



Coppice Junior School

Flexible Retirement Policy

Policy ratified and adopted by Full Governing Body: October 2022

Review frequency: Annually

Policy due for renewal: October 2023

Headteacher Mark Knowles _____ Date

Chair of Governors Jo Bromige _____ Date



SOLIHULL METROPOLITAN BOROUGH COUNCIL

Flexible Retirement Guidelines

SMBC can provide information in a range of different ways, for example via the use of large print, audio, summarising large documents, interpretation, translation and British Sign Language interpreting services.

If you require this information in an alternative format or need assistance because English is not your first language, please contact your line manager or nominated Human Resources Advisor in the first instance for further support.

FLEXIBLE RETIREMENT GUIDELINES

Current version: 3.3

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Approved by: CCNC, SWOW & Wellbeing Board

Review date: July 2024

Circulation: All employees / Intranet / Extranet

Document revision dates

Revision	Date	Revision description
3.1	26.11.2019	General update Added section 3 – Reducing Hours or Grade Added new paragraph in 4.3
3.2	April 2021	Additional wording on date of the week to start new arrangement in section 3 Clarification to paragraph 4.3 Additional wording in section 5 to include flexible retirement for employees in the NHS Pension Scheme
3.3	July 2022	<ul style="list-style-type: none">- Removal of the need to resign from the post if not reducing hours but taking a lower grade post.- Added employee needs 2 years' membership of LGPS to be eligible.- Added the need for the employee to consider the financial implications of taking flexible retirement.- Removed section on waiving the actuarial reduction of early release of pension- NHS pension now from age 55

FLEXIBLE RETIREMENT GUIDELINES

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1. Introduction

Solihull Metropolitan Borough Council is committed to having a flexible approach to retirement, which respects the skills, knowledge and experience of all employees, and recognises the benefits this can have both for the organisation and employees alike.

The benefits of flexible retirement are that the Council can retain expertise and experience within the workforce, while allowing the individual to reduce their immediate level of responsibility or workload. Flexible retirement also allows the Council to manage transition, train up suitable replacements or deliver specific projects. For the employee, flexible retirement provides a more gradual path to full retirement.

The regulations of the Local Government Pension Scheme (LGPS) allow employees aged 55 and over, who voluntarily reduce their grade and/or hours of work to receive their accrued pension benefits whilst remaining in employment. Employees can therefore receive their pension in addition to their salary which is reduced due to reductions for change of grade or hours. Employees can continue paying into the pension scheme building up further benefits if they wish. Any request for flexible retirement is subject to the agreement of the Council - it is not an automatic right.

As with Early Retirement, where an employee accesses their pension before State Pension Age, their pension and lump sum may be subject to an actuarial reduction. ⁽¹⁾

The Council processes personal data collected during the retirement procedure in accordance with its data protection policy. In particular, data collected as part of the retirement procedure is held securely and accessed by, and disclosed to, individuals only for the purposes of supporting an employee in their retirement.

¹ The rule of 85 may protect some or all of your benefits from the normal early payment reduction. To have rule of 85 protection you must have been a member of the LGPS on 30 September 2006. The rule of 85 is satisfied if your age at the date when you draw your pension plus your Scheme membership (each in whole years) adds up to 85 years or more. If you think you may have rule of 85 protection, then please seek further information and advice from West Midlands Pension Fund.

2. Scope

These guidelines apply to all employees of Solihull Council who are members of the Local Government Pension Scheme (LGPS). Further details are available in the LGPS documents:

- All about your retirement benefits or
- The essential guide to retirement benefits

These documents are available from the West Midlands Pension Fund at wmpfonline.com or lgps.org.uk

You can take your LGPS pension at any time from age 55 to 75, as long as you have met the two-year vesting period. You must take your pension by age 75.

It should be noted that the Government has announced the earliest age that you can take your pension will increase from age 55 to 57 from 6 April 2028. This will not apply to ill health retirements.

Where an employee is aged 55 or over and not a member of the Local Government Pension Scheme, they may wish to consider making an application for flexible working (see separate policy on Flexible Working).

3. Reducing Hours or Grade

In order to seek release of pension benefits, the reduction in an employee's hours must be by at least 25% or there must be a reduction in grade. Under this guidance, an employee can continue to work after accessing their pension without taking a break in service and without losing their continuous service.

Employees will receive the revised salary for the reduced hours and/or grade in addition to their pension benefits. In some cases, the combined salary and pension may amount to more than the employee previously earned.

Employees should note that changes to hours or grade are permanent.

It should also be noted that an employee's hours need to reduce from a Monday following flexible retirement so that part-time pay is calculated correctly for the week. This means that a flexible retirement date would need to start on a Sunday date.

Taking flexible retirement may impact on the value of your benefits, your rate of taxation, and other benefits under the LGPS such as ill-health, redundancy and death in service. Employees are therefore advised to take independent financial advice as to how flexible retirement will affect them, prior to making a request.

4. Procedure - application

4.1. The employee fills in an Application for Consideration for Flexible Retirement (Appendix A) up to Section A, outlining their request and passes the form to the line manager.

The line manager completes Section A of the form checking the following apply:

- the employee is aged at least 55 years of age,
- that the employee is a current member of the Local Government Pension Scheme and has at least 2 years' membership'
- that the employee wishes to reduce their hours by a minimum of 25%, or their grade

4.2 Having obtained the estimate of pension's benefits and costs to Solihull Council / school, the Manager/Headteacher should discuss the request with the Head of Service/Director/Chair of Governors and whether a formal request for flexible retirement can be shown to be in the interests of the Council/School, either financially or through efficiency savings. Every request should be considered by taking account of the whole range of relevant business factors and not just costs. The following should be taken into account when considering a request:

- Burden of any additional cost to the Council / school
- Effect on any ability to meet customer demand
- Ability to reorganise work amongst existing employees

- Ability to recruit additional staff
- Impact on quality
- Impact on performance
- Planned structural change

4.3 For information for managers about SMBC's [Early Leaver process](#), please see the HR Intranet/Extranet pages.

There is likely to be a cost to the Council/school where employees aged between 55 and 65 wish to take flexible retirement. In situations when taking up flexible retirement will incur costs for SMBC / the School, a business case would need to be made to show that it is the interest of the Council/School. This case will need to be approved by a Head of Service or Director and approvals sought by the Director of Resources and/or the Remuneration Committee (in Schools, approval would be needed by the Committee of the Governing Body, the Director of Children's Services, the Director of Resources and in the case of Faith Schools, by the Diocese). Academies will have their own approval procedure.

4.4 If it can be shown to be in the interests of the Council/ School to agree to the employee's request, the manager will then meet with the employee and discuss the proposal. The employee then completes Part B of the form if they wish to proceed with the Flexible Retirement Request.

4.5 Following the meeting with the employee the manager completes Part C of the application form and sends this to the HR Adviser.

- If the application is approved, the HR Adviser obtains the authorisations on the Early Leaver Payments Form and sends to the [Pay & HR Pensions Administration Team](#) in the Employee Service Centre for release of the pension. If there are changes to the post, an Establishment Control Form will be needed to confirm hours or grade change.
- The Pay & HR Pensions Administration Team will write to the employee asking them to complete the relevant pension forms in order for them to receive their pension benefits.
- The Pay & HR Administration Team will write to the employee confirming the new arrangements and terms and conditions.
- If the application is not approved the HR Adviser drafts a letter that the application has been unsuccessful and advises of the right of appeal.

Procedure – Appeal

4.6 The employee has a right of appeal against the decision to refuse the request for flexible retirement. An appeal must be submitted in writing within 10 working days of receipt of the letter confirming that an application has been unsuccessful. The appeal should be addressed to Head of Human Resources / Chair of Governors and set out the grounds for the appeal against the decision.

- 4.7. For an appeal to be valid it must: -
- Be in writing
 - Set out the grounds of the appeal
 - Be dated

In the event of an appeal, the Head of HR / Chair of Governors should acknowledge receipt of the appeal in writing. Arrangements should be made for the appeal to be heard by a nominated manager. The employee must be granted the right to be accompanied at the appeal hearing by a work colleague or Trade Union representative. The appeal hearing must take place within 10 working days of the employee's appeal being lodged. The outcome of the hearing must be communicated to the employee in writing within 10 working days of the appeal hearing.

- 4.8. If the appeal is upheld the notification should specify the changes to the employee's terms of employment and the date from which the changes are to take effect. If the appeal is not upheld the notification of the decision must explain the grounds on which the refusal is based and the reasons why these grounds apply to the particular case.

The manager hearing the appeal will be supported by a Human Resources Manager or Adviser.

5. **NHS Pension Scheme**

There are different benefits within the NHS Pension Schemes dependent on which section/scheme you are a member of, and the type of role that you held. Flexible retirement options are available to all staff from age 55. A comprehensive guide to all sections of the NHS Pension Scheme is available [here](#).

Any employee taking flexible retirement must have a minimum of a 24-hour break before returning to employment and work no more than 16 hours per week in the first calendar month to avoid their pension being suspended.

As the NHS is a closed pension scheme, any employee that has taken flexible retirement will no longer be eligible to be a member of the NHS pension scheme and will as a result be automatically enrolled into the LGPS.

There are no employer costs associated with flexible retirements in the NHS pension schemes and as a consequence there is no requirement for an Early Leaver Form to be completed and approved.

As pension rules are subject to change, all employees are strongly advised to obtain a pension forecast and check the latest regulations before making any final decisions about retirement. Employees are encouraged to read the NHS factsheet "Returning to work after retirement" which is available [here](#).

Appendix A: Application form

APPLICATION FOR CONSIDERATION FOR FLEXIBLE RETIREMENT

DATA PROTECTION FAIR PROCESSING NOTICE

All information supplied on this form may be held and used as follows:

The form will be passed to the Human Resources department to process your request for flexible retirement. The line manager / Headteacher will also retain a copy of the form to manage the request and to allow effective workforce management. In the event of an appeal, the information may be shared with the nominated manager/ School Governor to hear the appeal.

The information you provide may be shared with third parties such as the Department of Work and Pensions (DWP), HMRC and SMBC pension scheme providers.

PERSONAL DETAILS

Name:

Address:

JOB DETAILS

Service Area:

Payroll No:

Location:

**Telephone/
Email:**

Job Title:

	Current working pattern	Proposed working pattern after Flexible Retirement
Monday		
Tuesday		
Wednesday		
Thursday		
Friday		
Hours per week		

<p>Either what date you wish to</p> <p>1. commence part-time working/flexible retirement and draw some of your pension benefits</p> <p>OR</p> <p>2. change to a lower grade of post (please state what grade you wish to be considered for) and draw my pension benefits to date</p> <p>NB The effective date should be a Monday date</p>	
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I confirm I am 55 years of age or over, I am current member of the Local Government Pension Scheme.

I understand that in making this request this will not commit me into taking flexible retirement.

Signed: _____ **Date:** _____

Print Name: _____

You will be notified within one calendar month from receipt of this form whether or not your application has been approved.

A. CONSIDERATION OF REQUEST BY MANAGER

Please obtain a flexible retirement benefits estimate for the above employee. The estimate will need to be forwarded to employee on receipt of this information and you should then arrange a meeting with the employee to discuss this request.

Signed: _____

Name: _____

Date: _____

Please return the form to the HR Adviser.

B. FORMAL REQUEST TO TAKE FLEXIBLE RETIREMENT

Having received my estimate of Flexible Retirement benefits and meeting with my manager, I formally request to apply for Flexible Retirement. I understand that an agreed change to either my working pattern or to a lower graded role will be a permanent change to my terms and conditions of employment.

Signed: _____

Name: _____

Please return this form to the Manager/Headteacher who has met with you regarding your request for flexible retirement when you have completed section B.

C. FOR COMPLETION BY MANAGER CONSIDERING THE REQUEST

Following receipt of this form please complete and send this form to your employee **within 14 calendar days**. Following receipt of your request and our meeting on DATE

I have considered your request for a new flexible working pattern/change in grade together with release of your pensions benefit, and

EITHER:

- 1. I am pleased to confirm that I am able to accommodate your request.

Your new working pattern/grade will be as follows:

Your new working arrangements will begin from Date:

OR

- 2. I am unable to accommodate your request because:

If you have any questions on the information provided on this form, please contact me to discuss them as soon as possible.

Name of Manager / Headteacher:

Date:

The Manager/Headteacher should retain a copy and return this form to their HR Adviser as soon as possible.