



**Flexible Retirement Policy
for Members of the Local Government Pension Scheme**

Buckinghamshire County Council

April 2008

Flexible Retirement Policy for Members of the Local Government Pension Scheme

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1. INTRODUCTION

- 1.1 Buckinghamshire County Council is committed to providing more choice and flexibility to our employees who wish to ease into retirement or stay in work beyond the age of 65, making their transition from working life to retirement an enjoyable one.
- 1.2 We recognise that in order to remain an excellent authority of choice we need to provide our employees with options and flexibility and value their diverse contributions. Offering our employees retirement choices has a part to play in this.
- 1.3 By giving alternatives and support in the run up to retirement, we hope that our employees will feel more valued. The Council will benefit by retaining valuable knowledge and skills, which can be transferred to others. Turnover and recruitment and retention problems should also be reduced.

2. POLICY

- 2.1 Buckinghamshire County Council recognises that retirement is a life-changing event and it is important that employees recognise the retirement choices that are available to them. Managers should ensure employees are aware of the advice and guidance available to them in good time so that they can prepare in the lead up to retirement, [Toolkit Document 5](#). The correct time for advice will depend on the employee's circumstances and when they plan to retire.
- 2.2 Those who wish to retire when they reach the age of 65 are entitled to do so. However, employees can request to work beyond this age, with the possibility of partial retirement. Those employees between the age of 50 and 65 also have the option to request partial early retirement.
- 2.3 Both partial retirement and partial early retirement offer employees the opportunity to ease into retirement gradually while the Council will benefit by retaining valuable knowledge and skills that can be transferred to others.
- 2.4 Flexible retirement gives employees the right to request:
 - partial early retirement, from age 50, with members of the Local Government Pension Scheme who joined the scheme before 1 April 2008 being able to draw all or part of their benefits before 1 April 2010
 - partial early retirement, from age 55, with members of the Local Government Pension Scheme who joined the scheme after 31 March 2008 being able to draw all or part of their benefits
 - extending (postponing) their retirement date beyond age 65 with the possibility of partial retirement, with members of the Local Government Pension Scheme being able to draw all or part of their benefits
- 2.5 Employees who want to postpone their retirement beyond the age of 65 and/or to take partial early retirement are entitled to apply for options including:

- A flexitime scheme
 - Job sharing
 - Term time only working
 - Voluntary reduced hours/part-time
 - Redesigning/downgrading current post
- 2.6 Any employee approaching the age of 65 has the right to request not to be retired and to continue in the same role on the same hours or with reduced hours, ie partial retirement, with their manager's agreement.
- 2.7 A Local Government Pension Scheme (LGPS) member may claim all or part of their pension benefits early, subject to their Managers' agreement, and continue working but with a reduction in their hours and/or grade.
- 2.8 A request to take partial early retirement should involve a reduction in salary of between 30% and 60%, either through reduced hours or level of responsibility/grade.
- 2.9 All requests for flexible retirement must be able to demonstrate a business benefit to the Council in terms of retention of valuable skills and knowledge. Each request will be considered on its merits and will only be agreed if it is the Council's economic and/or operational interests to do so.
- 2.10 It must be recognised that partial early retirement before the age of 65 could incur a cost to the organisation through pension strain, [Toolkit Document 1](#). This cost must be affordable and within existing service budgets. Where this is not achievable, the proposal should be accompanied by a supplementary plan detailing how any cost will be recovered.
- 2.11 To help to offset any pension strain to the Council, the employee must agree to remain in employment with the Council for a minimum period of 1 year or to age 60 if earlier, or repay a proportion of the pension strain if they fail to do so.
- 2.12 Partial early retirement is only available to employees continuing in their current post or, with agreement, transferring to another post within the same service area. This ensures maximum benefit to the Council through the retention of acquired skills and experience.

3. PROCEDURE TO APPLY FOR FLEXIBLE RETIREMENT

3.1 POSTPONEMENT OF RETIREMENT BEYOND THE AGE OF 65

- 3.1.1 Any employee approaching retirement age (65 years) must be informed in writing by their line manager no less than six months but not more than one year before their retirement date, of what their intended retirement date is and that they have the right to request not to be retired, [Toolkit Document 8](#).
- 3.1.2 Line managers of employees based in Services with access to SAP Manager Self- Service/Employee Self-Service will receive SAP notification of the 'Date Due to Retire' nine months prior to retirement age (65 years). Schools-based

managers will be responsible for managing manually any forthcoming retirements on an annual basis at the start of the academic year.

- 3.1.3 Employees interested in extending their service beyond 65 years (postponing their retirement) and, possibly, partial retirement will complete the Request Form, [Toolkit Document 6](#), and discuss their request with their line manager. They will inform their line manager if they wish for their employment to continue indefinitely, for a stated period or until a stated date.
- 3.1.4 Provided the employee has been served the required notice of their intended retirement date (ie six to twelve months), the request from the employee must be made three to six months before this date. If the employee has not been served the required notice, the request can be made any time within six months prior to the intended retirement date.
- 3.1.5 The line manager will meet with the employee to discuss their request normally within 28 days of receipt of the request. The employee has a right to be accompanied at the meeting by a colleague or Trades Union representative.
- 3.1.6 If the request cannot be accepted, the line manager will, normally within 14 days of the meeting, explain in writing the reasons for the decision, the employee's right of appeal and, if available/feasible, offer alternative options, [Toolkit Document 11](#).
- 3.1.7 For details of the appeal process, please refer to paragraph 3.3.

PARTIAL EARLY RETIREMENT

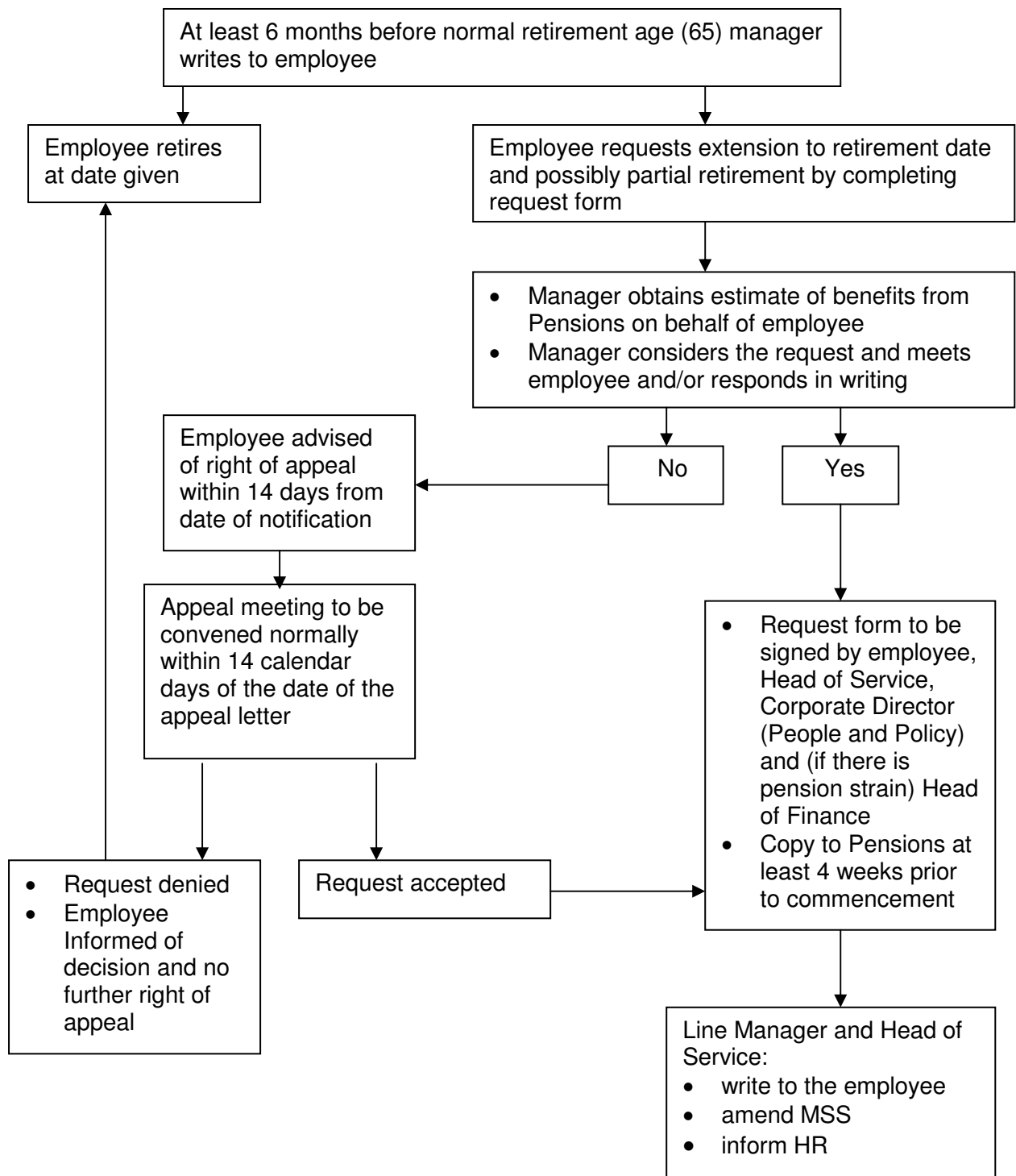
- 3.2.1 Employees from the age of 50 (55 from 1 April 2010) may request partial early retirement, ie a reduction in their hours and/or grade, with members of the Local Government Pension Scheme (LGPS) being able to claim all or part of their pension benefits from the age of 55 (or from age 50 if a member of the scheme prior to 1 April 2008 and retirement is before 1 April 2010), subject to their Managers' agreement.
- 3.2.2 Employees interested in partial early retirement should complete the Request Form, [Toolkit Document 6](#), and discuss their request with their line manager.
- 3.2.3 A request to take partial retirement should involve a reduction in salary of between 30% and 60%, either through reduced hours or level of responsibility/grade.
- 3.2.4 If the line manager agrees to proceed, he/she should apply on behalf of the employee to the Pensions Team for an estimate of benefits and pension strain, if any, [Toolkit Document 7](#).
- 3.2.5 If the manager and employee agree to proceed on receipt of the estimate, the Request Form will be countersigned by the Head of Service and the Corporate Director (People and Policy) and additionally, where there is pension strain and a business case has been produced and agreed, the Head of Finance. Managers should seek assistance from their HR Business Partner with this.

- 3.2.6 Once agreement has been obtained, the line manager will inform the employee and confirm the decision in writing, [Toolkit Document 10](#). The manager will also inform Human Resources and amend Manager Self-Service.
- 3.2.7 The manager will notify Pensions in writing at least four weeks before the date of the flexible retirement. **Please note that no action can be taken by Pensions without a signature from both the line manager and the employee on the pensions estimate itself.**
- 3.2.8 If the request cannot be accepted, the line manager will, normally within 14 days, explain in writing the reasons for the decision, the employee's right of appeal and, if available/feasible, offer alternative options, [Toolkit Document 11](#).

3.3 APPEAL

- 3.3.1 The employee will submit an appeal in writing, stating clearly whether this is against the decision not to agree:
- their request to postpone their retirement and/or
 - their request to take partial retirement
 - their request to take partial early retirement
- within fourteen days of the original decision being received.
- 3.3.2 An appeal meeting will be convened, normally within fourteen days of receipt of the appeal letter, and this will be chaired by a more senior manager than the line manager who considered the original request, [Toolkit Document 12](#).
- 3.3.3 The employee has the right to be accompanied at this meeting by a colleague or Trades Union representative.
- 3.3.4 The outcome of the appeal will be delivered as soon as possible and in writing normally within fourteen days of the meeting, [Toolkit Document 13](#).
- 3.3.5 Any decision is final.

Appendix 1
Process to extend Retirement Age 65+ and, possibly, take partial retirement



Appendix 2
Process to take partial retirement Age 50+ (Age 55+ from 1 April 2010)

