



RETIREMENT & PENSION POLICY

This policy sets out the procedure that should be followed when an employee wishes to retire where there is a Default Retirement Age for specific roles only

Version History

Version	Author	Reason For Issue
April 2006	HR	Changes to legislation
January 2012	People Services	Removal of DRA
December 2015	People Services	Pensions discretions statement review

Document Distribution

Name	Role
JCC	For consideration of amendments for policy
CMT	For approval of amendments to policy
HOST	For implementation.
All staff	Revised scheme/ staff benefit.

We recognise that, from time to time, employees may have questions or concerns relating to their rights. It is our policy to encourage open discussion with employees to ensure that questions and problems can be resolved as quickly as possible.

This policy applies to all employees of Boston Borough Council and incorporates the following principles.

- **Good faith**
This policy and procedure will be applied in a consistent manner and without discrimination.
- **Fairness**
Any action taken will be reasonable and necessary. Members of staff involved are entitled to be heard with courtesy and respect.
- **Confidentiality**
Information relating to an individual's retirement will only be shared with individuals who have a need to know.
- **Representation**
If issues arise within these procedures and a formal approach is required to deal with them, employees will be entitled to be accompanied by a trade union representative or by a work colleague.

Contents

Introduction	3
Retirement procedure.....	3
Workplace discussions.....	3
Succession planning	3
Pension administration	4
Additional Contributions	4
Shared cost Additional Pension Contributions - Regulation 16 (2)(e) and 16 (4)(d).....	5
Granting additional scheme membership.....	5
Death benefits	5
Forfeiture of pension rights after conviction for employment-related offences	5
Transferring previous pension rights	6
Normal Retirement	6
Early retirement.....	6
Waiving actuarial reductions - Regulation 30(8).....	7
Rule of 85 and drawing your pension on or after age 55 and before age 60.....	7
Compassionate grounds	8
Redundancy, business efficiency or mutual consent on grounds of business efficiency over age 55	8
Awarding Additional Pension - Regulation 31	8
Flexible retirement from age 55.....	8
End of fixed term contracts over age 55.....	9
Ill Health Retirement.....	9
Early Payment of Deferred Pensions for members who left before 1st April 2014	10
Early Payment of Deferred Pensions for members who left before 1st April 2014 and have ceased to be entitled to a tier 3 ill health benefit.....	10
Right to appeal.....	11
Internal Dispute Resolution Procedure (IDRP).....	11
Discretionary Pension Policy.....	12
Flexible Retirement	19

Introduction

This policy sets out the statutory rights and responsibilities of employees of Boston Borough Council who wish to retire.

The council does not operate a compulsory retirement age for its employees.

The council is committed to equal opportunities for all its employees and recognises the contributions of a diverse workforce, including the skills and experience of older employees. It believes that employees should, wherever possible, be permitted to continue working for as long as they wish to do so. The council operates a flexible retirement policy and employees may voluntarily retire at a time of their choosing.

Retirement procedure

If an employee has decided that he/she wishes to retire, he/she should inform his/ her line manager in writing as far in advance as possible and, in any event, in accordance with his/her notice period as set out in his/her contract of employment. This will assist the council with its succession planning.

People Services will write to the employee acknowledging the employee's notice to retire.

A meeting will be arranged with the employee to discuss arrangements for retirement, including the intended retirement date, succession and handover plans, pension details and phased retirement, if applicable.

Employees should consider their pension provision and take independent financial advice before making any decision in relation to retirement.

Workplace discussions

Employees will be invited to regular workplace discussions with their line managers. These may take place on a monthly basis/ every three months/ once a year when performance appraisals are carried out. During those discussions, line managers may discuss employee performance, developmental or training needs along with the councils and employee's future plans and expectations in the short-, medium- and long-term. During those meetings, employees may discuss their future plans or proposals for retirement.

A discussion about possible retirement will not result in the council making any assumptions about the employee's commitment to the organisation. The council seeks to retain the best talent, including older employees. Workplace discussions are an informal opportunity for both the Council and employees to plan jointly for the future.

Succession planning

An employee who is shortly to retire will often have considerable knowledge in relation to his/her role and responsibilities. The council may require the employee's assistance and cooperation for succession planning.

Prior to retirement, employees should cooperate, if requested to do so, by providing full written details of the status of work projects and future steps; developing a job description, including key competencies and skills required for the role; ensuring a smooth handover of work; and assisting in training any successor.

Pension administration

The council will administer membership for new starters, active members and leavers/retirements in accordance with the Employer Administration guides provided by the pension administrators. Information for active, deferred or pensioner members is available from the pension administrator:

West Yorkshire Pension Fund
PO Box 67
Bradford
BD1 1UP

E-mail: pensions@wypf.org.uk
Phone: 01274 434999
Fax: 01274 723228
Textphone: 01274 724472

Contribution rates will be assessed and contributions made accordingly by People Services through payroll deductions (along with AVC/ APC's as applicable)

The council has exercised its discretion in respect of determination of contribution rates as set out in Appendix A.

Employees who work beyond their normal pension age who are members of the LGPS will remain entitled to the benefits of the scheme, in accordance with its rules. Further details are available from People Services or the Pension Scheme Administrator.

Additional Contributions

If you want to make additional pension savings to increase your pension benefits through your LGPS pension, there are two tax-efficient ways to do this.

- *Additional pension contributions (APCs)*
With APCs you buy extra pension in the LGPS.
You pay extra contributions each month or buy them with a lump sum
- *Additional voluntary contributions (AVCs)*
With AVCs you pay extra contributions into a LGPS AVC plan

Before you choose a way to pay extra you should consider taking advice from an independent financial adviser. The existing AVC facility available via the Prudential

Assurance Company where the employee is able to make such contributions, is unaffected by this decision.

Shared cost Additional Pension Contributions - Regulation 16 (2)(e) and 16 (4)(d)

The council does not consider contribution towards additional pension contributions to be an essential part of its employment strategy. However, the council will consider applications made under these specific provisions having regard to its pay policy and the particular circumstances surrounding each case.

It is likely that decisions will be made on the merits of each case having particular regard to factors such as:

the employer's ability to meet the cost of granting such a request; and/or
the member's personal circumstances.

The council has exercised its discretion in respect of additional contributions as set out in Appendix A.

Granting additional scheme membership

There is discretion to grant additional years of scheme membership to a new employee with six months of commencing employment under regulation 12 of the Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007. A members' total additional membership under this regulation (including additional membership in respect of different employments) must not exceed 10 years.

The council has exercised its discretion in respect the granting of additional years membership as set out in Appendix A.

Death benefits

LGPS provides death benefits in the form of a death grant. If you die while you are still employed and paying into the scheme, a death grant is payable of at least three times your pay. However, the death grant may be affected if you have other pensions or deferred pensions in the LGPS.

Pensions are automatically paid for a surviving husband, wife or civil partner in the event of death provided the eligibility criteria are met and if you leave any eligible children on your death they may get a pension too.

Forfeiture of pension rights after conviction for employment-related offences

If an employee (or a former employee) is convicted of a relevant offence, the council may apply to the Secretary of State who may issue a forfeiture certificate.

A relevant offence is an offence committed in connection with an employment in which the person convicted is a member, and because of which the member left the employment.

The council has exercised its discretion in respect of forfeiture as set out in Appendix A.

Transferring previous pension rights

If you re-join the LGPS, you can normally transfer your previous LGPS pension rights to your new membership, enabling you to enjoy benefits based upon your entire membership and linked to your final pay in your new job.

They will not be transferred automatically. You have 12 months from re-joining the LGPS to opt to transfer your previous LGPS pension rights

The council has exercised its discretion in respect of timescales for transferring previous LGPS rights as set out in Appendix A.

Normal Retirement

Employees who are members of the LGPS and have decided to retire on a specific date may request details of their pension entitlement via People Services. Normal pension age is the age you can retire and take the pension you have built up in full.

You can retire and take your pension any time between age 55 and 75. If you take your pension benefits before your normal pension age they will normally be reduced because you are getting them paid earlier. If you take your benefits later than your normal pension age your benefits will be enhanced because they are being paid later. Enhancement will be calculated in accordance with actuarial guidance from the Secretary of State.

Early retirement

CMT will consider every request for early retirement by a member of staff or a report from management, which contains recommendations for early retirement or redundancy. Wherever possible, considerations will be made to other options than early retirement or redundancy, such as redeployment, job share and flexible working.

In all cases, the following factors will be taken into account:

- The effects on service delivery
- The wishes of the individual employee
- The financial cost to the Council
- The impact on the Pension Fund
- The opportunities that may arise as a result of the early retirement
- Pension Scheme Regulations

The cost of early retirement will normally be met from the service area budget.

Members of LGPS can retire from the age of 55 with immediate payment of benefits if they have at least two years' membership. Employees who wish to retire and draw pension benefits at or after age 55 but before the age of 60 may be allowed to do so under scheme rules, but this may be subject to a reduction of benefits. Employees who

are considering this option should contact People Services or the Pension Administrator for further information.

The council has exercised its discretion in respect of waiving actuarial reductions on benefits as set out in Appendix A.

Waiving actuarial reductions - Regulation 30(8)

The regulations allow the council to waive the actuarial reductions applied to members' benefits; unless 85 year rule protections exist, employers can waive:

- all of the reductions in respect of pre 1 April 2014 benefits but only on compassionate grounds (paragraph 2 of Schedule 2 of the LGPS Transitional Regulations 2014);
- all or some of the actuarial reduction in respect of post 1 April 2014 on any grounds.

Where 85 year rule protections exist and the member has full or tapered protection the employer can waive all of the reductions but only on compassionate grounds for the service up to the date the 85 year rule protection ends (31 March 2016 (full) or 31 March 2020 (tapered)).

The council will consider applications made under this Regulation having regard to the particular circumstances surrounding each case. Decisions will be made on the merits of each case having particular regard to:

- the council's ability to meet the cost of granting such a request
- whether any demonstrable cost saving in excess of potential savings available under any severance arrangements in place from time to time can be made
- the member's personal circumstances.

Applications for the payment of unreduced benefits for service before 1 April 2014 on the grounds of compassion will be granted if:

- in the employer's sole opinion, the special extenuating circumstances surrounding the application, along with the supporting evidence provided justify approval and
- the employer can meet the cost of granting such a request.

Rule of 85 and drawing your pension on or after age 55 and before age 60

From April 2014 there is a new option in the LGPS where you can choose to voluntarily draw your pension on or after age 55 and before age 60 without the need for your employer's permission.

The rule of 85 protects some or all of your benefits from the normal early payment reduction. To have rule of 85 protection you must have been a member of the LGPS on 30 September 2006. The rule of 85 is satisfied if your age at the date when you draw your pension plus your Scheme membership (each in whole years) adds up to 85 years or more.

Working out how you are affected by the rule of 85 can be quite complex and for a more detailed understanding of your own position you should contact the pension fund directly.

The rule of 85 will not automatically be applied if you decide to draw your benefits under this option and the council has exercised its discretion in respect the 85 year rule as set out in Appendix A.

Compassionate grounds

Under the Council's 2008 discretionary statement, compassionate is defined as "situations of severe personal distress resulting from non financial circumstances affecting the individual or close relative (e.g. spouse, child, parent) leading to unavoidable financial hardship".

Confirmation by the Pension Fund Medical Practitioner would also be required, where relevant

Redundancy, business efficiency or mutual consent on grounds of business efficiency over age 55

Members who are made redundant (voluntarily or compulsorily) or retire on business efficiency grounds, who are age 55 or over and have at least two years' membership, can take their pension straightaway (with no reduction for early payment). This is the pension you have built up in the scheme up to the date you leave the scheme, not the benefits you would have received if you had stayed in the scheme until your normal retirement age.

The council has exercised its discretion in respect the granting of additional years membership as set out in Appendix A.

Awarding Additional Pension - Regulation 31

Regulation 31 allows employers to grant additional pension up to the maximum allowed by the scheme rules provided that the member is active or is within 6 months of leaving for reasons of redundancy or business efficiency or whose employment was terminated by mutual consent on grounds of business efficiency.

This can be used as an aid to recruitment, an aid to retention or to compensate or reward an employee who is retiring and will be considered with regard to the councils pay policy and the particular circumstances surrounding each case.

The council has exercised its discretion in respect of awarding additional pension as set out in Appendix A.

Flexible retirement from age 55

The Council operates a phased retirement scheme that allows you to reduce your hours of work and/or your pay grade from age 55 and draw some (or all of) your pension while continuing to work.

If the payment of benefits takes effect before the members 65th birthday, the benefits payable are reduced in accordance with guidance issued by the Government Actuary. Employers may agree to waive, in whole or in part, any such reduction.

The council has exercised its discretion in respect of payment of benefits if an employee reduces their hours or grade as set out in Appendix A.

Where a member is receiving benefits following a flexible retirement, the period of membership used to calculate those benefits will not taken into account in any subsequent calculation of such benefits to which they are entitled under the LGPS regulations.

Full details of the Flexible Retirement scheme are available within the procedures set out at Appendix B.

End of fixed term contracts over age 55

Members on fixed term contracts who are 55 or over when the contract ends and have at least two years membership can take their pension benefits straightaway.

Ill Health Retirement

If you have to leave work due to illness you may be able to receive immediate payment of your benefits. To qualify for ill health benefits you have to have met the 2 years vesting period in the LGPS and the council, based on an opinion from an independent registered medical practitioner appointed by the council, must be satisfied that you are not immediately capable of undertaking gainful employment. If appropriate, the Council may request a second opinion.

Ill health benefits can be paid at any age and are not reduced on account of early payment – in fact, your benefits could be increased to make up for your early retirement.

There are graded levels of benefit based on how likely you are to be capable of gainful employment after you leave. The different levels of benefit are:

Tier 1: If you are unlikely to be capable of gainful employment before your Normal Pension Age, ill health benefits are based on the pension you have already built up in your pension account at your date of leaving the scheme plus the pension you would have built up, calculated on assumed pensionable pay, had you been in the main section of the scheme until you reached your Normal Pension Age.

Tier 2: If you are unlikely to be capable of gainful employment within 3 years of leaving, but are likely to be capable of undertaking such employment before your Normal Pension Age, ill health benefits are based on the pension you have already built up in your pension account at your date of leaving the scheme plus 25% of the pension you would have built up calculated on assumed pensionable pay, had you been in the main section of the scheme until you reached your Normal Pension Age.

Tier 3: If you are likely to be capable of gainful employment within 3 years of leaving, or before your Normal Pension Age if earlier, ill health benefits are based on the pension you have already built up in your pension account at leaving. Payment of these benefits will be stopped after 3 years, or earlier if you are in gainful employment or become capable of such employment, provided you have not reached your Normal Pension Age by then.

Gainful employment means paid employment for not less than 30 hours in each week for a period of not less than 12 months.

The council has exercised its discretion in respect of determination of ill health benefits as set out in Appendix A.

**Early Payment of Deferred Pensions for members who left before 1st April 2014
Regulation 30(2) and 30(5) of the LGPS Benefits Regulations 2007 & Regulation 31(2) and Regulation 31(5) of the LGPS Regulations 1997**

This Regulation allows employers to enable members who left the scheme before 1 April 2014, and who are over the age of 55, to take their benefits early. Under Regulation 30(5) employers can waive any reduction to benefits paid under that Regulation on compassionate grounds.

The council will consider applications made under this Regulation having regard to the particular circumstances surrounding each case. Decisions will be made on the merits of each case having particular regard to:

- the council's ability to meet the cost of granting such a request
- the member's personal circumstances.

Applications for the payment of unreduced benefits on the grounds of compassion will be granted if:

- in the council's sole opinion, the special extenuating circumstances surrounding the application, along with the supporting evidence provided justify approval and
- the council can meet the cost of granting such a request.

N.B. Deferred members who left the Scheme before 1 April 2008 can still make application for the early payment of their deferred benefits after age 50 under LGPS rules. However, under HMRC rules such payments would be classed as 'un-authorized' and would be subject to a punitive tax charge

**Early Payment of Deferred Pensions for members who left before 1st April 2014 and have ceased to be entitled to a tier 3 ill health benefit
Regulation 30A(3) and 30A(5) of the LGPS Benefits Regulations 2007.**

This regulation allows employers to enable members who have ceased to be entitled to a tier 3 ill health benefit, and who are over the age of 55, to take their benefits early.

Under sub paragraph 5 of Regulation 30A employers can waive any reduction to benefits paid under that Regulation on compassionate grounds.

The council will consider applications made under this Regulation having regard to the particular circumstances surrounding each case. Decisions will be made on the merits of each case having particular regard to:

- the employer's ability to meet the cost of granting such a request
- the member's personal circumstances.

Applications for the payment of unreduced benefits on the grounds of compassion will be granted if:

- in the employer's sole opinion, the special extenuating circumstances surrounding the application, along with the supporting evidence provided justify approval and
- the employer can meet the cost of granting such a request.

Right to appeal

You will be given the opportunity to appeal against a decision not to grant your request to continue working. Appeals will be conducted in line with the councils Appeal procedure (HRP013).

Internal Dispute Resolution Procedure (IDRP)

If you are not satisfied with any decision affecting you made in relation to the Scheme, you have the right to ask for it to be looked at again under the formal complaint procedure. You also have a right to use the procedure if a decision should have been made by your employer or administering authority, but it hasn't been. The complaint procedure's official name is the 'internal dispute resolution procedure'.

The council has exercised its discretion in respect of allowing an extension to the six month period to lodge a stage one IDRP appeal as set out in Appendix A.

Discretionary Pension Policy

The Local Government Pension Scheme (LGPS) in England and Wales was amended from 1 April 2014. The provisions of the new LGPS, together with protections for members benefits accrued before 1 April 2014, are now contained in the Local Government Pension Scheme Regulations 2013 (the '**LGPS Regulations 2013**') and the Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014 (the '**LGPS Transitional Regulations 2014**').

Therefore, this statement now relates to the application of discretions under:

- (a) the **LGPS Regulations 2013**;
- (b) the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014 ('**LGPS Transitional Regulations 2014**'); and
- (c) the Local Government Pension Scheme Regulations 1997 ('**LGPS Regulations 1997**') and the Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007 ('**LGPS Benefits Regulations 2007**'), which continue to have effect in so far as is necessary under *Regulation 3 (Membership before 1 April 2014) of the LGPS Transitional Regulations 2014*.

The discretions within the policy will be applied by the Corporate Management Team. Full and proper financial considerations will be applied in all cases.

Discretion	Regulation	Boston Borough Council Policy
Determine rate of employees' contributions	R9(1) & R9(3)	<p>This council will use the contribution rate defined in the regulations and apply it to employees who are members of the pension scheme in accordance with their pensionable pay.</p> <p>Annual reviews of contribution rates take place each 1st April.</p> <p>Where an employee changes their employment within the council and there is a material change to their pensionable pay during a year, the council will change the employee's contributions rate when the material change takes effect.</p>
Whether, how much, and in what circumstances to contribute to a shared cost Additional Pension Contribution scheme	R16(2)(e) & R16(4)(d)	This council has chosen not to adopt this discretion.
Whether, how much, and in what circumstances to contribute to a shared cost AVC arrangement entered into on or after 1/4/14	R17(1) & definition of SCAVA in RSch 1	This council has chosen not to adopt this discretion.
Whether, how much, and in what circumstances to contribute to a shared cost AVC arrangement entered into before 1.4.14	TP15(1)(d) & A25(3)	This Council has chosen not to adopt this discretion.

Allow late application to convert scheme AVCs into membership credit i.e. allow application more than 30 days after cessation of active membership (where AVC arrangement was entered into before 13.11.01)	TP15(1)(b) & L66(8) & former L66(9)(b)	This council has chosen not to adopt this discretion.
No right to return of contributions if member left due to offence of a fraudulent character or grave misconduct unless employer directs a total or partial refund is to be made	R19(2)	This council has chosen not to adopt this discretion.
Whether to extend the 12 month option period for a member to elect that deferred benefits should not be aggregated with a new employment	R22(8)(b)	This council will reserve the right to exercise this discretion and will deal with it on a case by case basis taking into account any financial implications.
Whether to extend the 12 month option period for a member to elect that deferred benefits should not be aggregated with an ongoing concurrent employment	R22(7)(b)	This council will reserve the right to exercise this discretion and will deal with it on a case by case basis taking into account any financial implications.
Whether all or some benefits can be paid if an employee reduces their hours or grade (flexible retirement)	R30(6) & TP11(2)	This council will reserve the right to exercise this discretion as previously determined in the council's 2008 discretionary statement.

Whether to waive, in whole or in part, actuarial reduction on benefits paid on flexible retirement	R30(8)	This Council has chosen not to adopt this discretion.
Whether to waive, in whole or in part, actuarial reduction on benefits which a member voluntarily draws before normal pension age	R30(8)	This council will reserve the right to exercise this discretion as previously determined in the council's 2008 discretionary statement.
Whether to "switch on" the 85 year rule for a member voluntarily drawing benefits on or after age 55 and before age 60	TPSch 2, paras 2(1) and 2(2)	This council will reserve the right to exercise this discretion as previously determined in the council's 2008 discretionary statement.
Whether to waive any actuarial reduction on pre and/or post April 2014 benefits	TP3(1), TPSch 2, paras 2(1) and 2(2), B30(5) and B30A(5)	This council will reserve the right to exercise this discretion and will deal with it on a case by case basis taking into account any financial implications.
Whether to grant additional pension to an active member or within 6 months of ceasing to be an active member by reason of redundancy or business efficiency (by up to £6,500)	R31	This council has chosen not to adopt this discretion. As determined in the Council's 2008 Discretionary statement, the council awards a discretionary compensation to an employee whose employment is terminated on the grounds of redundancy.

Whether to use a certificate produced by an IRMP under the 2008 Scheme for the purposes of making an ill health determination under the 2014 Scheme	TP12(6)	The Council will reserve the right to exercise this discretion. The Council will reach a decision regarding the early payment of pension benefits and the tier payable after it has received the certificate and information provided by the Independent Registered Medical Practitioner.
Determine whether a member is entitled to an ill health retirement pension, and what tier of benefit to be awarded	R36	The Council will reserve the right to exercise this discretion. The Council will reach a decision regarding the early payment of pension benefits and the tier payable after it has received the certificate and information provided by the Independent Registered Medical Practitioner.
Whether to recover any overpaid Tier 3 pension following commencement of gainful employment	R37(3)	This council will reserve the right to exercise this discretion and will deal with it on a case by case basis taking into account any financial implications and medical advice from the council's occupational health provider.
Decide whether deferred beneficiary meets criteria of being permanently incapable of former job because of ill health and is unlikely to be capable of undertaking gainful employment before normal pension age or for at least three years, whichever is sooner	R38(3)	This council will reserve the right to exercise this discretion and will deal with it on a case by case basis, taking into account medical advice from the council's occupational health provider.

Decide whether a suspended ill health tier 3 member is unlikely to be capable of undertaking gainful employment before normal pension age because of ill health	R38(6)	This council will reserve the right to exercise this discretion and will deal with it on a case by case basis, taking into account medical advice from the council's occupational health provider
Whether to extend six month period to lodge a stage one IDRPA appeal	R74(4)	This council will reserve the right to exercise this discretion. Expectation is that extensions will not be given for the six month period to lodge a Stage One IDRPA Appeal however this will be considered in exceptional circumstances
Whether to apply to Secretary of State for a forfeiture certificate (where member is convicted of a relevant offence)	R91(1) & (8)	This council will reserve the right to exercise this discretion and will deal with it on a case by case basis taking into account any financial implications.
Where forfeiture certificate is issued, whether to direct that benefits are to be forfeited (other than rights to GMP – but see R95 below)	R91(4)	This council will reserve the right to exercise this discretion and will deal with it on a case by case basis taking into account any financial implications.
Where forfeiture certificate is issued, whether to direct interim payments out of Pension Fund until decision is taken to either apply the certificate or to pay benefits	R92(1) & (2)	This council will reserve the right to exercise this discretion and will deal with it on a case by case basis taking into account any financial implications.

<p>Whether to recover from Fund any monetary obligation or, if less, the value of the member's benefits (other than benefits from transferred in pension rights or APCs or AVCs or subject to R95 below, in respect of any GMP) where the obligation was incurred as a result of a grave misconduct or a criminal, negligent or fraudulent act or omission in connection with the employment and as a result of which the person has left employment</p>	<p>R93 (2)</p>	<p>This council will reserve the right to exercise this discretion and will deal with it on a case by case basis taking into account any financial implications.</p>
<p>Whether, if the member has committed treason or been imprisoned for at least 10 years for one or more offences under the Official Secrets Acts, forfeiture under R91 or recovery of a monetary obligation under R93 should deprive the member or member's surviving spouse or civil partner of any GMP entitlement</p>	<p>R95</p>	<p>This council will reserve the right to exercise this discretion and will deal with it on a case by case basis taking into account any financial implications.</p>
<p>Extend normal time limit for acceptance of a transfer value beyond 12 months from joining the LGPS</p>	<p>R100(68)</p>	<p>This council will reserve the right to exercise this discretion. Requests to extend the 12 month period will be dealt with on a case by case basis, in agreement with the Pensions administering authority, taking into account any financial implications.</p>

Flexible Retirement

Appendix B

Within the regulations of the Local Government Pension Scheme Boston Borough Council exercises its' discretion for employees to voluntarily reduce their grade or hours of work, on a permanent basis with adjustment to pay, coupled with receipt of pension.

The employee must be of pensionable age and reduce their hours or grade or both. There must be a change to an employee's employment conditions.

Where the application is from an employee who is not a member of the LGPS the general principles of this policy apply.

Flexible retirement can be requested at any age up to the eve of an employee's 75th birthday.

An employee can take more than one flexible retirement i.e. provisions agreed at the outset can be varied with consent.

All requests will subject to service considerations and the reduction of grade/hours should be substantial (see below for further details).

Benefits of Flexible Retirement:

Flexible retirement policies will help:

- to retain valued employees who would otherwise leave their job
- to enable employees to balance work with other responsibilities or leisure time
- to enable employees to retire on a gradual basis

If pensions are released before normal retirement age the pension is actuarially reduced to reflect early payment. Whilst the Council may waive this, in whole or in part, it is the general policy of the Council not to agree to this on grounds of cost.

The Council has exercised its discretion in respect of this as set out in Appendix A.

All decisions will be based on the merits of each individual case and the needs of the service. Decisions will not be influenced by the financial aspirations of the employee.

Where a business case has been approved in the manner outlined above the proposal will be confirmed to CMT who will consider the proposal and confirm formal agreement.

This scheme will not apply in cases of conduct, performance or downgrading.

Procedure for the introduction of reduced hours/grade

If an employee makes a request for flexible retirement the following process should be followed:

- The employee should discuss their request with their line manager
- The line manager will make a recommendation to the relevant head of Services to either approve or refuse the request. This would include details of any costs or compassionate grounds
- Following consideration by the Head of Service, the People Services Manager will make a recommendation to CMT for approval.
- The decision will be confirmed in writing to the employee indicating the decision normally within 1 month of the employee submitting their request.
- If, after consideration, the request is refused, the reasons should be clearly communicated to the employee.
- The employee has the right of appeal through the Council's Appeals procedure.
- People Services will confirm to the employee the agreed arrangements and the estimate of pension benefits.

Requests must be based upon the following:

Hours:

The reduction in hours should normally be a minimum of 40% for both full and existing part-time staff (this is the equivalent of reducing by two days per week (15 hours) for full-time staff.

This can be achieved by :

- reducing the hours on a number of, or, every working day
- reducing the number of days worked in the week

Grade:

The employee should normally identify a suitable lower graded post to which they are appointed on merit (unless there is a clear business case for an internal transfer within their own service area). This could either be within the Directorate in which they work or elsewhere in the Council.

The reduction should normally be at least two equivalent grades and the new rate of pay will be the top spinal column point of the new grade.

Salary:

The employee will receive the revised salary for the reduced hours and/or grade in addition to their pension benefits. There is no "abatment" (reduction) of pension in

cases of flexible retirement, so in some circumstances the combined salary and pension may amount to more than the employee previously earned.

Change to Conditions of Service

The arrangement should be permanent and normal contractual notice will be required from the employee.

It will be in accordance with the relevant grade or on a pro rata basis if the employee has reduced their hours.

Employees in this scheme will continue to contribute to the LGPS unless they “opt out”.