

**RETIREMENT POLICY**

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| Version: |  |
| Date ratified: | 1 September 2020 |
| Policy Number | HR021/07/2023 |
| Name of originator/author: | Human Resources Manager |
| Name of Sponsor: | Accountable Officer |
| Name of responsible committee | Governance Sub-committee |
| Date issued: | September 2020 |
| Review date: | July 2023 |
| Target audience: | All staff working within or on behalf of NHS Sheffield CCG |

**To ensure you have the most current version of this policy please access via the NHS Sheffield CCG Intranet Site by following the link below:**

[**http://www.intranet.sheffieldccg.nhs.uk/policies-procedure-forms-templates.htm**](http://www.intranet.sheffieldccg.nhs.uk/policies-procedure-forms-templates.htm)

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**POLICY AUDIT TOOL**

**Please give status of Policy: Revised**

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| **1.** | **Details of Policy** |  |
| 1.1 | Policy Number | HR021/07/2023 |
| 1.2 | Title of Policy: | Retirement Policy |
| 1.3 | Sponsor | Accountable Officer |
| 1.4 | Author: | HR Manager |
| 1.5 | Lead Committee | Governance Sub-committee |
| 1.5 | Reason for policy: | Legislative and best employment practice |
| 1.6 | Who does the policy affect? | All employees |
| 1.7 | Are the National Guidelines/Codes of Practices etc issued? | Equality Act 2010 |
| 1.8 | Has an Equality Impact Assessment been carried out? | Yes |
| **2.** | **Information Collation** |  |
| 2.1 | Where was Policy information obtained from? | See 1.7 |
| **3.** | **Policy Management** |  |
| 3.1 | Is there a requirement for a new or revised management structure for the implementation of the Policy? | No |
| 3.2 | If YES attach a copy to this form. | n/a |
| 3.3 | If NO explain why. | Current management structure satisfactory |
| **4.** | **Consultation Process** |  |
| 4.1 | Was there external/internal consultation? | Yes |
| 4.2 | List groups/persons involved | Joint Staff Consultative Forum |
| 4.3 | Have external/internal comments been included? |  |
| 4.4 | If external/internal comments have not been included, state why. | n/a |
| **5.** | **Implementation** |  |
| 5.1 | How and to whom will the policy be distributed? | All employees via the intranet |
| 5.2 | If there are implementation requirements such as training please detail. | Ongoing via mandatory training |
| 5.3 | What is the cost of implementation and how will this be funded | No funding required |
| **6.** | **Monitoring** |  |
| 6.2 | How will this be monitored | Workforce Reports |
| 6.3 | Frequency of Monitoring | Quarterly |

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|  | **SECTION A – POLICY** |
| **1.** | **Policy Statement, Aims and Objectives** |
| **1.1** | The purpose of this policy is to outline the procedure for employees approaching the end of their NHS career or who are wishing to take flexible or voluntary early retirement. This policy does not detail the entitlements of members of the NHS Pension Scheme upon retirement or the process of applying for that pension. Further information can be accessed via the NHS Pensions Agency. |
| **1.2** | NHS Sheffield Clinical Commissioning Group (CCG) reserves the right to operate early retirement in accordance with the Management of Organisational Change, Redundancy and Pay Protection Policy. |
| **1.3** | The development of this policy:   * Clarifies the responsibilities of Line Managers and employees in relation to retirement * Outlines the support and guidance available to employees who are planning to retire * Outlines employee entitlements upon retirement |
| **2.** | **Legislation and Guidance** |
| **2.1** | The following legislation and guidance has been taken into consideration in the development of this procedural document.   * Equality Act 2010 |
| **3.** | **Scope** |
| **3.1** | This policy applies to those members of staff that are directly employed by NHS Sheffield CCG and for whom NHS Sheffield CCG has legal responsibility. Seconded staff are covered by the policy of their employing organisation.  For those staff covered by a letter of authority / honorary contract or work experience, this policy is also applicable whilst undertaking duties on behalf of NHS Sheffield CCG or working on NHS Sheffield CCG premises and forms part of their arrangements with NHS Sheffield CCG.  As part of good employment practice, agency workers are also required to abide by NHS Sheffield CCG policies and procedures, as appropriate, to ensure their health, safety and welfare whilst undertaking work for NHS Sheffield CCG. |

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| **4.** | **Accountabilities and Responsibilities** |
| **4.1** | Overall accountability for ensuring that there are systems and processes to effectively ensure compliance with this Policy lies with the Accountable Officer. Responsibility is delegated to the following:   |  |  | | --- | --- | | ***Accountable Officer*** | * Maintaining an overview of the corporate ratification and governance process associated with the policy. * Ensuring that the policy is applied fairly, consistently and in a non-discriminatory manner. | | ***Human Resources*** | * Leading the development, implementation and review of the policy. * Providing advice and guidance to managers and employees in relation to this policy. * Supporting completion of relevant forms in relation to the NHS Pension retirement process including verification of identity documentation. | | ***Appointing Officers/ Line Managers*** | * Ensuring they understand and adhere to their obligations in relation to this policy. * Ensuring the policy is applied fairly and consistently to all employees. * Supporting workforce and succession planning. * Enabling access to guidance and support for the employee. * Notifying Human Resources of a pending retirement. * Ensuring employees are aware of this policy including referring new employees to the policy as part of their induction process | | ***All Employees*** | * Ensuring they understand their responsibilities in relation to this policy. * Notifying their Line Manager of the intention to retire. * Contacting the NHS Pensions Agency. * Completion and submission of relevant documentation required to process an application for pension benefits. | | ***Staff Side*** | * Ensuring they are familiar with the policy and procedure. * Advising and representing employees who are members of a recognised Trade Union. * Liaising with the employee, the line manager and Human Resources regarding the best way forward for an employee. | |
| **5.** | **Dissemination, Training and Review** |
| **5.1** | **Dissemination** |
|  | The effective implementation of this policy will support openness and transparency. NHS Sheffield CCG will:   * Ensure all employees and stakeholders have access to a copy of this policy via the organisation’s website. * Ensure employees are notified by email of new or updated policies. |
| **5.2** | **Training** |
|  | All employees will be offered relevant training commensurate with their duties and responsibilities. Employees requiring support should speak to their line manager in the first instance. Support may also be obtained through Human Resources. The Policy should be read in conjunction with:   * Management of Organisational Change, Redundancy and Pay Protection Policy * Management of Sickness Absence Policy * Flexible Working Policy * Recruitment and Selection Policy |
| **5.3** | **Review** |
| **5.3.1** | As part of its development, this policy and its impact on staff, patients and the public has been reviewed in line with NHS Sheffield CCG’s Equality Duties. The purpose of the assessment is to identify and if possible remove any disproportionate adverse impact on employees, patients and the public on the grounds of the protected characteristics under the Equality Act. |
| **5.3.2** | The policy will be reviewed every three years, and in accordance with the following on an as and when required basis:   * Legislatives changes * Good practice guidelines * Case law * Significant incidents reported * New vulnerabilities identified * Changes to organisational infrastructure * Changes in practice |
| **5.3.3** | Policy management will be performance monitored to ensure that policies are in-date and relevant to the core business of the organisation. The results will be published in the regular Governance Sub Committee Reports. |

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|  | **SECTION B – PROCEDURE** |
| **1.** | **Retirement Age** |
| **1.1** | The current normal pension age for employees who joined the NHS Pension Scheme before 1st April 2008 (known as the 1995 Section) and who chose not to transfer into the new NHS Pension Scheme (known as the 2008 Section) to retire and receive their pension benefits is age 60 years. |
| **1.2**  **1.3** | The current normal pension age for employees who joined the NHS Pension Scheme after 1st April 2008 or who chose to transfer their 1995 Section NHS Pension to the 2008 Section NHS Pension to retire and receive their pension benefits is age 65 years.  The current normal pension age for employees who joined the NHS Pension Scheme after 1st April 2015 or who have transferred their pension to the 2015 Scheme, is linked to the member’s state pension age (SPA). |
| **1.4** | Certain categories of employee, for example nurses or mental health officers, who were identified as members of ‘special classes’ prior to 6 March 1995 and who have maintained this status can currently retire and receive full pension benefits at the age of 55 years. |
| **1.5** | Employees should submit their application to receive pension benefits to the NHS Pensions Agency as soon as possible when they have made the decision to retire and no later than 4 months before the date when they wish to access benefits. |
| **2.** | **Voluntary Early Retirement** |
| **2.1** | The minimum age at which employees who are members of the NHS Pension Scheme can retire and receive their pension is dependent upon which pension scheme they are a member of, and is set out in the relevant scheme at https://www.nhsbsa.nhs.uk/nhs-pensions. Both the pension and the lump sum would be reduced to take account of early payment. Employees who are considering retiring before they reach the normal pension age are advised to contact payroll or the NHS Pensions agency to request a pension estimate. |
| **3.** | **Premature Retirement** |
| **3.1** | Premature retirement may be available in the following circumstances to  employees with eligibility under the NHS Pension Scheme:   * Ill Health Retirement * Early retirement in the interests of the efficiency of the service |
| **3.2** | Regulations are complex and advice should be sought prior to the consideration of premature retirement from Human Resources. In respect of premature retirement associated with organisational change, approval is via the Remuneration Committee. |
| **4.** | **Flexible Retirement** |
| **4.1** | 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 key employees who are approaching, or are at, retirement age and provides a greater choice for employees.  Employees who wish to consider flexible retirement options should discuss this possibility with their Line Manager and make a request in accordance with the Flexible Working Policy using the Flexible Working application form. |
| **4.2** | The options available in relation to flexible retirement are:   * An employee approaching their retirement may wish to gradually reduce the number of hours they work in their existing role leading up to their actual date of retirement. * An employee approaching retirement may request to continue working in a less demanding role. * 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. |
| **4.3** | Requests for flexible working will be accommodated where this is possible. However, employees who wish to retire and return to NHS employment should be aware that the post offered to them may not always be the post that they held prior to retirement. Requests must be made in line with the procedure and criteria set out in the Flexible Working Policy, and will be assessed on the basis of business need and whether the role can be undertaken on a part-time basis. |
| **4.4** | Further advice and guidance may be obtained from Human Resources and details of options for part time working are contained in the Flexible Working Policy. |
| **4.5** | Employees should take advice and information regarding their pension and the impact of any of the above options before making a decision. Members of the NHS Pensions Scheme can contact payroll or the Pensions Agency for information. Financial advice must be sought from an independent financial adviser. |
| **4.6** | Where an employee chooses to retire and access their pension and then return to NHS employment, they must have an unpaid break of employment of at least 14 days following their retirement date. For the following month they may work up to a maximum of 16 hours per week. After that period of time has elapsed they may increase their hours of work. |
| **5.** | **Retirement Awards** |
| **5.1** | Upon retirement from the NHS, the employee will receive a letter from the Accountable Officer and Chair to acknowledge their retirement and thank them for their service. |
| **5.2** | Employees who have 20 years or more cumulative NHS service will qualify for a retirement award. The award can be made where an employee retires voluntarily or is retired on health reasons, and provided the eligibility criteria is met, to the next of kin should an employee die during employment. |
| **5.3** | Six weeks’ notice is required to process retirement award applications. |
| **5.4** | The amount of the award will be as follows:   * For 20 years cumulative NHS service the award will be £100 * For each additional year worked the employee will be entitled to £10 per year up to a maximum of 24 years in total, therefore the maximum amount payable will be £140. |
| **5.5** | Applications for funding should be made to the Director of Finance. The normal requisitioning procedure will apply and the award will be offered in the form of vouchers. |
| **5.6** | Length of cumulative NHS service should be verified by Human Resources. |
| **5.7**  **5.8**  **5.9** | Additional items such as flowers, cakes etc. will not be funded. Any such purchases will be made from voluntary contributions from colleagues.  Retirement Awards will normally be presented when an employee leaves the CCG and does not intend to return to work rather than when an employee takes Flexible Retirement and returns to work.  Retirement Awards will only be offered once to an employee i.e. if an employee has received a Retirement Award when taking Flexible Retirement, they would not be entitled to an additional reward when they leave NHS Sheffield CCG and do not intend to return to work. |

**NHS Sheffield CCG Equality Impact Assessment 2014**

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| **Title of policy or service** | Retirement Policy | |
| **Name and role of officers completing the assessment** | HR Manager | |
| **Date assessment started/completed** | April 2017 – updated February 2020 |  |

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| **1. Outline** | |
| **Give a brief summary of your policy or service**   * Aims * Objectives * Links to other policies, including partners, national or regional | The purpose of this policy is to outline the procedure for employees approaching the end of their NHS career or who are wishing to take flexible or voluntary early retirement. |

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| **2. Gathering of Information**  This is the core of the analysis; what information do you have that indicates the policy or service might *impact on protected groups, with consideration of the General Equality Duty*. | | | | | |
|  | **What key impact have you identified?** | | | **What action do you need to take to address these issues?** | **What difference will this make?** |
| **Positive**  **Impact** | **Neutral**  **impact** | **Negative**  **impact** |
| **Human rights** |  |  |  |  |  |
| **Age** |  |  |  |  | Impact on older employees approaching retirement age but provides positive options within the procedures of the NHS Pension Scheme. The policy provides relevant information. |
| **Carers** |  |  |  |  |  |
| **Disability** |  |  |  |  |  |
| **Sex** |  |  |  |  |  |
| **Race** |  |  |  |  |  |
| **Religion or belief** |  |  |  |  |  |
| **Sexual orientation** |  |  |  |  |  |
| **Gender reassignment** |  |  |  |  |  |
| **Pregnancy and maternity** |  |  |  |  |  |
| **Marriage and civil partnership** (only eliminating discrimination) |  |  |  |  |  |
| **Other relevant group** |  |  |  |  |  |

Please provide details on the actions you need to take below.

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| **3. Action plan** | | | | |
| **Issues identified** | **Actions required** | **How will you measure impact/progress** | **Timescale** | **Officer responsible** |
| None |  |  |  |  |
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| **4. Monitoring, Review and Publication** | | | |
| **When will the proposal be reviewed and by whom?** | **On policy review – every three years** | | |
| **Lead Officer** | **HR Manager** | **Review date:** |  |