



Aneurin Bevan University Health Board

Accessing NHS Pension and Retirement Guidelines

N.B. Staff should be discouraged from printing this document. This is to avoid the risk of out of date printed versions of the document. The Intranet should be referred to for the current version of the document.

C O N T E N T S

1	INTRODUCTION	2
2	SCOPE	2
3	PRINCIPALS	2
4	AIMS	2
5	EQUALITY STATEMENT	3
6	EMPLOYEES/BANK WORKERS ELIGIBLE TO ACCESS THEIR NHS PENSION	3
7	RETIREMENT OPTIONS	3
8	STEP DOWN	3
9	WIND DOWN	4
10	DRAW DOWN	4
11	PROCEDURE TO ACCESS NHS PENSION	4
12	NOTIFICATION PROCESS	6
13	DISCUSSION REGARDING FUTURE PLANS	6
14	PREPARING TO ACCESS NHS PENSION	6
15	A GUIDE TO THE NHS PENSION SCHEME	6
16	ASSIGNMENT NUMBER	6
17	TRAINING RECORDS	7
18	PERSONAL APPRAISAL DEVELOPMENT REVIEW RECORD (PADR)	7
APPENDIX 1	FLEXIBLE WORKING APPLICATION FORM	8
APPENDIX 2	RETIRE (ASSESSING PENSION) AND RETURN TO WORK FORM	10

1. INTRODUCTION

- 1.1 Retirement is a time of great significance in a person's life and the Health Board is committed to employees and bank workers who wish to voluntarily retire every facility to ensure as smooth a transition as possible from work to retirement. Options are available to employees and bank workers who are eligible to access their pension.

2. Scope

- 2.1 The guidelines apply to all employees/bank workers who participate in the NHS Pension Scheme including medical and dental staff of Aneurin Bevan University Health Board. Special provisions are included within the guidelines, which may only apply to specific staff groups.
- 2.2 Any reference to pension entitlement will only apply to individual employees/bank workers who participate in the NHS Pension Scheme. The guidelines cannot alter in any way the NHS Pension Scheme, as determined by the NHS Pension Scheme regulations 1995, nor can it amend any statutory (UK or EC) or contractual retirement provision.

3. Principles

- 3.1 The following procedure for handling such requests recognises the Health Board's commitment to the following principles:-
- 3.2 To provide employees/bank workers with information and highlight the options available for employees/bank workers that are eligible to access their pension.
- 3.3 To raise awareness of the differences between NHS pension entitlements in which individuals participate and contractual employment issues.
- 3.4 Employees/bank workers can voluntarily retire at a time of their choosing and draw any occupational pension they are entitled to in line with the scheme's rules.
- 3.5 It is intended to promote equity and fairness.

4. Aims

- 4.1 To provide guidance and support for employees/bank workers in considering options available.
- 4.2 To provide guidance to managers.

5. Equality Statement

- 5.1 The Equality Act 2010 makes age prejudice, ageism and an employment decisions based purely on age unacceptable and unlawful for people of any age.
- 5.2 The guidance applies equally to all employees/bank workers employed by Aneurin Bevan University Health Board at which accessing NHS Pension is an option available, regardless of disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation. The principles of the Human Rights Act 1998 also apply to these guidelines.
- 5.3 This guidance complies with the Pensions Act 1995 in relation to pensionable ages and equal treatments and with the Equality Act 2010. It will apply to all Health Board employees/bank workers who are members of the NHS Pensions Scheme regardless of their length service, or any other factors.
- 5.4 Following the abolition of the default retirement age that Aneurin Bevan University Health Board has no default retirement age.

6. Employees/bank workers eligible to access their NHS Pension

The age at which NHS Pension Scheme benefits can be paid will depend upon which scheme employees belong to. It is important for employees/bank workers to ascertain which scheme they belong to.

7. Retirement Options

Depending on which section of the NHS scheme you are a member of, 1995 Section or 2008 Section, different options for flexible retirement will apply.

8. Step Down (*Voluntary protection of pay*)

8.1 Stepping down into a less demanding job on lower pay, but which still makes good use of acquired skills and experience.

8.2 **1995 Section** - At age 50 or over if pensionable pay reduces by at least 10%, an application to protect pension benefits accrued can be made. This must be done within fifteen months of the pay reducing and can only be done once.

2008 Section – At age 55 or over, a member can consider moving towards retirement by switching to a less demanding role. The member's reckonable pay will still consider any higher earning they may have had in the 10 years prior to their retirement date.

9. Wind Down

9.1 Working fewer hours than the current post. Even though winding down involves a corresponding reduction in earnings, the pension entitlement would continue to grow, albeit more slowly.

The eventual pension would be calculated on the total membership accrued which would be higher than if the member had retired before winding down.

9.2 Employees/bank workers may wish to access their pension and request a permanent reduction in working hours 'Wind Down'. A flexible working application should be completed by the employee for consideration and discussion with the line manager. The flexible working application form can be found in Appendix 1. Further information is available in the Flexible Working Policy, which is available on the Intranet.

10. Draw down (*only open to members of the 2008 section*)

10.1 If pensionable pay is reduced by at least 10% and the minimum pension age of 55 is attained, a member may partially retire and take some of their benefits. A minimum of 20% and a maximum of 80% of pension entitlement can be taken whilst continuing to build up future membership. The benefits would be reduced if they are paid before the 65th birthday.

10.2 The pensionable pay must remain reduced for at least a year otherwise eligibility for the pension taken would cease. Draw down of pension benefits is permitted twice before retiring completely.

11. Procedure to Access NHS Pension

11.1 Employees/bank workers who wish to voluntarily retire and access their pension, if applicable, must confirm their intention in writing and resign from their post.

11.2 Employees who voluntarily decide to access their NHS pension and resume working do not have an automatic entitlement to return to their existing position within the organisation. In line with the NHS Employers guidance and the Recruitment and Selection process, the post will have to go through the Health Board's Executive vacancy scrutiny process.

The employee should complete the Retire and Re-engagement form which can be found in Appendix 2 and the manager should complete the Executive Approval Form which is found on the intranet.

11.3 Employees who wish to access their pension and make a request to remain in their current post, reduce their hours and/or work in a less demanding role must complete the flexible working application form, which can be found in Appendix 1. The Retire and Re-engagement form (appendix 2) must also be completed by the employee and the executive approval form by the line manager.

Where an employee has accessed his/her pension benefits, any employment that has been taken into account for the purposes of those pension benefits, will not count as 'reckonable service' for the purposes of an NHS redundancy payment.

11.4 Bank workers who voluntarily decide to access their NHS Pension and resume working will return to their role on the Staff Bank. The worker should complete and return the Retire and Re-engagement form which is found in Appendix 2

11.5 There are different options for flexible retirement depending on which NHS Pension Scheme the employee/bank worker is a member of.

11.6 The Health Board requires a break of 14 calendar days between retirement and re-engagement.

11.7 Under the rules that govern the pension scheme, members are permitted to work up to and including 16 hours a week within the first calendar month of retirement; otherwise the NHS pension will be suspended.

- 11.8 Employees aged under 60 cannot earn more through their pension payments and their post-retirement salary than their salary at retirement. Where this happens their pension will be reduced to bring total income down to required level.

12. Notification Process

- 12.1 Employees/Bank Workers who decide to retire must give at least 3 months' notice in writing of the date of retirement in order for their pension to be processed in time.
- 12.2 The employee/bank worker's termination form must be completed by employee/bank worker and line manager 3 months prior to the date of termination and submitted to Payroll Services.
- 12.3 Managers should ensure that wherever practicable, employees / bank workers who are due to access their pension and resign from their post take all paid annual leave owing prior to their final date of employment.

13. Discussion regarding Future Plans

- 13.1 There should be open discussion with employees about future plans, conducted in an atmosphere of trust that can help facilitate the transition from work to retirement for both the individual and the Health Board.
- 13.2 Discussing employees/bank workers future aims and aspirations can help to identify their training or development needs and provide an opportunity to discuss the future work requirements and how these impact on the employee/bank worker. These discussions can take place as frequently as you see fit but it is good practice to hold them at least annually or as part of the Personal Development Review process.

14. Preparing to Access NHS Pension

- 14.1 Employees/bank workers may request a pension quote from the Health Board's Pension Department or the NHS Pension Agency. Estimates can also be obtained via estimates@nhspa.gov.uk or by calling the Pensions Agency on 01253 774774.

15. A Guide to the NHS Pension Scheme

- 15.1 All rules relating to age retirement under the NHS Pension Scheme are detailed in the booklet 'A Guide to the NHS Pension Scheme'. Copies are available from the Pensions Department at

St Woolos Hospital. Further information on both schemes and the choice option can be found on the NHS Pensions Agency website at www.nhsbsa.nhs.uk/pensions.

16. Assignment Number

Employees/bank workers who access their pension undertaking the required 14 day break of service will receive a new assignment number.

17. Training Records

- 17.1 It is essential prior to accessing your NHS Pension that Manager & Employees request a copy of their training record held on ESR and retain as proof of completion as the new assignment number will have no training records attached. Training records can be requested from the Education & Development Department
- 17.2 On return, employees must provide the Education & Development Department with a copy of the retained training record to ensure that this is uploaded onto ESR and attached to their new assignment number. Failure to resubmit the training record will result the employee reporting non compliant against statutory and mandatory training requirements and the employee will therefore be required to repeat all of these courses.

18. Personal Appraisal Development Review Records (PADR)

If the employee returns to an identical post the PADR record will need to be submitted via email to ABB_ESR_PADR@wales.nhs.uk to ensure that the employee remains compliant.

If the employee returns to a post, that is different to the previous post held, then a new PADR will need to be performed within six months and three months from commencement of employment.

Appendix 1

Aneurin Bevan University Health Board

FLEXIBLE WORKING OPTIONS REQUEST FOR VARIATION TO WORKING PATTERN TO BE COMPLETED BY THE EMPLOYEE

1. Personal Details

Name	
Assignment Number	
Current Post	
Department	
Base	
Telephone Number	
Line Manager	

2. Please explain what you wish to vary about your working pattern and the reasons for your request.

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3. Is this a temporary or permanent variation?

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4. What impact will this variation have on the service?

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5. What impact will this variation have on your colleagues?

6. What are the benefits to the Health Board?

7. What are the benefits to you?

8. What are the potential problems with this arrangement?

9. What would be the proposed solutions to any potential problems?

Signed:Date:

Print:

To be given to Manager together with Appendix 2

Appendix 2

RETIRE (ACCESSING PENSION) AND RE-ENGAGEMENT FORM

To be completed by employee/bank worker:

Name:	
Post:	
Band:	
Current hours of work:	
Directorate/Dept:	
Name of Line Manager/Clinical Director:	
Date of retirement:	
Expected date of re-engagement: (A break in service of 14 days between retirement and re-engagement is required)	
Proposed hours of work:	
Flexible Working application completed? (If reduction in hours requested)	Yes / No
All newly re-engaged staff within the Health Board will automatically receive monthly pay	
Employee/Bank Worker signature:	
Date	
I support /do not support* this request – *delete as appropriate	Yes / No
If no please give reason	
Signature of Manager	
Date	

To be placed on personal file

For Medical & Dental Staff, recommendations must be made to the Medical Director