1. **INTRODUCTION**

1.1 This policy sets out the Trust’s position on retirement. It has been produced as a result of the Employment Equality (Age) Regulations which came into effect on 1 October 2006, but also forms part of an over-arching strategy to promote equal opportunities and avoid discrimination in employment practices.

1.2 Specifically, this policy is intended to demonstrate the Trust’s commitment to tackling age discrimination in retirement and promoting age diversity in its workforce. It is also intended as a guide to help managers and employees understand the retirement process and what flexible retirement arrangements are available so that they can:

   a) identify options
   b) consider the implications
   c) plan ahead
   d) support preparation for the transition of employees from work to retirement

2. **KEY POINTS**

2.1 Being flexible about retirement can mean reducing workload of individuals without losing valuable knowledge, skills and expertise.

2.2 Early communication between an employee and their manager (and vice versa) is an important prerequisite for effective retirement planning. Managers and staff may find the Trust’s annual system of appraisal a useful opportunity to:

   a) explore the future intentions of staff regarding retirement and their working arrangements
   b) discuss options for flexible retirement and their implications
   c) arrange appropriate help and support e.g. help with financial planning, advice about pension
   d) plan accordingly for future recruitment needs
   e) ensure appropriate notice is received to process pension (if payable) on time

2.3 The Trust’s existing Normal Retirement Date for all staff is 65 years of age, though currently some employees have requested, and been granted, a temporary contract extending beyond this age.

2.4 The Trust must give written notice to an employee if it intends to retire him/her from the age of 65 years onwards. The employee has no right to work beyond the Trust’s Normal Retirement Date, but can request not to be retired, and continue in employment. The Trust has a duty to consider the request which must include a meeting with the employee (who can be accompanied) before any decision is
made. If the request is not accepted, then the employee must be given the reason(s) and the right of appeal.

2.5 It will be automatically unfair to dismiss an employee by reason of retirement without having followed:

a) the duty to notify (of the right to request not to retire)

b) the duty to consider procedure (a request not to retire)

c) the duty to consider an appeal (against a decision not to retire an employee, or a decision to provide a shorter period of continued employment than that requested by the employee)

2.6 It is the Directorate Manager/Head of Department/Clinical Director’s responsibility to consider whether a request to work beyond the Trust’s Normal Retirement Date is acceptable. In doing so, managers must act in accordance with the Trust’s Equal Opportunities policy and ensure each request is treated fairly and equitably.

2.7 When considering requests, the Human Resources Department and Staff representatives should be involved as necessary.

2.8 Employees may seek the help and assistance of either the Human Resources Department, or their Staff Side representative if they require any advice or assistance in respect of this policy.

2.9 Managers must ensure that staff requesting to work beyond the maximum retirement age are fully aware of the implications for their terms and conditions of employment e.g. salary, sick pay and pension. Managers should seek the help and assistance of the Human Resources Department and/or Payroll as necessary.

2.10 For staff who are retiring, the manager must obtain confirmation in writing from the employee and notify the Human Resources Department immediately.

2.11 The Human Resources Department will arrange completion of all the necessary paperwork for terminating the employee’s employment, including Exit Form and, in conjunction with Payroll, will arrange completion of the necessary forms for release of pension (where payable).

2.12 Where an employee will work beyond retirement age, the manager must inform the Human Resources Department immediately. HR will confirm any contractual change(s) in writing to the employee (copy to manager) and will notify Payroll accordingly.

2.13 Where an employee’s request to continue working and not to be retired is accepted, continuation of their employment will not be subject to satisfactory medical clearance. However, medical clearance would be required if there is a genuine occupational requirement, or the manager has evidence to support concerns about their ability to carry out the duties of the post. This includes due consideration of any potential risk(s) to the health and safety of the employee, other staff and patients.
2.14 Information concerning requests not to be retired will be routinely collected for equal opportunities monitoring purposes.

3. SCOPE

3.1 This policy applies to all employees.

3.2 The arrangements covered by this policy are:
   a) retirement
   b) flexible retirement, including: ‘wind down’; ‘step down’; and ‘draw down’

3.3 In addition, the Trust’s Flexible Working policy contains details of the following flexible working arrangements staff may wish to consider as part of a request to work beyond retirement age:
   a) Reduced hours, including part-time hours, job share, term-time working, ‘V’ (Variable) time working and flexible hours working
   b) Flexible working
   c) Career breaks

4. RETIREMENT

4.1 This section is intended to give brief details about the NHS Pension Scheme as they stood when this policy was written. The Scheme is subject to change, therefore, the information provided here may not be accurate in future - managers and staff should refer to a Pensions Officer at Payroll and/or the NHS Pensions web-site – see Section 8.

Age 50

4.2 Employees who pay pension contributions may take voluntary early retirement (VER) from age *50 if they wish, however pension benefits are reduced to cover the extra cost of being in payment earlier and longer.

4.3 The level of reduction varies from 3% of the lump sum and 6% of the pension at age 59 up to 25% of the lump sum and 40% of the pension at age 50. Dependents still get the full amount of any benefits they become entitled to.

4.4 * For employees who join the Scheme for the first time on or after 6 April 2006, or previously left the Scheme before 31 March 2000 with deferred benefits and rejoined again on or after 6 April 2006, the minimum age they can choose to retire will increase to 55 with effect from 6 April 2010.

Age 55

4.5 Certain groups of staff who were members of the Scheme before 6 March 1995 are known as “Special Classes”. They are: nurses, midwives, physiotherapists, occupational health nurses and health visitors. They can receive their entitlement
to retirement benefits at any time after their 55\textsuperscript{th} birthday subject to certain conditions.

4.6 Mental Health Officers also have special class status.

4.7 Special class status does not apply to anyone who starts working in one of the aforementioned staff groups for the first time on or after 6 March 1995.

**Age 60**

4.8 Employees (not covered above) who pay pension contributions can receive their entitlement to retirement benefits at any time after their 60\textsuperscript{th} birthday.

**Age 65**

4.9 Age 65 is the maximum age of retirement for all employees. It is also the national default retirement age under the Employment Equality (Age) Regulations, effective from 1 October 2006. Under the Regulations, compulsory retirement below age 65 is unlawful unless objectively justified.

4.10 See Section 6. below for details of the Trust's procedure of handling staff who are approaching the maximum retirement age.

5. FLEXIBLE RETIREMENT

5.1 The NHS Pension Scheme offers employees who are members and approaching, or thinking about retirement, the following options:

a) ‘Wind Down’ Reducing the number of hours worked e.g. full time to part-time

b) ‘Step Down’ Moving into a less demanding role whilst protecting (or even enhancing) pension income

c) ‘Draw Down’ Retiring with pension and returning to work and taking out a new pension

It also offers those who do retire, the option to return to work part-time, full time or for short periods e.g. in the winter months.

5.2 By helping employees flex their retirement, managers can retain the knowledge and skills of experienced, valuable employees for longer.

5.3 Managers should ensure that staff are aware of the pension options and potential opportunities of remaining in Trust employment as an alternative to retirement. Managers should liaise with the Human Resources Department for advice and to action any change to an employee’s current employment.

5.4 Employees wishing to request a flexible retirement arrangement should complete the pro-forma at Appendix 1.

6. PROCEDURE
Notice Of Retirement From Employee (Voluntary Resignation)

6.1 If an employee wishes to retire from employment with the Trust, he/she must give notice in writing to his/her manager of the date he/she intends to retire on.

6.2 The minimum amount of notice required is the number of weeks required in accordance with the terms of the individual’s contract of employment i.e. one week for each year of service up to a maximum of twelve weeks.

6.3 Where an employee intends to retire and take their NHS Pension, the minimum amount of notice required in all cases is twelve weeks and, ideally, should be longer whenever it is reasonably practicable to do so. This is to enable the pension to be paid on time.

6.4 Managers should ensure that the HR Department is notified in writing (via email) on receipt of an employee’s intention to retire. They will then contact the employee and, in conjunction with Payroll, arrange the timely completion of the necessary documentation.

Notice Of Retirement From Trust

6.5 The Trust will give notice of retirement in writing to all employees who are within twelve months of the Trust’s maximum retirement age (i.e. 65 years old). Notice will be given as soon as possible and no later than *six months in advance. It will include the right of the employee to request not to be retired and what will happen if he/she fails to comply with the requirements for making such a request.

6.6 For staff already working beyond the maximum retirement age, the Trust will give notice of retirement to all employees who are within twelve months of the date their contract was extended until. Notice will be given as soon as possible and no later than *six months in advance. It will include the right of the employee to request not to be retired and what will happen if he/she fails to comply with the requirements for making such a request.

6.7 In all cases, managers should use the pro-forma at Appendix 2 for issuing notice.

*Transitional Arrangements

6.8 The Employment Equality (Age) Regulations (effective 1 October 2006) provide for transitional arrangements to exist until 1 April 2007 regarding the amount of notice the Trust is required to give.

If an employee is given notice before 1 October that they are to be retired after 1 October 2006 but before 1 April 2007, the notice must be at least the period required by their contract of employment, or where the employee is already serving a long period of notice required by their contract that exceeds four weeks, the Trust must give at least four weeks notice before 1 October 2006 to ensure the employee is aware and given the statutory minimum period of notice of retirement.

On 1 October 2006, or as soon as practicable afterwards, the Trust must write to (retiring) employees telling them of their right to request working longer. The
employee can make such a request after their contract has been terminated, but not more than four weeks afterwards.

A meeting to discuss the request, and any subsequent appeal meeting, must be held within a reasonable period. The employee can ask to be accompanied by a trade union representative or colleague if they wish.

**Employees who do not wish to continue in employment beyond retirement age**

6.9 If an employee wishes to retire on or before their 65th birthday, they should give notice in writing to their manager of the date they intend to retire by completing the relevant part of the pro-forma at Appendix 1. The date must be no later than their 65th birthday, otherwise they will have to make a request not to be retired. Notice must be received no later than three months before the intended date of retirement. Failure to do so will mean the loss of any right to have any subsequent request not to be retired considered, and retirement will take effect on the date of the 65th birthday.

6.10 Employees already working beyond their 65th birthday who do not wish to make a request not to be retired, should give notice in writing to their manager of the date they intend to retire on. The date must be no later than the date/period their existing contract was extended until, otherwise they will have to make a request not to be retired. Notice must be received no later than three months before the intended date of retirement. Failure to do so will mean the loss of any right to have any subsequent request not to be retired considered, and retirement will take effect on the date the existing contract was due to expire.

6.11 In all cases, employees should complete and return the relevant part of the pro-forma the Trust used to give notice of retirement - see Appendix 2.

**Employees who request not to be retired, and wish to continue working beyond retirement date**

6.12 An employee who requests not to be retired must ensure his/her request is received by his/her manager no later than three months before the date of retirement notified by the Trust. Failure to do so will mean the loss of any right to have the request not to be retired considered, and retirement will take effect on the date notified by the Trust.

6.13 In all cases, employees must complete and return the relevant part of the pro-forma the Trust used to give notice of retirement - see Appendix 2.

**Note** The employee must:

a) give the reason(s) for requesting not to be retired
b) specify the capacity they wish to continue working in, including grade, hours and work pattern/shifts
c) specify how long they intend to work for. This may be:
   - for an indefinite period
   - time specific (e.g. for a specific number of months or years)
   - date specific (e.g. until a particular event occurs, such as a birthday)
6.14 Following receipt of the request, the manager must arrange to meet with the employee within 10 working days (or a later date by arrangement) to discuss their request. The employee has the right to be accompanied by a trade union representative, or a colleague if he/she so wishes.

6.15 The manager must decide on the request and inform the employee of his/her decision in writing within 10 working days of the meeting (or a later date by arrangement).

6.16 If employment continues, the manager will inform the HR Department who will issue written notification stating the new intended retirement date and the agreed changes to the employee’s contract of employment. Payroll will be notified accordingly.

6.17 The whole process of the Trust giving notice to retire the employee on the new retirement date (see paragraph 6.5 onwards) will be repeated for this and any other extensions to employment in future.

6.18 If the request not to be retired is refused, the employee has the right to appeal against the decision. The appeal must be lodged with the HR Manager within 14 calendar days of receiving the decision in writing. Any appeal will be heard by a member of the Management Executive, supported by a member of the Human Resources Department.

**Appeals**

6.19 An appeal hearing will be held as soon as possible and normally within 28 days of the appeal being lodged. A later date may be set by arrangement.

6.20 The outcome of the appeal will be notified in writing to the employee within 10 working days of the hearing.

6.21 If the appeal is not upheld, the employee will be given the reason(s) and the date on which his/her retirement will take effect. The decision of the appeal will be final.

6.22 If the appeal is upheld, the employee will be notified in writing of his/her new intended retirement date. He/she will also be issued with written notification reflecting any agreed changes to his/her contract for the period his/her employment is continued.

6.23 The whole process of the Trust giving notice to retire the employee on the new retirement date (see paragraph 6.5 onwards) will be repeated for this and any other extensions to employment in future.

7. **PROCEDURE FOR HANDLING EMPLOYEE COMPLAINTS ARISING FROM THIS POLICY**

An employee who is aggrieved by any alleged misapplication of this policy is entitled to raise the matter under the Trust’s Grievance Procedure, commencing at Stage 3.
8. FURTHER INFORMATION

Further information about retirement and related issues can be found as follows:

- NHS Pensions – contact your pensions officer at Payroll, Innovate House, Balliol Business Park West, Longbenton, Newcastle NE12 8EW Tel. 0191 2153111 (email: surname.forename@nhct.nhs.uk)


- State Pensions. Tel 0845 6060265 Web-site: www.thepensionservice.gov.uk

- Age Positive is a collection of business and government organisations who produce a range of information. Address for general enquiries: Age Positive, Department for Work and Pensions, Room W8d, Moorfoot, Sheffield S1 4PQ Web-site: www.agepositive.gov.uk

- ‘Are You Over 50?’ A practical guide to advice, support and services available through central and local government covering:
  - options at work
  - learning, volunteering and leisure activities
  - financial planning
  - health and fitness
  - support available if you are a carer
  - help and advice from government and voluntary organisations

  Email: www.direct.gov.uk/over50s

- The Pensions Advisory Service (TPAS). An organisation that helps the public with pensions problems. Provides information and guidance on State Pension, company, personal, stakeholder and occupational pensions. Address: 11 Belgrave Road, London SW1V 1RB Tel 0845 6012923 Web-site: www.pensionsadvisoryservice.org.uk

9. POLICY REVIEW AND AMENDMENT

The Human Resources Manager is responsible for the review and amendment of this policy.
REQUEST FOR FLEXIBLE RETIREMENT

PERSONAL & EMPLOYMENT DETAILS

Surname: _____________________________  Forename(s): __________________________

Date of Birth: _______________________

Job Title: ____________________________  Band: ______________

Hours Worked Per Week: ____________  Normal shift pattern: _____________________

Ward/Dept: __________________________  Directorate: ____________________________

Site: _________________________________  In Pension Scheme: Y/N

I would like to request flexible retirement arrangements. What I would like to do is as follows:

________________________________________________________________________________

________________________________________________________________________________

From: ___________________________  To: _____________________________

Signed: _________________________________   Date: _____________________

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MANAGER’S DECISION

Request accepted   Y/N  If No, state reason(s) ________________________________

________________________________________________________________________________

________________________________________________________________________________

Signed: _________________________________   Date: _____________________

Print Name: ________________________________________________

Designation: ________________________________________________
THE NEWCASTLE UPON TYNE HOSPITALS NHS FOUNDATION TRUST

NOTICE OF INTENTION TO RETIRE AN EMPLOYEE

PERSONAL & EMPLOYMENT DETAILS

Surname: _____________________________  Forename(S): __________________________
Date of Birth: _______________________
Job Title: _____________________________________________  Band: _______________

Hours Worked Per Week: ____________  Normal shift pattern: _____________________
Ward/Dept: __________________________  Directorate: ____________________________
Site: _________________________________  In Pension Scheme: Y/N

According to our records, you will reach the Trust’s maximum retirement age on the following date, therefore, I hereby
give you notice that I intend to retire you on this date: __________________

If you are in agreement, please complete the section below and return this form to me to be received at least three
months before the above date. I will then arrange to process your retirement and pension (if applicable).

If you are not in agreement, you have the right to request not to be retired. To exercise this right, please complete the
relevant section below and return this form to me to be received at least three months before the above date. I will then
arrange for us to meet and discuss your request within the next 10 working days. I will give careful consideration to
any request you may make to continue working and will inform you of my decision and the reason(s).

Signed: _________________________________   Date: _____________________
Designation: __________________________________________
Print Name: ___________________________________________

AGREEMENT TO RETIRE

I confirm that I wish to retire and would be grateful if you could arrange this, together with my pension (delete if
necessary), to be effective from _____________________.

Signed: _________________________________   Date: _____________________

REQUEST NOT TO BE RETIRED

I hereby request not to be retired on the above date and request to continue working until _____________________.
The main reason for my request is as follows:

________________________________________________________________________________
________________________________________________________________________________

The capacity I would like to continue working in is as follows:

a) Current job and working pattern  Y/N  If No, please specify
b) Arrangements under a flexible retirement option  Y/N  If Yes, please specify

_____________________________________________________________________________

_____________________________________________________________________________

c) Arrangements under another flexible working option (see Flexible Working policy, Appendix 1)  Y/N If Yes, please attach flexible working application form

d) Other. Please specify.

_____________________________________________________________________________

_____________________________________________________________________________

Signed: _________________________________   Date: _____________________

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MANAGER'S DECISION

Request accepted  Y/N   If No, state reason(s) ________________________________

_____________________________________________________________________________

Signed: _________________________________   Date: _____________________

Print Name: ________________________________

Designation: ________________________________