

FLEXIBLE RETIREMENT POLICY

INTRODUCTION

The Local Government Pension Scheme (Scotland) Regulations allow members of the Local Government Pension Scheme (LGPS) who are aged 55 or over to flexibly retire providing they have their employer's consent.

Tayside Contracts recognises that the transition from working life to retirement can be a daunting prospect to employees approaching that stage in their lives. Flexible retirement gives employees an option to carry on working by reducing their hours and/or moving to a lower graded post whilst drawing all or part of their pension benefits.

Flexible retirement can be mutually beneficial to Tayside Contracts and employees as it can help employees gradually make the transition from their working life to retirement whilst allowing Tayside Contracts to make financial savings.

SCOPE OF POLICY

This policy applies to all employees working at all levels and grades within Tayside Contracts.

Only managers with the authority to do so can approve a flexible retirement request in accordance with the [HR and Payroll Related Expenditure Authorised Signatory List](#).

ELIGIBILITY

Flexible retirement requests will only be considered if you meet the following eligibility criteria:

- ✓ You are aged 55 or over.
- ✓ You have at least 2 years continuous Local Government service.
- ✓ You have at least 2 years LGPS membership or have transferred other pension rights into the Scheme.
- ✓ The hours of work proposed are at least 20% less than you currently work or 7½ hours, whichever is the lesser and/or you propose to reduce the grade of the post you occupy i.e. you apply to be redeployed to a lower graded post.
- ✓ If you are aged below 60, you must request access to all or part of your pension benefits.
- ✓ Your combined pension benefits and new salary do not exceed your current salary.
- ✓ You apply on the basis that the flexible retirement period will not exceed 2 years.
- ✓ You agree that you will transfer to a fixed term temporary contract for a maximum period of 2 years. A review will be carried out 3 months prior to the fixed term contract expiring at which time, in exceptional circumstances the fixed term contract may be extended.

PROCEDURE

1. If you would like to make a request to flexibly retire you must complete a 'Flexible Retirement Request Form' and submit it to the HR Admin Team.

Please note that if a pension benefit is made before your 65th birthday, your benefits are automatically reduced by Tayside Pension Fund in accordance with guidance issued by the Government Actuary, therefore you are encouraged to seek independent financial advice.

2. Your request will be acknowledged by the HR Admin Team within 10 working days and forwarded to your Head of Division/Unit for consideration.
3. Your Head of Division/Unit will through liaison with the HR Manager, request an estimate of your pension benefits and any costs associated via the Business Support Assistant (Payroll) from Tayside Pension Fund within 10 working days of receiving the request from the HR Admin Team.
4. On receipt of the estimate, the HR Manager will forward a copy of the estimate by email to your Head of Division/Unit for consideration within 10 working days of receiving the estimate. The HR Manager will also inform the HR Adviser for your business area.

Please note that Tayside Pension Fund can take approximately 6 weeks to provide an estimate of pension benefits.

5. Your Head of Division/Unit will arrange a formal meeting with a representative from HR Services in attendance to discuss your request within 28 working days of receiving the estimate.

You will be afforded the right to be accompanied at the formal meeting by a trade union representative or work colleague.

6. All requests for flexible retirement will be treated in a fair, consistent and timely manner. Any delays to the procedure will be communicated to you.

Requests will only be approved if:

- ✓ You meet all the eligibility criteria detailed above.
- ✓ There is a robust business case.
- ✓ There will be no detrimental impact on service delivery.
- ✓ There is a net saving to Tayside Contracts over a period of five years after taking into consideration any cost payable by Tayside Contracts associated with the strain on the pension fund.

Employees aged 60 or over

If you are aged 60 or over, approval is only required for a change in working arrangements from your Head of Division/Unit. Approval is not required for the early release of pension benefits as there is no cost to Tayside Contracts, however, you must still apply for flexible retirement in accordance with this policy.

You will be informed verbally and in writing of your Head of Division/Unit's decision within 10 working days of the meeting.

If your request is approved, you are responsible for making the arrangements for the early release of your pension benefits.

If your request is declined, the reasons why will be fully detailed in writing. There is no right of appeal against a request being declined.

Employees aged below 60

If you are aged below 60 and your Head of Division/Unit is satisfied that your request is acceptable, they will liaise with the HR Manager to arrange for their recommendation, together with the costings, to be submitted to the Managing Director and the Head of Financial Services for approval. The Managing Director will inform the HR Manager of the decision and will consult with the Proper Officer prior to approving a request from any employee on Grade 11 or above.

The HR Manager will inform the Head of Division/Unit of the Managing Directors decision. You will be informed verbally and in writing of the decision by your Head of Division/Unit within 10 working days of the decision. If your request is approved, the HR Manager will make a formal request via the Business Support Assistant (Payroll) to Tayside Pension Fund requesting the release of your pension benefits.

If your request is declined, the reasons why will be fully detailed in writing. There is no right of appeal against a request being declined.

7. All changes to your terms and conditions of employment will be confirmed in an amendment letter which will constitute a formal amendment to your terms and conditions of employment.

POLICY MONITORING

At the end of each financial year a report on the number of employees released on the grounds of flexible retirement will be submitted by the Managing Director to Tayside Contracts Joint Committee.

RELATED POLICIES

The Flexible Retirement Policy links to the following policies which can be accessed on the Intranet, or requested from your line manager or from the HR Admin Team:

- Early Retiral and Voluntary Redundancy Policy
- Flexible Working Policy
- Job Sharing Policy

The above list is not exhaustive.

POLICY REVIEW

The Flexible Retirement Policy will be reviewed at three yearly intervals, or as required by legislative changes.

DATA PROTECTION LEGISLATION

Tayside Contracts respects the privacy of our employees, any personal data processed during the application of this policy will be in line with Data Protection Legislation. Further information on how we may process personal data for the purpose of applying this policy can be found in our Privacy Notice.

Should you have any queries or require further clarification regarding any aspects of this policy or related policies please contact, HR Services on 01382 812721 or employment.policies@tayside-contracts.co.uk

If you would like this document translated into another language or in another format such as audio or large print then please contact Angie Thompson, Equalities and Communications Manager on 01382 834165 or angie.thompson@tayside-contracts.co.uk