Retirement Policy
(Including Flexible Retirement)

<table>
<thead>
<tr>
<th>Version:</th>
<th>3.0</th>
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</thead>
<tbody>
<tr>
<td>Policy Lead/Author &amp; Position:</td>
<td>Maria Gregoriou, Acting Head Business Partner</td>
</tr>
<tr>
<td>Responsible Directorate:</td>
<td>Workforce Directorate, Business Partnering</td>
</tr>
<tr>
<td>Replacing Document:</td>
<td>Retirement Policy (Sept 2009)</td>
</tr>
<tr>
<td>Approving Committee / Group:</td>
<td>Policy Development, Monitoring &amp; Review Committee, JSC</td>
</tr>
<tr>
<td>Date Approved/Ratified:</td>
<td>June 2015</td>
</tr>
<tr>
<td>Ratified by:</td>
<td>Policy Development, Monitoring &amp; Review Committee</td>
</tr>
<tr>
<td>Previous Reviewed Dates:</td>
<td>23 March 2011</td>
</tr>
<tr>
<td>Date of Current Review:</td>
<td>May 2015</td>
</tr>
<tr>
<td>Date of Next Review:</td>
<td>May 2018</td>
</tr>
<tr>
<td>Relevant NHSLA Standard(s):</td>
<td></td>
</tr>
<tr>
<td>Target Audience</td>
<td>All Trust staff</td>
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</tbody>
</table>
EQUALITY STATEMENT

Barnet, Enfield and Haringey NHS Trust aims to design and implement services, policies and measures that meet the diverse needs of our service, population and workforce, ensuring that none are placed at a disadvantage over others. It takes into account the Equality Act (2010) including the Human Rights Act 1998 and promotes equal opportunities for all.

This document has been assessed to ensure that no employee receives less favourable treatment on the protected characteristics of their age, disability, sex (gender), gender reassignment, sexual orientation, marriage and civil partnership, race, religion or belief, pregnancy and maternity.

Members of staff, volunteers or members of the public may request assistance with this policy if they have particular needs. If the member of staff has language difficulties and difficulty in understanding this policy, the use of an interpreter will be considered.

Barnet, Enfield and Haringey Mental Health NHS Trust embraces the four staff pledges in the NHS Constitution and this policy is consistent with these pledges. The Trust is also committed to safeguarding and promoting the welfare of children, young people and vulnerable adults and expects all staff and volunteers to share this commitment.

CONSULTATION RECORD OF PROCEDURAL DOCUMENT FORM

<table>
<thead>
<tr>
<th>Name and Title of Individual</th>
<th>Date Consulted</th>
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<tbody>
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Contributing Authors:

<table>
<thead>
<tr>
<th>Name of Committee</th>
<th>Date of Committee</th>
</tr>
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<tbody>
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Version Control Summary

<table>
<thead>
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<th>Section</th>
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<td>2.0</td>
<td>23.3.2011</td>
<td>All</td>
<td>Kathy Morse</td>
<td>Repeal of Employment Equality (Age) Regulations</td>
</tr>
<tr>
<td>3.0</td>
<td>23.05.2015</td>
<td>All</td>
<td>Maria Gregoriou</td>
<td>All contents update</td>
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1.0 Policy Statement

1.1 Barnet, Enfield & Haringey Mental Health NHS Trust ‘the Trust’ is committed to creating a well managed and flexible working culture, becoming a model employer and employer of choice. This Retirement Policy is one of a suite of Trust Policies underpinning that intent and sets out various flexible career, flexible retirement and continued working options past the normal retirement age for occupational pension schemes and the state retirement pension age, for all our staff, whilst recognising our commitment to Equal Opportunities, the Improving Working Lives Practice Plus standard and flexible career patterns as detailed in the NHS Plan and service needs requirements.

2.0 Aim

2.1 This document has been developed with the aim of providing staff employed in BEHMHT with the policy, procedures and guidelines for retirement provision and arrangements under NHS retirement and legislatively regulations.

3 Scope

3.1 The policy applies to all staff employed by this Trust.

4 Purpose and Outcome

4.1 This policy aims to set out the approved policy, procedures and guidelines for Retirement of Staff employed in BEH MHT and to explain the various types of flexible options prior to retirement available to staff.

5 Definitions

5.1 The definition of the different terms used in this policy:

- NHSBSA – NHS Business Services Authority – for advice on NHS Pensions

6 Duties

6.1 Chief Executive

6.1.1 The Chief Executive has overall responsibility for the strategic and operational management of the Trust which includes ensuring that all policies comply with all legal, statutory and good practice guidance requirements.

6.2 Trust Board

6.1.2 The Trust Board is responsible for setting the strategic context in which organisational policies and protocols are developed, and for the formal ratification of all policies. The Board has delegated ratification responsibility to the Governance and Risk Management Committee.
6.3 **Committees**

6.3.1 Workforce Directorate Policy subgroup will support the production, review, consultation and monitoring the effectiveness of this policy and procedural documents. The committee will ensure that document(s) are submitted to the Joint Staff Committee and Senior Management Group for comments and ratification. It will also be sent to the Governance and Risk Management Committee for consideration. Any recommended changes should be referred back to the Workforce Policy subgroup. Finally it will be disseminated to appropriate staff and onto Trust intranet.

6.3.2 Joint Staff Committee has responsibility to consider and recommend policies/documents for ratification for use.

6.4 **Director of People & Organisational Development**

6.4.1 The Director of Workforce has overall responsibility for strategy and development, reviewing and monitoring the effectiveness of this policy and procedural documents and leading on consultation with employee representatives.

6.5 **Employees**

6.5.1 Employees have responsibility to familiarise themselves with Trust Policies and to follow the guidance as detailed in the policy.

7 **Introduction to Retirement Policy**

7.1 The normal retirement age for staff employed in the NHS was age 60, but able to continue at work up to age 65 (known as the default retirement age). Since 1st April 2008 the normal retirement age for staff joining the NHS from this date is age 65 (see section 7.2 for clarification).

**Staff will continue to be able to retire at this age if this is their desired intention.**

7.2 The default retirement age of 65 years was being phased out over a transitional period running until 30th September 2011. The necessary legislation (the Employment Equality (Repeal of Retirement age) Regulations 2011) was implemented from 6th April 2011.

From this date any new notifications of compulsory retirement that are given must be objectively justified as a proportionate means of achieving a legitimate aim and the benefits and importance of the legitimate aim significantly outweigh any discriminatory effect.

7.3 The definition of a ‘legitimate aim’ is:
- relating to health and safety
- relating to the training requirements for the job
- relating to the needs and efficiency of the business.
For this reason, any compulsory retirements of staff who reach 65 years of age from 1st October 2011 should be individually considered and decided.

7.4 Any decision must be based upon one of the above criteria and assurance that there is no reasonable alternative to achieving the legitimate aim. The retirement would be viewed as a dismissal and to be potentially a fair reason would need to be one of 5 reasons set out in the Employment Rights Act 1996 (capability, conduct, redundancy, statutory ban or some other substantial reason). Advice should be sought from Workforce Directorate.

8.0 Medical Staff

8.1 Medical staff will be covered by this procedure with the separate provisions within paragraphs 200 and 201 of the Terms and Conditions of Service of Hospital Medical and Dental Staff (England and Wales).

9 NHS Pension Benefits

9.1 A package of changes in the NHS Pension Scheme was implemented from 1st April 2008, resulting in the pension scheme now having 2 sections. If an employee was already a member of the scheme on or before 31st March 2008 they are a member of the 1995 Section (even if they joined before 1995). From 1st April 2008 new staff joined the new 2008 Section. There are a number of differences between the 1995 and 2008 sections of the Pension scheme including the age at which an employee can draw their pension without it being reduced, the way in which the pension builds up and flexibility in drawing benefits. The new pension arrangements available to new staff since 1st April 2008 have been offered to members of the 1995 Section under a scheme described as the NHS Pension Choice Exercise. This exercise will conclude by March 2012.

9.2 All Separate NHS Pension Scheme provisions are provided for early retirement on the grounds of ill health (see Sickness & Absence Policy and Guidelines), and retirement in redundancy situations and retirement in the efficiency of the service (see Managing Organisational Change policy and www.nhsbsa.nhs.uk).

9.3 Voluntary early retirement (VER) may also be available under the Pension Scheme to members aged between 50 and 60 if they joined the 1995 section before 6 April 2006. For staff who joined after this date the minimum retirement age changed to age 55 on 6 April 2010. The minimum retirement age for VER in the 2008 section is 55. However, retirement benefits would be reduced to take account of early payment and anyone considering this option should contact the Pensions Officer for an estimate and then would need to start discussions with and obtain agreement from their line manager. In addition, if your reduced pension is less than the guaranteed minimum pension you will not be able to take voluntary early retirement.
Re-Employment

10.1 The underlying requirement of the NHS Pension Scheme Regulations is that all Scheme members must demonstrate a clear intention to retire from the NHS before NHS pension benefits are awarded. The Trust requires a minimum of 4 weeks break in service before re-employment is considered.

10.2 To qualify for NHS pension benefits an Officer (i.e. salaried employed) Pension Scheme member must resign from their NHS contract of employment and must not return to NHS employment within 24 hours and may not work more than 16 hours per week in the first month of retirement and thereafter. As this may have implications on taxable pension. This rule applies to Officer Scheme members who may qualify for the normal age pension, voluntary early retirement pension, redundancy (i.e. compensation) pension, or the ill health pension.

10.3 For 1995 scheme members who retire before age 60 on age grounds, ill health grounds, redundancy or early retirement with employer’s consent will be subject to abatement until age 60. This means if a member’s pension plus their pay in NHS re-employment exceed their previous pay, their pension will be reduced accordingly. For 2008 Scheme members this section is applicable to retirement on the aforementioned grounds before age 65.

It is strongly recommended that advice from the Trust’s Pensions Officer should be sought before making a decision to retire.

Flexible Retirement Options

11.1 Historically, it may have been considered that there were only two options:

- Continuing to work
- Retirement.

However, there are now other ways of looking at retirement; it does not simply have to be a shift from working to not working. The following are possible options which can be considered:

11.2 Wind Down - Defer retirement and move into part time work.

Staff who defer retirement and change from full time to part-time will carry on building up pension entitlement i.e. working 6 years at 50% of fulltime, will be credited with 3 extra years of contribution to the scheme. Line manager formal agreement with employee is needed for this option particularly if the move to part time work also involves a change in job band (post must be evaluated under Workforce Directorate guidelines).

11.3 Step Down - Defer retirement and take up a less demanding, lower paid role.
By agreement with senior line management, an employee may step down into a lower paid role, whilst preserving pension rights already earned at the previous higher level and these will be index linked. The key aspects of this option are the availability of a suitable role, management agreement and the Trust notifying the agreement to the NHS Pension Agency within 3 months of the agreed move in role.

11.4 Retirement and Return to work on substantially reduced role following formal retirement on pension

Retire under the rules of the pension scheme, receive a pension and then return to a substantially reduced role following a recruitment process, taking into consideration the required break in service of at least 2 weeks.

Staff may wish to discuss with their line manager the possibility of resuming work after retirement either full time, part time or for short fixed term periods, provided there is an opening for such a position taking into account Trust Business plans, Workforce Plans, Skill mix and current and future service needs. The normal recruitment procedure should be followed.* They will no longer be members of the pension scheme and therefore cannot build up any further pension entitlements in the 1995 scheme. The only provisions being to this is that those drawing their NHS Pension and who are aged under 60 years, cannot earn more through pension and post retirement employment than their salary at retirement.

Should this happen, their pension will be reduced to bring the total income down to the level of their pre-retirement salary.

In addition, you cannot work more than 16 hours a week within the first calendar month of retiring; otherwise your pension will be suspended.

* The new post must have a Job Description that needs to be evaluated for appropriate job band before the post is advertised on an external competitive basis.

11.5 Bank Working

Retiring staff are able to join or remain in the Trust internal Bank. This enables the Trust to retain their skills and expertise; the member of staff can keep in touch with the Trust and, in addition, allows those staff the flexibility to choose when and how many hours they wish to work.

An application form can be found in Appendix 4 and should be submitted to Central bank, Workforce Directorate, Bank Recruitment, Block O, St Ann’s Hospital, ideally 3 months before retirement to ensure a smooth transition.

It is important that an employee takes advice on the options before taking the final decision to retire, particularly in terms of return to work after retirement. Please discuss this with your line manager and
Workforce Directorate and seek further information from the Trust’s Pensions Officer.

12 Notice of Intention to Retire

Whilst contractual periods of notice will not be more than 12 weeks’ notice for the majority of staff, managers and staff should be aware that in order to ensure employee’s pensions are payable from the time of leaving the Trust, 6 months’ notice is required to process pension benefits. To avoid delays, staff are requested to contact the Trust’s Pensions Officer at least 6 months before their retirement and for a similar period to inform their line manager of their intention to retire.

12.2 Late Retirement

An employee may continue to earn benefits as long as they stay in the NHS Pension Scheme, up to the age of 75 (65 if s/he has Special Class Status) or until s/he reaches 45 years’ membership.

12.3 Special Classes

Nurses, midwives, health visitors, physiotherapists and mental health officers in post before 6 March 1995 (collectively described as ‘Special Class Status’) have the right to retire from a normal pension age of 55 without a reduction to their pension, subject to certain criteria being met. If an employee has special class status, their normal pension age is 55. Further information about pensions is available from the NHS Pensions Agency. It is the responsibility of the employee to ensure that relevant documentation is completed in order to maintain their Special Class Status by contacting the NHS Pensions Agency in the first instance.

13 Pre-Retirement

13.1 Recognition of Staff Retiring from the Trust

Where staff retire, a farewell event may be arranged, however it should be noted that there is no central funding to support these events.

13.2 Long Service Award

The Trust will recognise NHS service by paying £10 for each year of service after completion of a minimum of 10 years NHS service. Managers should indicate such entitlement by completing the relevant section on the Trust leaver form.

14 References

NHS Pensions Agency on website www.nhsbsa.nhs.uk

Dept of Business Innovations and Skills (BIS) www.bis.gov.uk
Age Concern [www.ageuk.org.uk](http://www.ageuk.org.uk)

CIPD [www.cipd.co.uk](http://www.cipd.co.uk)
APPENDICES

APPENDIX 1

APPLICATION TO CHANGE CONTRACT OF EMPLOYMENT UNDER FLEXIBILITIES IN SECTION 11 OF TRUST RETIREMENT POLICY

This application must be completed and submitted to your manager, providing as much notice as reasonably possible, ideally 6 months, prior to proposed start date for the change to be implemented. A meeting will be held with your manager.

NAME OF APPLICANT: ........................................................................................................

Post Designation..................................Directorate/Service Line
........................................

Contact telephone number / email address.................................................................

Present Post: Full Time / Part Time (Please delete as appropriate.) Hours of Work
........

Date of application ..............................................

Date you would prefer change to be effective from: .............................................

I wish to apply under Section 11 of the Trust’s Retirement Policy for flexibility to change my employment contract as indicated below:

Proposed change under Section 11 of the Retirement policy:

5.2 Wind Down – defer retirement and move into part time work.

5.3 Step Down – defer retirement and take up a less demanding, lower paid role.

5.4 Retire and apply to return to work following receipt of pension, in a substantially reduced role following external recruitment process. (There can be no guarantee of a successful application).

5.5 Following retirement I wish to continue working on the Trust internal bank.

5.6 I wish to join the Trust bank and I shall contact central bank in People & OD, L2, St Ann’s with a completed application form. (Please delete as appropriate)

I have considered my proposal very carefully, including any financial impact to me personally and have discussed this with the Trust’s Pension Officer.

(Please use the space below to detail your proposal in full, using both sides or extra sheets as necessary.)
Applicant’s signature…………………………. Date …………………

Application approved/rejected by: -----------------------------------------------
-------- (Signature of line Manager and print name)
Manager’s Post Title -------------------------------Date of granting approval or rejecting application ------------

Contact Details – phone number/e-mail address -------------------------------

Name of People & OD person consulted: -------------------------------

Details of outcome of this flexibilities in retirement application and confirmation that member of staff has been advised of their right of appeal if applicable.
## Monitoring Compliance with and Effectiveness of Procedural Documents Form

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<th></th>
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<th>Audit</th>
<th>Review</th>
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<td><strong>Methodology:</strong></td>
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<td><strong>What is the process for reviewing results of monitoring?</strong></td>
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<td><strong>Report to:</strong></td>
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<td><strong>Who is responsible for conducting the monitoring?</strong> (please circle as appropriate)</td>
<td>Group / Committee</td>
<td>Individual</td>
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<td><strong>Name / Title (also include position of individuals):</strong></td>
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<td><strong>Responsibility for action planning after review</strong></td>
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EQUALITY IMPACT ASSESSMENT AND ANALYSIS FORM

1. Please indicate the expected impact of your proposal on people with protected characteristics

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<thead>
<tr>
<th>Characteristics (where relevant)</th>
<th>Significant +ve</th>
<th>Some +ve</th>
<th>Neutral</th>
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<td>Gender re-assignment:</td>
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<td>Religion/Belief:</td>
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<td>Sex (male or female)</td>
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<td>Sexual Orientation:</td>
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<td>Marriage and civil partnership</td>
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<td>Pregnancy and maternity</td>
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</tbody>
</table>

The Trust is also concerned about key disadvantaged groups even though they are not protected by law

- Substance mis-users
- The homeless
- The unemployed
- Part-time staff

Please remember just because a policy or initiative applies to all, does not mean it will have an equal impact on all.

2. Consideration of available data, research and information. (delete grey guidance text once read)

<table>
<thead>
<tr>
<th>Key questions (supports EDS Goals)</th>
<th>Your Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.1 What evidence, data or information have you considered to determine how this development contributes to delivering better health outcomes for all?</td>
<td>NHS Pensions Agency on website <a href="http://www.nhsbsa.nhs.uk">www.nhsbsa.nhs.uk</a> Dept of Business Innovations and Skills (BIS) <a href="http://www.bis.gov.uk">www.bis.gov.uk</a> Age Concern <a href="http://www.ageuk.org.uk">www.ageuk.org.uk</a> CIPD <a href="http://www.cipd.co.uk">www.cipd.co.uk</a></td>
</tr>
<tr>
<td>2.2 What evidence, data or information have you considered to determine how this development contributes to improving patient access and experience?</td>
<td></td>
</tr>
<tr>
<td>2.3 What evidence, data or information have you considered to determine how this change/development/plan/policy contributes to delivering a representative and well supported workforce?</td>
<td>NHS Pensions Agency on website <a href="http://www.nhsbsa.nhs.uk">www.nhsbsa.nhs.uk</a> Dept of Business Innovations and Skills (BIS) <a href="http://www.bis.gov.uk">www.bis.gov.uk</a> Age Concern <a href="http://www.ageuk.org.uk">www.ageuk.org.uk</a> CIPD <a href="http://www.cipd.co.uk">www.cipd.co.uk</a></td>
</tr>
<tr>
<td>2.4 What evidence, data or information have you considered to determine how this change/development/plan contributes to inclusive leadership and governance?</td>
<td></td>
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</tbody>
</table>

3. It is Trust policy that you explain your proposed development or change to people who might be affected by it, or their representatives. Please outline how you plan to do this.

<table>
<thead>
<tr>
<th>Group</th>
<th>Methods of engagement</th>
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</table>
4. Equality Impact Analysis Improvement Plan

If your analysis indicates some negative impacts, please list actions that you plan to take as a result of this analysis to reduce those impacts, or rebalance opportunities. These actions should be based upon the analysis of data and engagement, any gaps in the data you have identified, and any steps you will be taking to address any negative impacts or remove barriers. The actions need to be built into your service planning framework. Actions/targets should be measurable, achievable, realistic and time framed.

<table>
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<tr>
<th>Negative impacts identified</th>
<th>Actions planned</th>
<th>By who</th>
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6. Sign off and publishing

Once you have completed this form, it needs to be ‘approved’ by Service Director, Clinical Director or an Executive Director or their nominated deputy. If this Equality Impact Analysis relates to a policy, procedure or protocol, please attach it to the policy and process it through the normal approval process. Following this sign off by the Policy Review and Monitoring Committee your policy and the associated EqIAn will be published by the Trust’s policy lead on the website.

If your EqIAn related to a service development or business /financial plan or strategy, once your Director or the relevant committee has approved it please send a copy to the Equalities Team (equalities@beh-mht.nhs.uk), who will publish it on the Trust’s website. Keep a copy for your own records.

I have conducted this equality Impact analysis in line with Trust guidance

<table>
<thead>
<tr>
<th>Your name: Maria Gregoriou</th>
<th>Position Acting Head of Business Partnering</th>
</tr>
</thead>
<tbody>
<tr>
<td>Signed: M.Gregoriou</td>
<td>Date:</td>
</tr>
</tbody>
</table>

Approved by:

<table>
<thead>
<tr>
<th>Your name: Mark Vaughan</th>
<th>Position: Executive Director of Workforce</th>
</tr>
</thead>
<tbody>
<tr>
<td>Signed: V.Vaughan</td>
<td>Date:</td>
</tr>
</tbody>
</table>