

SALISBURY NHS FOUNDATION TRUST Retirement Policy

1. Quick Reference Guide

- This Policy applies to all employees including those on fixed term and bank contracts.
- Explanation of the NHS Pension Scheme Sections and key criteria.
- Definition of flexible retirement options.
- Definition and explanation of 'retire and return'
- How to access pension information and the steps to transitioning to retirement
- Support available within the Trust for employees considering retirement
- Guidance for People Managers in how to effectively support colleagues nearing retirement

2. Introduction and Purpose

- Our ability to deliver an outstanding patient experience every time is reliant on you working to the best of your ability.
- We need to make sure the way we work fits the world we live in. The composition of our workforce, the expectations of our people towards work and retirement are constantly changing, and the more we can move with those changes, the more effective we become. We are committed to meeting flexible retirement options whenever possible.
- We will consider the choices you make confidentially with fairness, discretion and sensitivity according to our policy and procedure whilst ensuring that we continue to meet service requirements which put our patients at the centre of what we do.
- Our policy seeks to encourage positive inclusion for all our people including the requirements set out in the Equality Act 2010. It also meets the requirements of the Employment Equality (Age) Regulations 2006.

Version No.	Updated by	Updated on	Description of changes
.	Jo Cherrett	08/01/2007	
2.0	Jo Cherrett	12/05/2010	Major Update
3.0	Vicki Horrill	17/10/2012	Removal of 'references' appendix D, added instead to new section at number '16 – References', addition of 'Retire and Return' form at appendix D, addition of 'Retire and Return' section at section 9, removed special class appendix information to new Section 15 in body of policy, extended review date, addition of implementation plan and Equality Analysis
4.0	HR Advisor	02/07/2014	Addition of reference to values and behaviours in section 1, extension of review date
5.0	HR Manager	02/06/2015	Addition of reference to new 2015 NHS Pension Section 3 A
6.0	Pensions Manager & HR Advisor	21/05/18	Major update
0.1	Senior Business Partner Employee Relations and Pensions	October 2022	OD&P Policy and Procedure review in new Template including <ul style="list-style-type: none"> • New introduction and Purpose • Table of definitions of the NHS Pension Scheme Sections and key criteria. • Table of definitions and examples of flexible retirement options. • Definition and explanation of 'retire and return' • How to access pension information and the steps to transitioning to retirement • Support available within the Trust for employees considering retirement • Guidance for People Managers in how to effectively support colleagues nearing retirement

3 Eligibility

This policy applies to all employees including those on fixed term contracts. Bank workers are subject to the rules of the pension scheme to which they belong. It excludes agency, contractor, and volunteer colleagues.

4 Scope

This policy is in place to ensure that when you want to retire from Salisbury NHS Trust you can make the transition from working to retirement smoothly. It also sets out a range of retirement options available and how to access these. Salisbury NHS Foundation Trust does not operate a compulsory retirement age.

5 Retirement and the NHS Pension Scheme

We recognise that planning for retirement can be a challenging process. When considering your retirement options, you need to bear in mind the potential impact on your pension.

When you choose to retire is likely to be influenced by whether you are in the NHS Pension Scheme and if so which scheme sections(s). There are three separate NHS pension scheme sections: 1995, 2008 and 2015.

The following table provides guidance on each of the three NHS Pension Scheme sections.

NHS Pension Scheme - Sections	Normal Pension Age (NPA)
1995 Section	The NPA is 60 and therefore if you have paid pension contributions in this part of the scheme you can access pension benefits at any time after your 60 th birthday. Those with Special Class (SC) Status have alternative arrangements (see table below).
2008 Section	If you joined the NHS Pension Scheme after the 1 April 2008 or transferred your benefits into this section the NPA is 65, and therefore you can access your retirement benefits after your 65 th birthday.
2015 Section	The NPA under the 2015 Section is equal to your state pension age.
1995/2008/2015 multiple scheme membership	Following introduction of the 2015 scheme you may hold membership in two or more of the NHS Pension Schemes. Your retirement options will vary depending on which combination of schemes you wish to access at retirement. You can obtain further information from the Trust Pension Officer or the NHS Pension Agency.

You can find out which section/s of the scheme you are a member of by accessing your Total Reward Statement (TRS). You can access your statement via the TRS portal at [Login - Total Rewards Statement \(totalrewardstatements.nhs.uk\)](https://totalrewardstatements.nhs.uk) or using the ESR link via the intranet.

The table below provides further guidance on some specific pension terms that you may come across when you seek further advice or information regarding the NHS Pension Schemes, and how this may relate to you.

Key Definitions	What it means
Minimum Retirement Age (MRA)	<p>The earliest age that NHS employees can retire and draw their NHS pension is known as the minimum retirement age (MRA). This varies depending upon the section of the pension scheme employees belong to:</p> <p>If you joined the 1995 pension scheme before 6th April 2006 the MRA is age 50.</p> <p>If you joined the 1995 pension scheme after 6th April 2006 the MRA is age 55.</p> <p>If you belong to the 2008/2015 section of the pension scheme the MRA is age 55.</p>
Normal Pension Age (NPA)	<p>This refers to the age that NHS employees can retire from employment and have their NHS pension paid without reduction. The actual age depends upon which section of the pension scheme you belong to</p> <p>If you are in the 1995 section of the pension scheme the NPA is 60</p> <p>If you are in the 2008 section of the pension scheme the NPA is 65 years.</p> <p>If you are in the 2015 section of the pension scheme NPA is linked to the individual's State Pension Age.</p> <p>There are some exceptions to this where certain staff groups have protected 'special class' status. Members who hold Special class status can retire at age 55 without reduction to your pension.</p>
Special Class Status (SC) 1995 Scheme only	<p>Special Class applies to certain groups of staff who were members of the Scheme on or before 6 March 1995. The special classes include:</p> <ul style="list-style-type: none"> • Nurses • Physiotherapists • Midwives • Health Visitors <p>Special Class status was abolished for new entrants to the Scheme who joined after 6 March 1995 and for those who return to NHS pensionable employment after 6 March 1995 with a break in pensionable employment of any one period of five years or more years. Employees must be working in these roles at the time of their retirement and for 5 continuous years prior to their retirement.</p> <p>If you are male and have Special Class status you may retire at age 55 but only your benefits based on your membership from 17 May 1990 will be unreduced. All benefits for membership prior to this date will be actuarially reduced unless you request to have these benefits deferred.</p>
Voluntary Early Retirement (VER)	<p>You may opt to take VER at any time from the minimum pension age applicable to the scheme you are a member of. An early retirement pension is reduced because it is being paid early and for longer. The amount of the reduction depends on how many years before the normal pension age (NPA) the pension is being claimed.</p>
State Pension Age SPA	<p>State Pension age is the earliest age you can start receiving your State Pension. It may be different to the age you can access your NHS Pension.</p> <p>Your State Pension age is worked out based on your gender and date of birth. You can check your individual position by visiting www.gov.uk/check-state-pension (*You will need to register for a Government Gateway account). More details about the state pension can be found at: https://www.gov.uk/browse/working/state-pension</p>

6 Accessing your pension and the options available

We recognise that you will wish to retire at an age that is appropriate to your needs, circumstances and capabilities which may include one or more of the following options.

- Flexible working options, including Bank work.
- Early retirement
- Early retirement and return to the NHS
- Wind down – reduction in hours in the lead up to a planned retirement
- Step down – moving to a lower graded post in the lead up to retirement
- Work as normal retiring at 60, 65 or SPA
- Retire at normal retirement age and return to the NHS
- Continue working beyond normal retirement age.

Once you have decided you wish to retire or are considering retirement, particularly flexible retirement, you should discuss your plans initially with your manager.

We would also encourage you to obtain information on how these changes may impact your pension, by obtaining further information from the Trust Pensions Officer (main switchboard extn 2794) or the NHS Pensions Agency. The Trust Pension Officer can provide estimates of the various retirement options available and discuss any queries you have. The NHS Pensions Agency also has a Helpline 0300 3301 346 and additionally has a useful web site www.nhsbsa.nhs.uk/pensions where you will find useful information. Additional useful addresses and telephone numbers in relation to the NHS Pension Scheme can be found at [Appendix A Pensions Useful Telephone Numbers](#)

The table below provides guidance on the flexible retirement options available.

NHS Pension Scheme Flexible Retirement Options	
Wind down (available within 1995/2008/2015 schemes)	As a Scheme member, you can request to 'wind down' to retirement by remaining in your current post but reduce the number of hours or days you work, subject to service provision needs.
Step down (available within 1995/2008/2015 schemes)	If you would like to reduce the pressure and responsibilities you have in your current role you can request to step down into a less demanding and lower graded post, which still makes use of your skills and experience, subject to there being an appropriate vacancy and service provision needs.
Draw down (available within 2008/2015 scheme only)	You can take part of your pension benefits and continue in NHS employment. This means that you could if this applies, continue working while benefitting from being able to partially draw down your pension benefits and supplement their income. On reaching age 55 members become eligible to take some of their pension if they reduce their earnings by 10% or more, for example by working part time.
Late retirement (available within 1995/2008/2015 schemes)	You can choose to retire later than your normal pension age (NPA).
Retire and return to NHS employment (available within 1995/2008/2015 schemes)	Staff who have reached the minimum pension age can choose to retire, claim their pension benefits and then return to NHS employment subject to the provisions below.

6.1 Retire and Return to work

Principles

- Under the provisions of the NHS Pension Scheme, you have the option, subject to approval, to retire from service and take all your pension benefits before returning to NHS employment.
- “Retire and return” enables the NHS to retain the valuable skills, knowledge, and experience necessary to deliver patient care and can help support your health and wellbeing as you approach retirement and wish to continue working.
- To be considered for “Retire and Return” you should make an application to your manager as explained below. Your Directorate Management Team will consider each application on its merits and reach a decision based upon workforce requirements and Trust objectives.

Retire and Return Procedure

- If you are seeking to ‘retire and return’ you should complete the [Appendix B Retire and Return Application Form](#) and return it to your manager. The information completed on this form will form the basis of a discussion before a final decision is made.
- You should note that ‘retire and return’ involves resigning from your employment and requesting a new contract with the Trust.
- There must be a break of at least 2 consecutive weekends between the date of retirement and date of return. This break in service resets your NHS service and entitlement to redundancy pay, however other service-related benefits such as your annual leave and sick pay entitlements are not affected. You would be eligible for redundancy pay after 24 month’s service on your new contract of employment.
- You will need to take an outstanding annual leave prior to the original contract terminating and the new one starting.

NHS Pension Retire and Return Restrictions

- The NHS pension scheme requires you to have at least a 24-hour break before you return to NHS employment, but Trust policy is that there must be 2 consecutive weekends break in service.
- The table below sets out additional requirements depending on which NHS pension scheme applies to you.

1995 Pension Scheme member	Employees retiring from the 1995 section of the scheme are limited to working 16 hours or less a week for one calendar month. This can run concurrently with the agreement above so in effect staff must have a minimum of 2 weeks break in service, including 2 Saturdays plus another 2 weeks or so at 16 hours or less to make a total of 1 calendar month. The NHS Pension Agency defines a calendar month break as a period from a specified day in one month to the day numerically corresponding to that day in the following month. For example, from April 2 to May 2 inclusive, is considered a calendar month. Additional restrictions apply to Special Class members. If you return to work before age 60, your new earnings plus your NHS pension benefits cannot be more than what you earned prior to retirement.
2008/ 2015 Pension Scheme member	If you retire from the 2008 or 2015 pension scheme you must have a minimum of 2 consecutive weekends break. You can then return to employment, working any number of hours as you agree with the Trust.

Retire and return and Automatic Pension Enrolment

- After claiming your NHS Pension, you may want to re-join the NHS Pension Scheme if you return to NHS employment. Whether you are eligible to re-join the scheme will depend on the section of the scheme that you retired from. The table below provides further guidance.

Pension Scheme	Arrangements
Staff retiring from the 1995 section	Upon returning to NHS employment, you will not be eligible to continue contributing to the NHS Pension Scheme, but may, subject to the auto enrolment criteria, be automatically enrolled into the Trust's alternative pension scheme NEST (National Employment Savings Trust).
Staff retiring from the 2008 or 2015 sections	Employees retiring from the 2008 or 2015 sections of the pension scheme may, following assessment by the NHS Pension Agency, be able to continue contributing to the NHS Pension Scheme. You should refer to the NHS Pension Agency website for more information.

III-Health Retirement

- If you are too unwell to work, you may be able to retire on the grounds of ill-health and take your NHS pension benefits. Decisions regarding ill-health retirement are not made by the Trust but are made by the Pensions Agency based on expert medical opinion.
- Details of ill-health retirement can be found in the Attendance Management Policy.

7 Guidance for People Managers

7.1 Benefits of Supporting our people nearing their retirement

Your role is integral in helping our people as they approach retirement and to enable them to consider and make the right retirement choices in line with their needs, commitments, and aspirations. This in turn ensures that we can provide a high level of service to our patients.

7.2 Your Responsibilities as a Manager

As a manager you are responsible for ensuring that your people nearing retirement can discuss with you their views on retirement and are supported in identifying the range of options available to them. Advice is available from your Business Partner/People Advisor, Payroll and the Pensions Officer if you need it.

7.3 Helping your People with planning the transition to retirement

When a member of your team has decided to retire you should submit the termination notification via ESR Manager Self Service to the Payroll Department at least 4 months in advance of the retirement date to allow sufficient time to work out the individual's pension. It is essential that all information given to Payroll is complete and accurate.

As the retiring employee's manager, you are responsible for ensuring that the steps outlined below are taken at the appropriate time [Appendix C - Retirement Checklist](#) You should ensure no steps are missed and that once completed, the Checklist is returned to HR for filing on your employee's personal file.

- **Once a Retirement Date has been selected**

You should hold a pre-retirement meeting with the employee if they have stated they wish to retire. The purpose of the meeting is to:

- Discuss with the employee flexible working opportunities
- Remind them of the need to prepare for retirement
- Arrange for the employee to attend a pre-retirement course, run annually. You can obtain further details from the Education & Training Department.
- Advise them to visit the Trust's NHS Pension Scheme Officer to discuss pension benefits as applicable.

- **At least 4 months before the retirement date (recommended)**

- You should forward a termination notification via ESR Manager Self Service to the OD & People and Payroll Department. The NHS Pensions Authority requires at least 4 months' notice to process applications.
- Check how long your employee has worked for Salisbury NHS Foundation Trust (or its predecessor authorities). If at the date of retirement service is 20 years or more, request a long service cheque from Technical Accounts to purchase gift vouchers in recognition of their service [Appendix D- Memorandum Long Service Cheque for Retirement](#). Currently the figure agreed is £5 per year of service.
- Begin organising any social event to mark retirement and collecting a for a leaving gift if appropriate. For your people with 20 or more years' service at their retirement date with the Trust (or a predecessor of the Trust) an equal amount of money (at the present time £5 per year of service) will also be made available to fund a social event to mark retirement. To claim the contribution, invoices, or receipts for the costs of holding a social event should be forwarded to the Finance Department for payment or reimbursement. Expenses in excess of this amount must be found locally. If your employee does not wish to have a social event their wishes will be respected; a request for social event funds would not be made under these circumstances.

- **During your employee's final week of employment**

You should issue a letter of thanks to your employee on behalf of the Trust. As soon as you receive written notice of your team member's retirement you should complete a Termination Form and ask them how they would like their Exit interview to be conducted, if they would like one, and that time will be arranged for them to complete the Trust exit questionnaire which will be emailed to them by OD and People on receipt of the termination form.





8 Monitoring Compliance and the effectiveness of this policy

This will be monitored by the OD and P Directorate. Our People managers are responsible for the implementation of this policy and procedure.

9. Equality Impact Assessment

An Equality Impact Assessment has been completed and was presented to the ratifying committee at the time of approval.

Appendices

Appendix	Description	File
A	Useful Telephone Numbers - Pensions	 Appendix A - Useful pension telephone numbers https://mg.salisbury.nhs.uk/media/3565/appendix-a-useful-pension-telephone-numbers.pdf
B	Retire and Return Application Form	 Appendix B - Retire and Return Application Form https://mg.salisbury.nhs.uk/media/3566/appendix-b-retire-and-return-application-form.pdf
C	Retirement Checklist	 Appendix C - Retirement Checklist https://mg.salisbury.nhs.uk/media/3567/appendix-c-retirement-checklist.pdf
D	Memorandum – Long Service Cheque for Retirement	 Appendix D - Long Service Cheque Request https://mg.salisbury.nhs.uk/media/3569/appendix-d-long-service-cheque-request.pdf

Post Holder /Author Responsible for Policy:	Senior Business Partner Employee Relations
Date Written:	October 2022
Approved By:	JCC October 2022
Ratified by:	OMB October 2022
Next Due for Review:	October 2025
Date Policy effective from:	01 May 2023