K – For Office Use – Recruitment team

Date received in Recruitment team	
Name of person processing application	
NHS employment checks standard - Identity	
NHS employment checks standard - Right to Work	
NHS employment checks standard - OH	
NHS employment checks standard - DBS (if applicable)	
NHS employment checks standard – professional registration (if applicable)	
Mandatory training record up to date?	
Date ESR record updated	
Date new contract Issued	

Appendix 3 - Pension Scheme Rules

	1995 Section	2008 Section	2015 Scheme
Minimum pension age (MPA)	50 for members who joined before 6 April 2006 and have not had a break of 5 years or more. 55 for members who joined on or after 6 April 2006.	55	55
Normal pension age (NPA)	60 (55 for Special Class Members/MHOs)	65	In line with member's state pension age
Ability to return to pensionable employment	Not permitted except for: i) Members who retired on ill health grounds and return to NHS employment before age 50. ii) active members who retired between 1 April 2008 and 30 September 2009 are eligible to re-join the 2008 Section following a waiting period of either – a) 2 years from the date of retirement; or b) the length of any enhancement * received if longer than 2 years.	i) active members who retired between 1 April 2008 and 30 September 2009 from the 1995 Section following a waiting period of either- a) 2 years from the date of retirement; or b) the length of any enhancement received if longer than 2 years. Permitted if the 2008 section protection conditions are satisfied, up to the maximum membership limits. If the protection conditions are not satisfied the member may join the 2015 Scheme.	Permitted up to age 75 without any limits on years of membership.
Minimum break in employment to qualify for payment of pension benefits	24 hours	24 hours	24 hours
Waiting period	N/A	As detailed above	N/A

Pension suspension	Pension payments are suspended if the member works more than 16 hours per week in the first calendar month after claiming their pension. (Does not apply to ill health retirement).	N/A	N/A
Abatement *Abatement occurs when a member's pension is reduced because of re-employment after retirement. For pensions which are paid under 'special class status' rules in the 1995 section of the NHSPS abatement applies when the post-retirement salary plus pension exceeds the pre-retirement salary. For those pensions in payment following ill-health or redundancy, the pension is abated on the 'unearned or enhanced element'	Applies to enhanced pensions on return to work before NPA.	Applies to enhanced pensions on return to work before NPA.	Applies to enhanced pensions on return to work before NPA.

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/634529/NHS_retire_and_return_guidance.pdf

Appendix 4 - Equality Impact Assessment

Title of policy	Retirement Policy		
Names and roles of people completing the assessment	Tazeem Hanif (HR Business Partner) Kym L Brearley, Equality and Diversity Advisor		
Date assessment started/completed	March 2018	04.04.2018	
1. Outline			
Give a brief summary of the policy	To provide information and a framework to support employees who wish to retire or take flexible retirement and to assist managers to manage and support those employees who wish to retire or take flexible retirement.		
What outcomes do you want to achieve	To retain the skills of employees of retirement age through various flexible options while allowing them to gradually move towards retirement.		
2. Analysis of impact			
This is the core of the assessment, using the information above detail the actual or likely impact on protected groups, with consideration of the general duty to; eliminate unlawful discrimination; advance equality of opportunity; foster good relations			
	Are there any likely impacts? Are any groups going to be affected differently? Please describe.	Are these negative or positive?	What action will be taken to address any negative impacts or enhance positive ones?
Age	Yes, this policy affects older employees of the CCG approaching minimum retirement age (50 years old and above depending on the particular pension scheme).	Positive	This policy provides positive options within the procedures of the NHS Pension Scheme for older employees and is a proportionate means of achieving a legitimate aim. The policy provides relevant information.
Carers	Yes, older carers are potentially more likely to apply for flexible retirement options in order to reduce working hours and support caring arrangements.	Positive	This policy provides positive options within the procedures of the NHS Pension Scheme to support older employees that need flexible retirement options, potentially to utilise the time for personal circumstances. Flexible Working and Special Leave Policies which may support carers of all ages are in place.

Disability	Yes, disabled employees with certain impairments are potentially more likely to apply for ill health retirement if their health deteriorates.	Positive	This policy allows for an ill health retirement application if suitable alternative employment cannot be agreed. Flexible Working, Special Leave and Sickness Absence Policies are also in place to support employees with a disability in the workplace.
Sex	Yes - Female members of 'special classes' are entitled to retire with benefits from age 55, provided that their last 5 years membership prior to retirement is in one of these jobs. Men in 'special classes' can retire from age 55 provided that their last 5 years membership prior to retirement is in one of these jobs, but their benefits will only be based on their membership from 17 May 1990.	Negative	This is determined by NHS Pensions rules and regulations, over which the CCG has no influence or control.
Race	No	No	No
Religion or belief	No	No	No
Sexual orientation	No	No	No
Gender reassignment	No	No	No
Pregnancy and maternity	No	No	No
Marriage and civil partnership	No	No	No
Other relevant group	Although the same rules for being considered for ill health retirement apply to full time or part time workers this does not have a disproportionate impact on either group.	Neutral	No

4. Monitoring, Review and Publication			
If any negative/positive impacts were identified are they valid, legal and/or justifiable? Please detail.	Mitigating actions are identified for most groups who are adversely affected. For age, the adverse impact can be justified as a proportionate means of achieving a legitimate aim The policy is applicable to all employees and adheres to the NHS Litigation Authority Standards, statutory requirements and best practice. Makes all reasonable provision to ensure equity of access to all employees.		
How will you review/monitor the impact and effectiveness of your actions	Will monitor the impact and effect of the above policy by feedback within HR at team meetings and policy development meetings and also analysing flexible retirement applications. Will also liaise with Pensions team for feedback.		
Lead Officer	Tazeem Hanif	Review date:	01.04.2021
5. Sign off			
Lead Officer	Kym L Brearley		
	Date approved:	04.04.2018	