

FLEXIBLE RETIREMENT POLICY

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POLICY STATEMENT

The Council recognises the value of the knowledge, experience and skills of older employees and the contribution that Flexible Retirement can make to helping the Council retain colleagues and at the same time match the demand for skills.

The Council is committed to providing choice and flexibility to employees who wish to adjust their work life balance as they approach retirement.

The Council is therefore committed to facilitate Flexible Retirement arrangements which will meet both the needs of the individual and Monmouthshire County Council.

The retirement provisions outlined in this policy apply to all employees who are members of the Local Government Pension Scheme (LGPS).

Teachers are not covered by this policy; there are separate arrangements which cover their entitlements.

In its application, this policy seeks to ensure that there is no discrimination against employees either directly or indirectly on grounds prohibited by the Equality Act 2010 which covers age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex or sexual orientation. This policy is inclusive of partners of the opposite or same sex.

POLICY SCOPE

The implementation of the Age Discrimination Act 2006 and changes made to the Local Government Pension Scheme (LGPS) in 2006 introduced the concept of Flexible Retirement. This gave employees who are members of the LGPS, with the consent of the Council, a range of alternatives i.e.

- To reduce the number of hours worked and access their pension
- To work in a lower graded post and access their pension

Although the scheme retirement date remains at the employee's state pension age, employees are able to join or remain in the scheme until the day before their 75th birthday and continue to accrue membership.

This policy does not cover reductions in grade as a result of a service review or restructure. In such circumstances, Monmouthshire County Council's Protection of Employment Policy will apply.

ELIGIBILITY

In order to qualify to apply for Flexible Retirement an employee must be aged 55 or over and have two years' total membership of the LGPS or have brought a transfer value into the LGPS.

Although an employee has the right to request a change in their working hours or grade, in order to facilitate Flexible Retirement, there is no obligation on the employer to grant this request. The change must meet the needs of the service and is at the Employer's discretion.

Monmouthshire County Council will consider employee requests to take Flexible Retirement on a case by case basis after taking into account factors such as financial cost and the operational needs of the service.

Even where there is no additional financial cost the application may be rejected on the following grounds

- * an inability to reorganise work amongst existing employees
- * an inability to recruit additional employees
- * a detrimental impact on quality of service
- * a detrimental impact on service/team performance
- * a detrimental effect on the ability to meet customer demand
- * insufficient work for the periods the employee proposes to work
- * a planned structural change would be required

Where there is a financial cost for Monmouthshire County Council, including pension fund strain, it is unlikely that the request would be approved unless there is a strong business case for doing so.

All requests for Flexible Retirement are subject to approval by the Head of Service. Where approval has a cost implication for Monmouthshire County Council, these costs must be approved before a flexible retirement is granted.

With any option available under Flexible Retirement, employees can offset any reduction in benefits by purchasing added years, paying additional voluntary contributions (AVCs) or pay into a concurrent pension arrangement. Employees wishing to find more about these options should contact the Torfaen Pensions Team at Torfaen County Borough Council. Contact details:

TORFAEN PENSIONS TEL: 01495 762665. EMAIL: pensions@torfaen.gov.uk

OPTIONS FOR FLEXIBLE RETIREMENT

Subject to approval, employees can voluntarily request to move to a lower graded post as part of their Flexible Retirement request. There must be at least a 20% reduction in salary for this request to be considered. If the request is approved, the immediate pension benefit payable would be based on the higher graded post. The employee would then commence payments to the LGPS based on the lower graded post and continue these payments until their retirement.

Alternatively, employees can request a reduction in working hours in their present post as part of a Flexible Retirement request. There must be a reduction of at least 20% in the employee's working hours for this request to be considered. If the request is approved the immediate pension benefit payable would be based on the employee's salary prior to the reduction in hours. The employee would then commence payment to the LGPS based on the reduced hours and continue these payments until their retirement.

Employees need to seek information from Torfaen Pension regarding questions they may have about the early release of their pension under a flexible retirement arrangement. It is not the role of the Council to offer advice on the impact on their pension provision or taxable income, of taking flexible retirement, it is a personal decision for them to make before submitting an application.

Employees also have the option to resign from Monmouthshire County Council and draw their pension benefits from the Local Government Pension Scheme at any time from age 55 onwards. Notice must be given to your manager and the minimum notice period as stated in the contract of employment (statement of particulars) must be given.

APPROVAL OF REQUESTS FOR FLEXIBLE RETIREMENT

Flexible Retirement decisions are discretionary i.e. Monmouthshire County Council does not have to agree to the request. Whilst employees have the right to request Flexible Retirement they do not have an automatic right to be given Flexible Retirement.

The following criteria must apply for a request to be considered for approval:

1. The Council must agree there is no detrimental effect on service delivery.
2. The employee must take up a post at a lower grade than their present post or reduce their hours in their existing post.
3. Any additional cost of an employee flexibly retiring and receiving their pension benefits early will be met by the employing Directorate of the original post.
4. ALL REQUESTS FOR FLEXIBLE RETIREMENT THAT INCUR A COST FOR THE COUNCIL MUST BE APPROVED PRIOR TO A REQUEST BEING GRANTED.

RETIRE AND RETURN TO WORK

Employees who take Flexible Retirement, take pension benefits and return to work will automatically be brought back in to the LGPS.

WHERE FLEXIBLE RETIREMENT IS NOT AN OPTION

If an employee is not a member of the LGPS or is not over the age of 55 this policy will not apply but consideration may be given to flexible working under the Council's overarching policy on Work Life Balance, such options may include:

Job Sharing

Term Time Working

Compressed Hours

Annualised hours

APPLYING FOR FLEXIBLE RETIREMENT

Please note applications for Flexible Retirement must be submitted at least 3 months prior to the requested commencement date

In order to make a formal application for Flexible Retirement under this policy, employees must complete the Request for Flexible Retirement Form FR1.

All sections of the form must be completed and then submitted to the Head of Service.

An employee must decide whether or not they wish to take all or part of the accrued pension right and state this on the form FR1.

Before making any decisions employees are advised to contact the Torfaen Pensions Team, Torfaen County Borough Council regarding their own personal circumstances.

CONSIDERING A REQUEST FOR FLEXIBLE RETIREMENT

On receipt of form FR1, the Head of Service should acknowledge the request for Flexible Retirement.

On receipt of a Request for Flexible Retirement, the Head of Service will liaise with People Services HR to discuss the implications of this request for the service and to obtain details of any cost to the Council.

Within 28 working days of receipt of form FR1 the Head of Service must either:

Arrange a meeting with the employee to discuss the application

Or

Provisionally agree to the request subject to any costs being considered and approved.

RIGHT OF ACCOMPANIMENT

Applicants have the right to be accompanied by their Trade Union representative or a work colleague at any meetings arranged to discuss the Request for Flexible Retirement or a subsequent Appeal.

WHEN A REQUEST IS AGREED

The Head of Service must write to the employee within 28 working days of receiving the request, to confirm that their request has been agreed. This should not be done until approval has been given for any cost associated with agreeing this request.

A copy of this letter must be passed to People Services for the employee's personal file.

The Head of Service must also complete a Payroll amendment form giving full details of the change in hours and/or salary and the effective date of the new working arrangement.

WHEN A REQUEST IS DECLINED

The Head of Service must notify the employee in writing of their decision to decline the request, within 28 working days of receipt of the request, giving full reasons for their decision and advising of the right of appeal.

SEE FORM FR2

APPEAL PROCESS

If the Head of Service turns down a request for Flexible Retirement the employee has the right to appeal against this decision.

To appeal, the employee must write to the Chief Officer within 14 working days of having their request declined, stating their grounds for appeal. (See Form FR3).

The Chief Officer will arrange a meeting with the employee within to discuss their grounds for appeal within 21 working days of receipt. The employee has the right to be accompanied at this meeting by a trade union representative or a work colleague.

After the Appeal meeting the Chief Officer will write to the employee, within 14 working days notifying them of the outcome of the Appeal (Form FR4) and this acts as written notice of the Appeal outcome and constitutes Monmouthshire County Council's final decision.

APPENDIX 1 – FORMS

FORM FR1 - REQUEST FOR FLEXIBLE RETIREMENT (UNDER THE LOCAL GOVERNMENT PENSION REGULATIONS)

NOTES for Employee

You can use this form to make an application for Flexible Retirement.

Your application must be submitted at least 3 months before the date you wish your Flexible Retirement to commence.

Once completed this application should be submitted to your Head of Service.

Notes for Head of Service

This is a formal application made under the Local Government Pension Regulations to request Flexible Retirement. You are required to respond to this request within 28 working days of the receipt of this application by either approving the request or arranging to meet the employee to discuss this request.

Employees have the right to be accompanied by a Trade Union representative or work colleague at any meeting relating to their Flexible Retirement request.

ALL REQUESTS FOR FLEXIBLE RETIREMENT THAT WILL INCUR A COST TO THE COUNCIL MUST BE APPROVED BEFORE AN APPLICATION IS GRANTED.

.....

I would like to apply for Flexible Retirement and confirm that I meet the eligibility criteria as follows:

1. I have at least three months' membership of the Local Government Pension Service
2. I am age 55 or over
3. My application is submitted at least three months before I wish to commence Flexible Retirement.

Employee details

Full Name..... Date of Birth.....

Payroll Number.....Post.....

Directorate.....Service Area.....

Date of Commencement of new working arrangement.....

Describe the new working arrangement

.....

.....

Signed.....Date.....

SUBMITTING AN APPLICATION DOES NOT GUARANTEE THAT A REQUEST WILL BE GRANTED.

FORM FR2 - MANAGER RESPONSE TO REQUEST FOR FLEXIBLE RETIREMENT

Notes for Head of Service

Following receipt of a request for Flexible Retirement you should arrange to meet with the employee to discuss their request within 14 working days of receipt of the application. You should respond to them in writing, using the form below, within 14 working days of this meeting.

Notes for Employee

If your request for Flexible Retirement is turned down, you have the right of Appeal against the decision.

If you wish to Appeal against the decision, you must write to the Chief Officer, on the attached form (FR3) within 14 working days of receipt of this written decision. Your appeal must set out the grounds on which you are appealing. You have the right to be accompanied by a Trade Union representative or work colleagues at any meeting related to your Flexible Retirement request.

.....

Dear.....Payroll Number.....

Following receipt of your application for Flexible Retirement, (under the terms of the Local Government Pension Scheme), dated and our meeting held on I am now writing to confirm my decision.

- I am pleased to confirm that I am able to agree to your request for Flexible Retirement. The commencement date will be The following Flexible Retirement working arrangements have been agreed;

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OR

- I am unable to agree to your request for Flexible Retirement. The reasons for my decision are as follows;

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Signed.....Dated.....

Full Name.....

Job Title.....

FORM FR3 - APPEAL AGAINST FLEXIBLE RETIRMENT REQUEST DECISION

Notes for Employee

If your application for Flexible Retirement has been refused you may appeal against this decision. You may use the form below to submit your appeal.

You should set out the grounds on which you are appealing and do so within 14 working days of receipt of the written notification of the decision.

You have the right to be accompanied by a Trade Union representative or work colleague at any meeting related to your Flexible Retirement request.

Notes for Chief Officer

This is a formal Appeal made under the rights in the Local Government Pension Regulations to apply for Flexible Retirement. You have 21 working days from receipt of this appeal in which to arrange to meet with the employee to discuss their appeal.

Use Form FR 4 to reply to this appeal

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To Chief Officer

I wish to Appeal against the decision to refuse my application for Flexible Retirement dated..... The grounds for my appeal are as follows;

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Signed..... Date.....

Full Name..... Payroll no.....

Job Title..... Section

This completed form should be returned to Chief Officer, Monmouthshire County Council,
County Hall, Rhadyr, Usk NP15 1GA

FORM FR4 - OUTCOME OF FLEXIBLE RETIREMENT APPEAL

Notes for Chief Officer

You must return this form to the employee who has submitted the Appeal within 14 working days of meeting with them to discuss their Appeal.

Please use the form below to detail the outcome of the Appeal.

.....

Dear.....Payroll number.....

Following receipt of your Appeal against the decision to refuse your Flexible Retirement request and to our subsequent meeting on....., I have considered your appeal and have concluded as follows;

- I accept your Appeal against the decision to refuse your Flexible Retirement request and am therefore able to confirm that your request will be agreed on the following basis:

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OR

- I reject your appeal against the decision to refuse your Flexible Retirement request. My reasons are as follows;

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Signed..... Dated.....

Full Name.....

Chief Officer.....

Version Control

Title	Flexible Retirement Policy
Owner	People Services HR
Approved by	SLT; JAG
Date	September 2019
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