

Livewell Southwest

Retirement Policy

Version No 2.2

Review: January 2025

Expires: June 2025

Notice to staff using a paper copy of this guidance

The policies and procedures page of LSW intranet holds the most recent version of this document and staff must ensure that they are using the most recent guidance.

Author: People and Professionalism

Asset Number 55

Reader Information

Title	Retirement Policy V2.2
Asset Number	55
Rights of Access	Public
Type of Paper	Policy
Category	Non-Clinical
Document Purpose/Summary	The policy describes the circumstances in which employees can retire. This policy aims to promote flexible retirement and increase the options available to staff, increasing the number of staff working past traditional retirement ages.
Author	People and Professionalism
Policy Author's Manager	Dawn Slater, Director of People and Professionalism
Ratification date and group	June 2022. Virtual Policy Ratification Group.
Publication date	28 th July 2023
Review Date and Frequency	May 2021. Three years after publication, or earlier if minor changes are required.
Disposal Date	The Policy Ratification Group will retain an e-signed copy for the archive in accordance with the Retention and Disposal Schedule, all copies must be destroyed when replaced by a new version or withdrawn from circulation.
Target Audience	All Livewell Southwest employees
Circulation	Electronic: Livewell Southwest (LSW) intranet and website (if applicable) Written: Upon request to the Policy Co-ordinator at livewell.livewellpolicies@nhs.net Please contact the author if you require this document in an alternative format.
Stakeholders	Current and potential Livewell employees
Consultation Process	HR Policy Group Staff Side Colleagues & JCCN
Equality Analysis Checklist completed	Yes
Is the Equality and Diversity Policy referenced	NA
Is the Equality Act 2010 referenced	No
Associated Documentation	N/A
Supersedes Document	All Previous versions
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Document Version Control

Version No.	Type of change	Date	Originator of change (Name and job title)	Description of change
For previous review history please contact the PRVG Co-ordinator.				
1.6	Full Review	May 2018	HR Policy Group	Full review and additional clarification of types of return.
1.7	Minor Change	December 2018	HR	Additional info on long service awards.
1.8	Minor Change	June 2019	Workforce Policy Group	Remove fixed term contract reference and Flexible Retirement requests to be made under the Flexible Working Policy
1.9	Minor Change	August 2019	HR Administrator	Minor amendment made.
1.10	Extension	April 2021	HR Administrator	Extension
1.11	Extension	November 2021	Associate Director of HR & Engagement	Extension
2	Reviewed	June 2022	Deputy Director of People	Minor changes
2.1	Minor Change	February 2023	People Relations Advisor	Update re change in pension rules - removal of 16 hour rule upon retire and return
2.2	Minor Changes	May 2023	People Relations Advisors and Payroll and Pensions Advisor	Update to reflect all 3 pensions within in LSW

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Retirement Policy

1. Introduction

- 1.1 This policy aims to promote flexible retirement and increase the options available to staff. It recognises that there can be a variety of approaches and the options described here are not exhaustive. What is important is that the organisation will seek ways of accommodating the aspirations of staff where this fits in with the needs of the business.
- 1.2 Livewell Southwest is committed to fairness and equity and values diversity in all aspects of its work as a provider of health and social care services and as an employer of people. We constantly strive to build a workforce that is representative of the community it serves.
- 1.3 Livewell Southwest is committed to eliminating all forms of discrimination on the grounds of age, disability, gender reassignment, marriage / civil partnership, pregnancy maternity, race, religion or belief, sex and sexual orientation in the provision of our services and in recruitment and employment. This enables an environment that is characterised by dignity and respect which is free from harassment, bullying and victimisation.
- 1.4 Whilst this is a guide the organisation has provided for employees we would advise you contact your individual pension provider for accurate and current information relating to your pension.

2. Purpose

The purpose of this policy is to provide a consistent and equitable process for staff retiring from Livewell Southwest.

3. Definitions

3.1 Age Discrimination

- 3.1.1 What is age discrimination? Age discrimination is when someone's age is used as the basis for employment decision, including retirement decisions. Age discrimination or ageism as it is sometimes referred to tends to occur when assumptions about people's ability and competence are made based on their age, supported by stereotypes, prejudices and myths.
- 3.1.2 Age discrimination is something everyone can relate to – we all have an age.
- 3.1.3 Livewell Southwest expects that all employees will challenge and change age discrimination wherever and whenever it exists.
- 3.1.4 Age harassment and victimisation is unlawful and will result in disciplinary action.

3.2 Contractual Position

- 3.2.1 Livewell Southwest has no set retirement date.
- 3.2.2 Staff can elect to retire at a date of their choosing.
- 3.2.3 Pensionable age is the age at which staff can draw their state or workplace pensions.
- 3.2.4 Livewell Southwest recognise Employees pay into to a number of pension providers including; NHS Pension, Scottish Widow and Local Government.

3.3 Pension Rules

3.3.1 NHS Pension

- 3.3.2 The rules of the NHS Pension Scheme are determined by the Secretary of State for Health (represented by the NHS Pensions Agency and not the organisation). The scheme is currently under review and the following may change. There are various schemes with different rules.
- 3.3.3 Members of the scheme can retire at any time after the age of 50 and apply for early pension. The amount due is actuarially reduced according to a set table. The scheme allows (subject to certain rules of re-engagement) employees in receipt of a pension to re-engage in NHS employment. In the case of 'step down' pension may be preserved at the higher salary.
- 3.3.4 Employees are strongly advised to ensure they have received appropriate pensions advice before agreeing any contract changes. The contact details can be found in Section 16.
- 3.3.5 Employees who are members of the NHS Pension Scheme before 1 April 2008 can retire at 60 and claim their full pension (of 55 if you have special class status). Employees who joined the NHS Pension Scheme on or after 1 April 2008 have a normal pension age of 65.

3.4 Scottish Widows

- 3.4.1 Employees with Scottish Widows can start taking their pension from the age of 55. However in 2028, the age from which you can normally take pension benefits is changing from 55 to 57. Links can be found in section 16 for further guidance and contact details.

3.5 Local Government Pension Scheme

- 3.5.1 This scheme's normal retirement age is now linked to your State Pension Age for both men and women. Employees can retire and draw their benefits for all kinds of reasons and at all kinds of ages. Colleagues may retire and draw their benefits from anywhere between age 55, right up to the eve of your 75th birthday. Links can be found in section 16 for further guidance.

4. Duties & responsibilities

4.1 The **Chief Executive** is ultimately responsible for the content of all policies, implementation and review.

4.2 Line Managers are responsible for:

- Ensuring that this policy is adhered to within their specified area, and should take consideration of it when undertaking relevant processes.
- Ensuring that employees are made aware of this policy and understand the potential implications of processes in relation to it.

4.3 Employees must:

- Ensure that they participate and engage in any processes and in line with this policy.
- Make their Manager aware if they require any additional support to participate in processes within this policy.

5. Flexible Retirement - The Options

5.1 Employment Break/Come Back

5.1.1 Retirement need not be a sudden shift from working to not working.

5.1.2 Retirement planning including options for flexible retirement is an important issue especially as we have some groups of staff who can retire as early as 55. Personal circumstances also come into play when considering retirement options.

5.1.3 We hope that the initiatives promoted below are a sensitive and imaginative approach to encouraging older staff not to leave work earlier than planned.

5.1.4 Further information on Employment Breaks can be found in the Career Break Guidance on the Intranet and within the Agenda for Change Handbook (Section 34) Employment Break Scheme.
<https://www.nhsemployers.org/publications/tchandbook>

5.2 Wind Down

5.2.1 As an alternative to retiring completely, staff can request to wind down by working fewer days, or hours, in their existing post. The employee can agree with the line manager to reduce hours within the same post. This agreement could be on a permanent or trial basis, with an annual review. A trial should last no longer than six months.

5.2.2 This should only be considered on the request of an individual but consideration must be given to the needs of the service before it is approved.

- 5.2.3 Reducing working hours could result in a reduced level of membership to your Pension Scheme. For details please contact your pension provider for further details should this be something you are considering.

5.3 Draw Down

5.3.1 Employees wishing to draw down must consult their pension provider:

NHS <https://www.nhsbsa.nhs.uk/member-hub>

Scottish Widow www.scottishwidows.co.uk/gppae/

Local Government [Peninsula Pensions - Helping you get the most out of retirement](#)

From 1st October 2023 staff in the NHS pension 1995 scheme will be able to draw down their pension. Please consult the nhs website as above.

5.4 Step Down

5.4.1 Staff who would like to reduce the pressure and responsibilities they have in their current role can request to step down into a less demanding and lower graded post, which still makes use of their skills and experience. An employee who is over the minimum retirement age and a member of the NHS Pension Scheme **on or before the 1st April 2008** can request a transfer to a post carrying less responsibilities and at a lower salary banding (same hours or less), providing the employee meets the person specification of the alternative post. They will be given priority status and will either slot-in or have an interview.

5.4.2 The reduction in pay must be at least 10% and the employee has to apply for the higher rate of pay to be protected for pension purposes within 15 months of their pay reducing. Employees can only apply for this once.

[N.B Priority status in these circumstances is lower than another employee at risk of redundancy or who needs to be moved for health reasons].

5.4.3 In the first instance please discuss this option with your line manager. All employees are advised to contact their pension provider to discuss the impact of this on their pension.

5.5 Retire and Return

5.5.1 The decision to allow an employee to retire and return to work is discretionary and the organisation will only give its agreement to allow a return to work following retirement where the supporting manager can provide the evidence detailed in Section 5.5.3

5.5.2 An employee can request to retire, receive their Occupational Pension and come back to work part-time Please contact your pension provider to discuss this

5.5.3 To support the application the manager must write a business case which must demonstrate that they have considered the following:

- (i) Longer term workforce / service plans for the post and team and how the "retire and return" request fits with this.
- (ii) Was the request addressed in the Workforce Plan?
- (iii) If not in the Workforce Plan, can the request be readily accommodated without significant effect?
- (iv) Will the request, if granted positively or adversely affect the development of other staff and succession planning?
- (v) Are the skills and experience of the individual employee important to retain?
- (vi) Do you have documented concerns about the individual's performance, absence or conduct?
- (vii) The employee's competence (skills, knowledge and experience) against the essential requirements of the post;
- (viii) Is the proposal economically viable? Most requests will involve a reduction in hours. Reducing to below half of full time hours per week may not be cost effective.
- (ix) Whether the hours proposed can be accommodated / meet service needs.
- (x) Will agreement compromise present and future cost saving plans.

5.5.4 The individual can request to come back to their existing job or other suitable employment, not necessarily at the same band of their existing job.. There is no restriction in the amount of hours that can be worked upon returning

5.5.5 If the request to retire and return is agreed, in order for employees to receive their pension the current contract(s) of employment must be terminated. The member of staff must have at least an eight day break before commencing the new contract which includes the minimum 24 hours break in pensionable employment to satisfy local requirements.

5.5.6 A new contract will be issued and this will be the current terms and conditions offered by the organisation. This break in service will not affect the individual's annual leave and sick pay position but will affect continuous service for the purposes of determining eligibility for redundancy pay. Managers will work with recruitment team to ensure the new contract is issued

5.5.7 Employees will be required to complete new starter paperwork and return as per standard recruitment process

6. The Flexible Retirement Process

Where an employee takes a flexible option of retirement and receives pension benefits, any past employment may not count as reckonable service for the purposes of redundancy payments. Employees should refer to the guidance within the Agenda for Change Handbook which refers to continuous service and redundancy and seek more detailed advice from the NHS Pension Agency, Scottish Widows or the Local Government Pension Scheme before making important decisions about retirement.

If an employee wishes to take a flexible retirement option, the Flexible Working policy must be adhered to.

[Flexible Working Policy.docx \(sharepoint.com\)](#)

Please note that Appendix A - Application for Change in Work Pattern, can be found on page 14 of this policy.

7. Advice

- 7.1 Before contemplating retirement employees should take advice from any or all of the following: Line Manager, Trade Union Representative, HR Manager, Independent Financial Adviser, Relevant Pensions Agency and Shared Business Services.
- 7.2 Line Managers should consider requests for career breaks, wind down and step down, retire and come back, but should seek advice from HR Manager when they are considering refusing a request.
- 7.3 No requests received from staff to flexibly retire will be approved or refused unless the application has been through the full approval process. This also applies for the review meetings.

8. Independent Financial Advice

Managers should encourage their staff to seek independent financial advice before embarking on flexible retirement to ensure that they have sufficient information to make an informed decision before reducing hours of work or salary. A list of Independent Financial Advisors can be found in the Yellow Pages, Telephone Directory under Financial Advisors or call the Financial Conduct Authority (<https://www.fca.org.uk/>).

9. State Pension Forecast and Guide

- 9.1 Staff wishing to obtain a personal State Pension Forecast should contact The Pensions Service requesting (Form BR19) Application for a Retirement Pension forecast online at: <https://www.gov.uk/check-state-pension>
- 9.2 Staff should quote their National Insurance Number which is shown on payslips. You can get a State Retirement Pension forecast if you are more than four months away from State Pension Retirement age. our forecast will tell you in today's money values:
- The amount of Basic State Pension you have earned already
 - The amount of Basic State Pension that you can expect at state pension age based on what you have earned already and what you might earn before you retire.
- 9.3 Your forecast will also tell you if there is anything you can do to improve your Basic Pension.

10. Retirement

NHS Pension

When a member wishes to retire they need to contact a Pensions Advisor at Shared Business Services and complete the necessary paperwork giving four months' notice. (Appendix C)

Scottish Widows

When a member wishes to retire they need to contact Scottish Widows directly and complete the necessary forms.

Local Government

When a member wishes to retire they need to contact Peninsula Pensions directly and complete the necessary forms.

All colleagues must advise their line manager of their intention to retire giving 3 months notice.

Managers Expectations

- Managers will support colleagues with completion of paperwork/forms as required, this may involve verifying ID
- Managers will consider and support with any applications for retire and return when required (section 5.5)
- Managers will complete a termination form (when needed)
- Managers to complete the long service award where appropriate (section 13)

11. Lost Touch with an Old Non-NHS Pension?

- 11.1 Staff who have lost touch with a previous non-NHS Pension when changing jobs should contact the Pensions Tracing Service (PTS), part of the Department for Work and Pensions. The PTS provides a free tracing service. They hold details on more than 200,000 occupational pension schemes and some personal pension schemes too, although they do not know whether the individual has any pension rights with a particular scheme and they do not hold details about who belongs to a pension scheme but what they will do is give staff an up-to-date name and address to help them make contact with a pension somewhere where they think they may have benefits.
- 11.2 Staff who think they may have lost touch with a non-NHS Pension Scheme or just want to check out whether they ever contributed to a previous employer's pension scheme should give the PTS a call and ask for Form PT1 05/06. Their contact details are:

Pension Tracing Service online: <https://www.gov.uk/find-pension-contact-details>

12. Dispute

In the event that the employee is unhappy with the application of this policy they can involve LSW's Grievance Policy.

13. Retirement Award

- 13.1 Livewell recognises the service and commitment of employees when retiring from employment. Therefore the organisation is pleased to continue supporting long service awards for all employees with 15, 20, 30+ years continuous service.
- 13.2 Eligibility for a retirement award is based upon continuous service within NHS services as recorded on the central Electronic Staff Record. For those in Adult Social Care who transferred into Livewell, this information has been updated to reflect any prior service with local government at the point of transfer.
- 13.3 Eligibility for the retirement award is based upon the service up to the termination / leaving date. The retirement award is intended as an employee benefit for those retiring from employment and leaving the organisation, or retiring and returning therefore those leaving and taking up other roles will not be eligible. It will be made to an employee who retires from Livewell Southwest in the following circumstances:
- Retirement on or after reaching pensionable age
 - Early retirement as a result of organisational change
 - Early retirement in the interests of the efficiency of the service
 - Early retirement on the grounds of ill-health at age 50 or over. Special consideration will be given to individual cases of ill-health retirement under the age of 50

13.4 The line manager is responsible for preparing the Retirement Award Application and submitting this to HR, once reviewed by HR this will be processed by Finance for payment of the eligible award. Line managers should liaise with the staff member regarding their preference for either gift vouchers or salary payment (subject to usual tax deductions). It will only be payable on one occasion.

- 13.5 Eligible awards are:
 15-20 years' service = £100
 20-30 years' service = £200
 30+ years' service = £300

14. The Farewell Party

Some staff will welcome a farewell celebration, some will not. Either way it is the individual we are valuing not their age. Any celebration is a local arrangement to the unit/ward/service where the employee worked.

15. Review

This Policy will be reviewed two yearly or earlier if there is a change in evidence.

16. Where to Go for Advice

Internal Contacts

Payroll and Pensions Advisor	(01752) 436355
HR Team	(01752) 434163
Trade Union Office	(01752) 434450

External Contacts

NHS Pensions Agency (Members Helpline)	0300 3301 346 https://www.nhsbsa.nhs.uk/member-hub
Shared Business Service Pensions Advisor	0303 123 1144
Pensions Tracing Agency (for Non NHS Pensions)	https://www.gov.uk/find-pension-contact-details
Local Government	Peninsula Pensions - Helping you get the most out of retirement
Scottish Widows	www.scottishwidows.co.uk/gppae/
Financial Conduct Authority (FCA) (For advice on Independent Financial Advisors)	https://www.fca.org.uk/
Employers Forum on Age	www.enei.org.uk
ACAS	www.acas.org.uk
Age UK	https://www.ageuk.org.uk/
Retired Staffs Association	http://www.nhsrf.org.uk/index.html

17. Training Implications

Line managers will be provided with training and coaching as required in relation to their duties within this policy.

18. Monitoring and compliance

The effectiveness of this policy will be monitored through the HR Policy Group.

All policies are required to be electronically signed by the Lead Director. Proof of the electronic signature is stored in the policies database.

The Lead Director approves this document and any attached appendices. For operational policies this will be the Head of Service.

The Executive signature is subject to the understanding that the policy owner has followed the organisation process for policy Ratification.

Signed: Director of People and Professionalism

Date: 5th July 2022

Appendix A

Application for Change in Work Pattern			
Name			
Assignment Number			
Job Title			
Work Base			
Date			
Have you made a previous request in the last 12 months?	Yes		No
Proposed Changes To Work Pattern <i>(please include as much detail as possible and the effective date)</i>			
How you feel that the change will affect the service area and how you feel that your manager can accommodate your request:			

Managers Decision (taking into account the whole service):

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If the request has not been granted the employee can appeal within 14 days of the outcome to the Manager's Manager and at any time seek advice from the HR Department.

	Employee	Manager
Name (please print)		
Signature		
Date		

Please ensure that a copy of this form is emailed to: livewell.hr-livewell@nhs.net to be held on the employee's personnel file.

**AUTHORITY FOR RETIREMENT AWARD
APPLICATION FORM**

Employee's Full Name:		Job Title:	
Locality:		Payroll Number	
Date of Appointment:		Work Base:	
Date of Leaving:		Is Employee Retiring & Returning?	YES / NO <i>Please delete as appropriate</i>
<u>MANAGER TO COMPLETE:</u>			
Form of Award <i>Tick <u>one</u> box only</i>			
<input type="checkbox"/> Direct Payment with Salary <i>(subject to usual tax deductions)</i> <input type="checkbox"/> E-code <i>(Activation code & e-number will be issued and staff can choose from a list of available suppliers using their allowance)</i>			Payment amount:
GL Code (budget code)			
Date of presentation <i>if known</i>			
I hereby certify that the above information is correct and authorise the retirement award in respect of the member of staff:			
Line Manager Name:			
Job Title:			
Signed:			
Date:			
<u>Payment Details</u>			
E-codes will be purchased in finance and issued to the recipient by email. Please supply recipient's nhs.net email address or personal email address if after leaving date (this is a required field).			
Email address:			
Costs are charged to the Service Budget and Managers must use their budget code plus 7490 to indicate retirement award costs.			

<u>HUMAN RESOURCES DEPARTMENT TO COMPLETE:</u>	
Total service up to date of retirement:	
From:	To:
Total Length of Service:	Years
Amount of Award Due:	£
Verified By:	
	(Human Resources Manager)
<u>FINANCE DEPARTMENT USE:</u>	
Award:	
Signed:	
Date:	

Retirement award is calculated as follows:
<ul style="list-style-type: none"> • 15-20 years' service: £100 • 20-30 years' service: £200 • 30+ years' service: £300 <p>Service has to be continuous with no breaks. Staff can opt to receive their award as either gift vouchers or salary payment (please note if you choose to have cash paid directly into your salary this will be subject to usual tax deductions)</p>

PLEASE FORWARD COMPLETED FORMS TO:

Livewell.HR-Livewell@nhs.net

Appendix C Retirement Process – NHS Pension

