



# **MANAGING RETIREMENT**

**GUIDANCE FOR MANAGERS ON THE  
POLICY/PROCEDURE AND RELATED  
SCHEMES**

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## **SECTION 1: INTRODUCTION**

### **Introduction**

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The purpose of these guidance notes is to provide managers with details of how to apply the Managing Retirement policy/procedure and the related schemes. They cover the full range of issues concerning an employee's pending retirement and describe the process that should be followed by a manager to arrange for an employee's retirement. They also include details of the procedures of the related schemes. The appendices contain a standard letter to invite an employee to a retirement meeting and a letter to confirm the outcome of the meeting as well as guidance notes, flow chart, standard letters and a form related to the Flexible Retirement procedure.

## **SECTION 2: RETIREMENT PROCESS AND RETIREMENT ISSUES**

### **Deciding to Retire and the Retirement Meeting**

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Where an employee decides that they wish to retire they should inform their line manager as far in advance as possible for planning purposes and must give at least the notice required by their contract of employment. Teaching employees should bear in mind, when providing notice, that 3-4 months may be required by the Scottish Public Pensions Agency (SPPA) to administer their pension benefits.

The decision to retire should be put in writing by the employee to their line manager. The line manager will then write to the employee acknowledging their decision and will arrange a meeting with them to discuss the retirement arrangements (see meeting invite letter at Appendix 1).

The issues covered at the meeting can include date of retirement, status of tasks/projects, handover plans and knowledge transfer to colleagues, pre-retirement course, where the employee can access pension details, long service award, and the return of any Council property. The range of topics covered will vary depending on their relevance to the individual employee and on their meeting qualifying conditions.

The outcome of the meeting will be confirmed in writing (see letter at Appendix 2). The letter will be copied to the HR Service Centre who will then arrange for termination documentation to be prepared at the appropriate time and to notify the Pensions Section or SPPA (whichever applies), where the employee is a pension scheme member.

### **Pre-retirement Courses**

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The Council offers a one day pre-retirement course to employees who are due to retire. The purpose of the course is to help prepare the employee for retirement and it provides them with relevant information and advice in relation to retirement. The course content includes money matters, state benefits and estate planning.

If a course is not available in the run up to an employee's retirement, then they can arrange to attend a course after they retire if they wish to do so, provided this is within a reasonable period after the date of retirement.

## **Handovers, knowledge and skill transfer and succession planning**

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An employee who is due to retire will often have considerable knowledge in relation to their job role and responsibilities. The Council will require the employee's assistance and co-operation to ensure that any outstanding work is handed over to colleagues and that details are provided on the status of tasks, any projects and their future steps. It is important that there is a timely knowledge and skill transfer from the outgoing employee to remaining colleagues, with line managers responsible for ensuring that this occurs. In addition, employees can be asked to assist in the training of a successor and where necessary in the updating of the job profile for their post. The Managing Leavers procedure will also be followed by the line manager which comprises a channel for gathering valuable employee knowledge and information and also records an employee's reasons for leaving and perceptions of workplace issues. This procedure is on the Zone or available from line managers.

## **SECTION 3: DISCUSSING FUTURE PLANS AND PERFORMANCE ISSUES**

### **Discussing Future Plans**

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The employee's future plans and work aspirations will be discussed annually at their Performance Review and Development meeting or, in the case of teachers, at their Professional Review and Development meeting, whatever the age of the employee.

The discussion, in part, will be around where the employee sees themselves in the next few years and how they view their contribution to the organisation. It will help the employee with their career planning and will also assist the Council with workforce planning.

Employees will be treated fairly in these discussions and are expected to participate in an open and frank manner as possible. The discussions do not have to follow exactly the same format for all employees as there will likely be slight differences depending on where the employee is in their career, but they should be broadly similar.

Open ended questions should be used by the manager including enquiring about the employee's plans and aims in the short, medium and longer term. This should assist the Council with organising training and development as well as in succession planning. It is also a chance to consider the skills of the workforce and how best to deploy these resources.

A summary of the discussion will be recorded on the Performance Review and Development form or in the Professional Review and Development documentation (in the case of teachers), with the record agreed and signed by both the employee and their line manager, in accordance with normal practice.

A manager should not ask any direct questions of an employee about retirement during the discussion, rather the employee should be asked about their future plans and how they see themselves developing in the organisation over the coming period. However, where an employee indicates during the discussion that they may be interested in retiring, there is

then no issue about the manager talking to them about a possible date and what the arrangements would be for retirement. The retirement process would only begin upon receipt of the employee's written notice of their decision to retire. No assumptions will be made about an employee's commitment to the Council as a result of the discussion.

## **Performance issues**

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Any issues and concerns a manager has about an employee's work performance, regardless of age, will be addressed through the Council's Managing Performance policy/procedure (under 'Ask HR', 'Your Employment' on the Zone) or Framework on Teacher Competence, whichever applies. No assumptions will be made about an employee's performance in relation to their age.

All employees have a contractual duty to perform to the required standards. The Managing Performance policy/procedure and the Framework on Teacher Competence both provide a framework to ensure that employees who fall below the required level of performance are managed through early intervention in a fair and consistent manner. These procedures ensure that employees are informed of concerns about their performance and that they are provided with reasonable time and support to meet the required standards. They will also be informed of the consequences of a failure to improve. Using the agreed performance management approach, as detailed in the respective procedures, will help ensure that performance issues are addressed consistently across the organisation, regardless of age.

## **SECTION 4: OTHER**

### **Over state pension age - pension contributions, tax and national insurance**

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The normal pension age for the Local Government Pension Scheme (LGPS) is equal to the individual employee's state pension age (but not less than age 65).

The normal pension age for the new Scottish Teachers' Pension Scheme (STPS) is equal to the individual employee's state pension age (but not less than age 65). However, the normal pension age for teachers not in the new STPS i.e. those remaining in the Scottish Teachers' Superannuation Scheme (STSS) will be either 60 or 65, depending on when they joined. It should be noted that the STSS schemes are now closed to new entrants, and only those who have full protection or are still in tapered protection will be active members.

An employee who is over their state pension age (which is specific to each employee depending on their date of birth) can continue to contribute to the LGPS and accrue benefits until the day before their 75<sup>th</sup> birthday (assuming they remain an active member of the scheme). The same applies to the STPS.

Employees reaching their state pension age will not pay national insurance contributions beyond that age but will continue to pay income tax. The Payroll Section will write to each employee just prior to their state pension age to ask them for a copy of their birth certificate, to enable their exemption from the payment of national insurance contributions, where the employee wishes to work beyond their state pension age.

When an employee ultimately chooses to retire, the Council will notify the relevant pension scheme of this in order to arrange for the commencement of payment of their pension benefits.

## **Where an employee changes their mind about retiring**

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If an employee indicates that they may wish to retire at a point in the future but has not yet given formal notice of their retirement in writing, they can change their mind and continue in employment. If the employee changes their mind about retiring after having given written notice, the Council is not obliged to accept the withdrawal of their notice and can require the employee's retirement to go ahead. This will depend in part on the arrangements already put in place for the post and on workforce planning requirements.

## **Flexible Working Options**

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There are flexible working options available to all employees regardless of whether they are pension scheme members. These include compressed working week, term time working, part-time working, annualised hours and home, remote and tele-working. These options require management approval with details in the Smarter Working guidance on the Zone or available from line managers.

## **Pension Arrangements and Benefits**

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There are two pension schemes operating in the Council, the Local Government Pension Scheme (LGPS), available to all employees, except Teachers and the Scottish Teachers' Pension Scheme (STPS) available only to teachers (and those under SNCT conditions of service), with separate rules and regulations applying to each.

Scheme members who have decided to retire on a specified date may request an estimate of benefits. General information on the schemes and benefits is also available at the contact addresses and numbers detailed below:

### **1. For employees in the LGPS**

Web-site address for the scheme that applies to Aberdeen City Council employees is <http://www.nespf.org.uk>

The **North East Scotland Pension Fund** (NESPF) can be contacted on 01224-264264, by e-mailing [pensions@nespf.org.uk](mailto:pensions@nespf.org.uk) or by writing to North East Scotland Pension Fund, Corporate Governance, Business Hub 16, 3<sup>rd</sup> Floor West, Marischal College, Broad Street, Aberdeen, AB10 1AB.

### **2. For employees in the STPS (Teachers and those under SNCT conditions)**

Web-site address <http://www.sppa.gov.uk/>

The Scottish Public Pension Agency (who administer the STPS) can be contacted on 01896 893000 or by writing to Scottish Public Pensions Agency, 7 Tweedside Park, Tweedbank, Galashiels, TD1 3TE.

## Retirement provisions of recognised pension schemes

Within the LGPS and the STPS there are a variety of differing provisions which detail ways staff can retire and/or access their pension benefits. The provisions of the schemes differ so it is important to check with the particular scheme as some of the following options may not apply to both schemes. Some examples of the provisions of the schemes are:

- Flexible retirement (LGPS)
- Ill-health Retirement
- Winding Down (Teachers' Scheme)
- Phased Retirement (Teachers' Scheme)
- Actuarially Reduced Pension Benefits
- Rule of 85 (LGPS)

## SECTION 5: PROCEDURES OF RELATED SCHEMES

### Flexible Retirement Scheme Procedure

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The Flexible Retirement Scheme is detailed in the Managing Retirement policy on the People Anytime portal or available from line managers. Guidance notes to the procedure are detailed at Appendix 3 and a flowchart of the procedure at Appendix 4.

#### The procedure for applying for Flexible Retirement

The procedure for applying for Flexible Retirement is as follows: -

##### Stage 1 - Making an Application

The employee will complete the flexible retirement application form (see appendix 5), referring to the criteria in the Flexible Retirement Scheme and submit it to their line manager. The application will be made on the basis of a reduction in contractual hours and/or a reduction in grade, with the criteria in the Flexible Retirement Scheme having to be met.

##### Stage 2 - Meeting with Line Manager

The employee's line manager will examine the request and arrange to meet with the employee to discuss it and explain the process for a flexible retirement application. If the request is also linked to a caring responsibility then the Council's Smarter Working guidance must be referred to for details on how a statutory request for flexible working is considered. This guidance is on the Zone or available from line managers.

##### Stage 3 (i) Where a flexible retirement request is linked to a reduction in hours

Where the request is for a reduction in hours, an estimate of pension benefits for flexible retirement would be obtained from the Pensions Section by the manager at the appropriate time and passed to the employee (the employee can seek the quote themselves if they are 60 years of age or over).

Where a Service decides that the requested reduction in hours is operationally and financially feasible, also noting that the employee's salary must reduce by at least 25%, then the proposal can be further explored. In this circumstance an assessment of the

workload implications for others will need to be undertaken. Where the reduction in hours means that changes to the duties and responsibilities of other posts within the Section are required, consultation with the trade unions and/or affected employees will be undertaken in advance. Any changes to posts that result in grading changes must be contained within budget for that service area. The Service Manager must ultimately approve (or otherwise) the flexible retirement request, with the employee then verbally notified of the decision (and a letter of confirmation issued under either Stage 4 or 5 below).

### **Stage 3 (ii) Where a flexible retirement request is linked to a reduction in grade**

Where the request is for a reduction in grade (amounting to at least a 25% reduction in their salary), the employee will have made the application and met with their line manager (i.e. stages 1 and 2 above). This will have included a discussion on the type of post they would be interested in that would facilitate their request. The employee's manager at that time will check whether the post(s) would represent the required reduction in salary. The manager will notify the relevant manager if the post(s) is/are located out with their team and span of responsibility. The employee's request will be considered at the time the particular post falls vacant. An estimate of pension benefits for flexible retirement would be obtained by the manager from the Pensions Section at the appropriate time and passed to the employee (the employee can seek the quote themselves if they are 60 years of age or over). The manager of the team in which the relevant vacancy occurs will consider the request taking the following into account:

- Whether the employee meets the job requirements (an interview may be required to assess this)
- Whether the employee's transfer to the lower graded post inhibits career progression/succession planning (which may lead to retention problems)
- Whether the employee's transfer will restrict the ability to redeploy someone whose employment is at risk (either on redundancy or medical grounds). Such individuals at risk must be given preference
- Whether there are any other objective factors that may affect the justification of the transfer

The manager will decide whether the flexible retirement request can be accommodated taking these factors into account and ensuring that the case is financially\* and operationally feasible, with the relevant Service Manager ultimately approving (or otherwise) the request on the flexible retirement application form. The employee will then be verbally notified of the decision (and a letter of confirmation issued under either Stage 4 or 5 below).

*\*To also see accompanying guidance notes*

### **Stage 4 Notifying Pensions Section and letter of confirmation**

If the case is approved to progress (on the basis of either a reduction in hours or grade), a letter of confirmation of the flexible retirement arrangement will be sent to the employee by the manager (see letter at appendix 6) and the completed form and copy of the letter forwarded to the HR Service Centre. The Pensions Section will be notified through a copy of the letter and requested to administer the employee's pension benefits. The employee will be asked in the letter to confirm to the Pensions Section whether they wish to access their pension benefits in full or in part, with the Pensions Section available to explain the figures to the employee, where required. Amended contractual documentation would be prepared and issued to the employee by the HR Service Centre.

## **Stage 5 Right to raise a grievance through Managing Grievances Procedure**

Where a request for flexible retirement on the basis of either a reduction in hours and/or grade was refused, the employee will be informed in writing by their manager, with the reason(s) for the refusal given (see letter at appendix 7). The letter will indicate that the employee has the right to raise a grievance with their Chief Officer at the Formal Stage of the Managing Grievances procedure within 10 days of receiving the outcome letter, if they consider the decision to have been unfair.

*Note: It should be noted that an employee can request both a move to a lower graded post and on fewer contractual hours than their current post through the flexible retirement procedure.*

## **Teachers' Phased Retirement Scheme Procedure**

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A summary of the Teachers' Phased Retirement Scheme is contained in the Managing Retirement policy which is on the Zone or obtainable from line managers, with full details on the SPPA website.

### **Procedure for Applying for Phased Retirement**

The procedure for applying for Phased Retirement is as follows:-

1. The teacher contacts the HR Service Centre expressing an interest in Phased Retirement and requesting details of the Scheme.
2. The teacher is advised by the HR Service Centre to first of all contact the SPPA to discuss the Phased Retirement option (as well as the Winding Down option) and to then confirm to the HR Service Centre that they wish to proceed with an application.
3. The HR Service Centre issues the 'Phased Retirement Scheme approval form' to the teacher and asks the teacher to download an application form for Phased Retirement, STSS (RET) and a copy of the 'Member guidance for completing application form STSS (RET)'. The teacher then completes the relevant parts of both forms and passes them to the Head Teacher.
4. The Head Teacher completes the relevant part of the 'Phased Retirement Scheme approval form' and then passes both forms to the Head of Service, who authorises the approval form (or otherwise). Where authorised, both forms are then passed to the HR Service Centre for processing.
5. On receipt of the completed approval form and STSS (RET) form the HR Service Centre checks the age and service eligibility.
6. The HR Service Centre passes the STSS (RET) form to the Payroll Section for completion of the teacher's salary details and the Payroll Section then sends the form to the SPPA for approval.
7. On receipt of confirmation of approval from the SPPA the HR Service Centre notifies the relevant Head Teacher in writing of confirmation of the Phased Retirement arrangement and the date of commencement.

8. The Head Teacher completes a 'Notification of Change' form confirming the appropriate reduction in working hours. The Head Teacher is asked to clearly specify 'Phased Retirement' on this form. Consideration can then be given to the advertising of the vacant hours created by the Phased Retirement, subject to the Service Manager's approval.
9. On receipt of the 'Notification of Change' form from the Head Teacher, the HR Service Centre prepares and sends amended contractual documentation to the teacher and passes the form to the Payroll Section for processing.
10. All relevant paperwork is then filed in the teacher's personal file.

## **Teachers' Winding Down Scheme Procedure**

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A summary of the Teachers' Winding Down Scheme is contained in the Managing Retirement policy which is on the Zone or obtainable from line managers, with full details on the SPPA website.

### **The Procedure for Applying for Winding Down**

The procedure for applying for Winding Down is as follows:-

1. The teacher contacts the HR Service Centre expressing an interest in applying for Winding Down and requesting details of the Scheme.
2. The teacher is advised by the HR Service Centre to first of all contact the SPPA to discuss the Winding Down option (as well as the Phased Retirement option) and to then confirm to the HR Service Centre that they wish to proceed with an application.
3. The HR Service Centre then asks the teacher to download an application form for Winding Down, STSS:WD12 and guidance notes from the SPPA website. The teacher is asked to indicate on the form the date that they wish the Winding Down arrangement to begin.
4. As the consent of the Council is required before Winding Down can be implemented, the teacher, in the first instance, consults their Head Teacher to seek their support for their case.
5. Assuming initial support is given by the Head Teacher, the employee proceeds to complete the Winding Down application form and submit it to the HR Service Centre.
6. On receipt of the completed form, the HR Service Centre passes it to the Head of Service for full authorisation of the case.
7. Assuming authorisation is given, the form is then passed back to the HR Service Centre who gives it to the Payroll Section for completion of salary details on the form. The Payroll Section then sends the form to the SPPA. The teacher is notified in writing by the HR Service Centre that their form has been processed and sent to the SPPA and that they will be notified in due course by the SPPA as to whether their case has been accepted.
8. The SPPA writes to the teacher and the Council to confirm (or otherwise) the employee's eligibility for Winding Down.

9. Assuming the case is accepted by the SPPA, the HR Service Centre then writes to the relevant Head Teacher requesting that a 'Notice of Appointment/Notice of Change' form commencing the Winding Down arrangement, stating the hours to be worked per week, is submitted to the HR Service Centre. The Head Teacher is asked to clearly specify 'Winding Down' on this form.
10. On receipt of the 'Notice of Appointment/Notice of Change' form, the HR Service Centre administers the Winding Down case. The 'Notice of Appointment/Notice of Change' form is passed to the Payroll Section by the HR Service Centre and revised contractual documentation is issued to the teacher.
11. All relevant papers are then filed in the teacher's personal file.

## **Long Service Award Scheme Procedure**

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The Long Service Award Scheme is detailed in the Managing Retirement policy which is on the Zone or obtainable from line managers.

The Scheme states that a Long Service Award will not apply where an employee is dismissed by the Council for reasons of discipline. It should be noted that it will apply in relation to all other reasons for termination of employment.

It should also be noted that absence from duty will not be regarded as a break in service for Long Service Award purposes for maternity leave, paternity leave, parental or shared parental leave, sick leave, time off for dependents/family emergencies, unpaid leave of absence or an approved break under the career break policy. The actual period of a career break will not count towards an employee's continuous service.

Managers should ensure that those employees with long service are thanked for their services to the Council prior to their leaving the organisation.

### **The procedure for making a Long Service Award application**

The procedure for making a Long Service Award application is as follows:-

1. An employee must claim eligibility under the terms of the Scheme by completing an 'Application for Long Service Award' form. The form will be sent to the employee for completion as part of the termination process once the HR Service Centre has been notified of the employee's leaving date and established their eligibility.
2. The employee completes the form and sends it back to the HR Service Centre.
3. The Long Service Award gift must be selected from one of the Council's approved suppliers, this being a supplier who will accept payment through an Aberdeen City Council cheque or purchase order.
4. The Long Service Award will be in the form of a purchase order or cheque made payable to the supplier, which the employee can then exchange for a gift to the value of the award as a memento of their service with the Council. In the case of a cheque, this is redeemable for gift vouchers to the value of the award. The gift vouchers must be used to purchase the good(s) and are not redeemable for cash.

5. The employee is contacted directly by the HR Service Centre when the purchase order or cheque is available for collection by them.
6. The employee will then collect this in person from the HR Service Centre and at the same time sign the indemnity which will release the purchase order or cheque to the employee.
7. If requested by the employee on the 'Application for Long Service Award' form, a presentation can be arranged. This may be a formal or informal presentation by the line manager or Head of Service. For those employees with 40 or more years' service this may be by the Lord Provost or nominated representative. This can be organised by the employee's service contacting the Lord Provost's office as far in advance as possible. The service would pay for any hospitality from its own budget.

Note: Services should be aware that VAT shown on a supplier's invoice relating to a Long Service Award cannot be reclaimed by the Council.

These guidance notes aim to provide answers to any queries on managing retirement and hence a manager or employee should refer to these in the first instance. If the answer to a query cannot be found within the guidance notes it can then be raised with the HR Service Centre by calling (01224) 523939 or by e-mailing [AskHR@aberdeencity.gov.uk](mailto:AskHR@aberdeencity.gov.uk)

Date of update	Summary of update
February 2020	Minor admin process changes made to the Flexible Retirement Scheme procedure i.e. outcome letter now sent by manager rather than HRSC. Terminology change from 'appeal' to 'grievance' and corresponding change to outcome letter. Addition to guidance notes re Rule of 85 cases indicating that the 'strain' cost requires to be scrutinised before a decision is taken.

Our Ref.  
Your Ref.  
Contact  
Email @aberdeencity.gov.uk  
Direct Dial 01224  
Direct Fax 01224

Date

<Name>  
<Address>

Dear <Name>

### **Meeting to discuss retirement arrangements**

I refer to your letter of <date> in which you gave notice to the Council of your retirement in accordance with your contract of employment.

I note that the date of your retirement will be <date> and I write to invite you to a meeting to discuss your retirement arrangements. The meeting will take place on <date> at <time> in <location> and I plan to cover the following matters:-

*delete if any do not apply*

- Status of work tasks/projects
- Work handover arrangements
- Knowledge transfer
- Pre-retirement course
- Long service award
- Pension arrangements
- Return of any Council property
- Balance of annual leave

I should be grateful if you would confirm your attendance by telephone or e-mail.

Yours sincerely

<Name>  
<Job Title>

Cc HR Service Centre

Our Ref.  
Your Ref.  
Contact  
Email @aberdeencity.gov.uk  
Direct Dial 01224  
Direct Fax 01224

Date

<Name>  
<Address>

Dear<Name>

### **Outcome of meeting to discuss retirement arrangements**

I refer to our meeting of <date> to discuss your retirement arrangements and write to confirm the outcome.

The following matters were covered at the meeting with details shown below of how each will be taken forward and by whom, prior to your retirement on <date>:-

- 1.
- 2.
- 3.

The balance of your annual leave entitlement for this year up until the date of your retirement is <?> days and you will be required to use all this annual leave prior to your retirement date.

The Payroll Section will make arrangements to calculate your final pay with all monies due paid into your bank/building society account at the end of the month in which you retire.

As you are a member of the \*Local Government Pension Scheme/Scottish Teachers' Pension Scheme (\**delete one*) arrangements will be made to calculate your pension benefits with these being paid to you as soon as possible following your retirement. This will include your annual pension, paid monthly and, where applicable, your 'one off' lump sum pension payment. (*delete this para if employee is not a pension scheme member*)

I would like to take this opportunity to thank you for your dedicated service to the Council over the last <?> years and to wish you well for the future.

Finally, if you have any queries relating to your forthcoming retirement please contact me on the above number.

Yours sincerely

**<Name>**  
**<Job Title>**

Cc HR Service Centre

## **Flexible Retirement – Guidance Notes**

### **1. When will an application for Flexible Retirement not be supported?**

Attempts will be made where practicable and operationally and financially feasible to accommodate Flexible Retirement requests, subject to all the eligibility conditions in the policy being met.

If any of the conditions are not met, the application would be turned down. Even if the conditions are met, there is no obligation on the Council to support an application for Flexible Retirement, it being discretionary whether cases are granted.

Examples of where cases could be refused for reasons of lack of practicability or operational or financial feasibility would be as follows:-

#### **Request linked to a reduction in hours**

- Where the manager and employee cannot agree a reasonable reduction in hours to enable the filling of the other part of the post.
- Where there were significant workload implications for other employees if the arrangement were to proceed.
- Where there is a significant 'strain on the fund' cost in relation to a case.

#### **Request linked to a reduction in grade**

- Where the employee doesn't meet the requirements on the job profile of the particular vacant post they wish to transfer to.
- Where the employee's transfer inhibits the career progression of others leading to potential retention problems or grievances.
- Where the employee's transfer will restrict the ability to redeploy another employee whose employment is at risk.
- Where there is an objective factor (such as a budget reason) that may affect the justification of the transfer.
- Where there is a significant 'strain on the fund' cost in relation to a case.

### **2. Employees who are not members of the pension scheme**

The Flexible Retirement Scheme does not apply to employees who are not members of the Local Government Pension Scheme.

Any non-pension scheme member who wished to reduce their hours should speak to their line manager in the first instance and refer to the Smarter Working Guidance. Details are contained in the Smarter Working Guidance of how to deal with a statutory request for flexible working linked to a caring responsibility. Any non-pension scheme member who

wished to move to a lower graded post would require to apply for such a post through the normal recruitment and selection process.

**3. In what circumstance would it be permitted for an employee to submit more than one request for Flexible Retirement in a particular year?**

Normally, only one request can be submitted by an employee for Flexible Retirement in any one calendar year.

This is to avoid administrative inefficiency through the repeated submission of a request that has already been turned down for operational or financial reasons, where there has been no change in the circumstances of the case.

There may arise, on occasion, an exceptional circumstance where the Council would permit more than one request to be submitted by an employee in a calendar year. An example of such a circumstance would be where a reorganisation/restructuring was being undertaken in the employee's section subsequent to the original request and the granting of the Flexible Retirement request would enable the Council to achieve a business objective in relation to the reorganisation/restructuring.

**4. What should be considered in relation to Flexible Retirement requests linked to a reduction in hours?**

In relation to requests linked to a reduction in hours, managers should firstly consider that a reduction in hours is operationally and financially feasible and whether or not to fill the other part of the post. The employee seeking flexible retirement would become part-time under a part-time contract if the request is approved. The other part of the post may be either filled, deleted or possibly converted into a different type of position or moved to another section (with relevant authority through the preparation of a business case or from Committee where necessary). This measure may help secure a cost or business efficiency for the Council.

Any implications for the workload, duties and responsibilities of other employees in the particular section would be fully considered beforehand with appropriate consultation undertaken with staff and trade unions in advance of any decision to proceed.

**5. Option for employees to access their pension benefits in full or in part**

Where a Flexible Retirement request is approved by the Council, the employee will have the option, under the pension regulations, to access their pension benefits either in full or in part (and to continue working for the Council on fewer hours and/or in a lower grade post). It would be the employee's decision as to whether they wished to access all or only part of their accrued pension benefits.

Employees will be able to have a discussion with the Pensions Section early in the process in order that information can be given on the options.

A quotation would be produced for the employee also early in the process for consideration and the employee may wish to take independent financial advice, where required. The cost of any independent financial advice would be met by the employee.

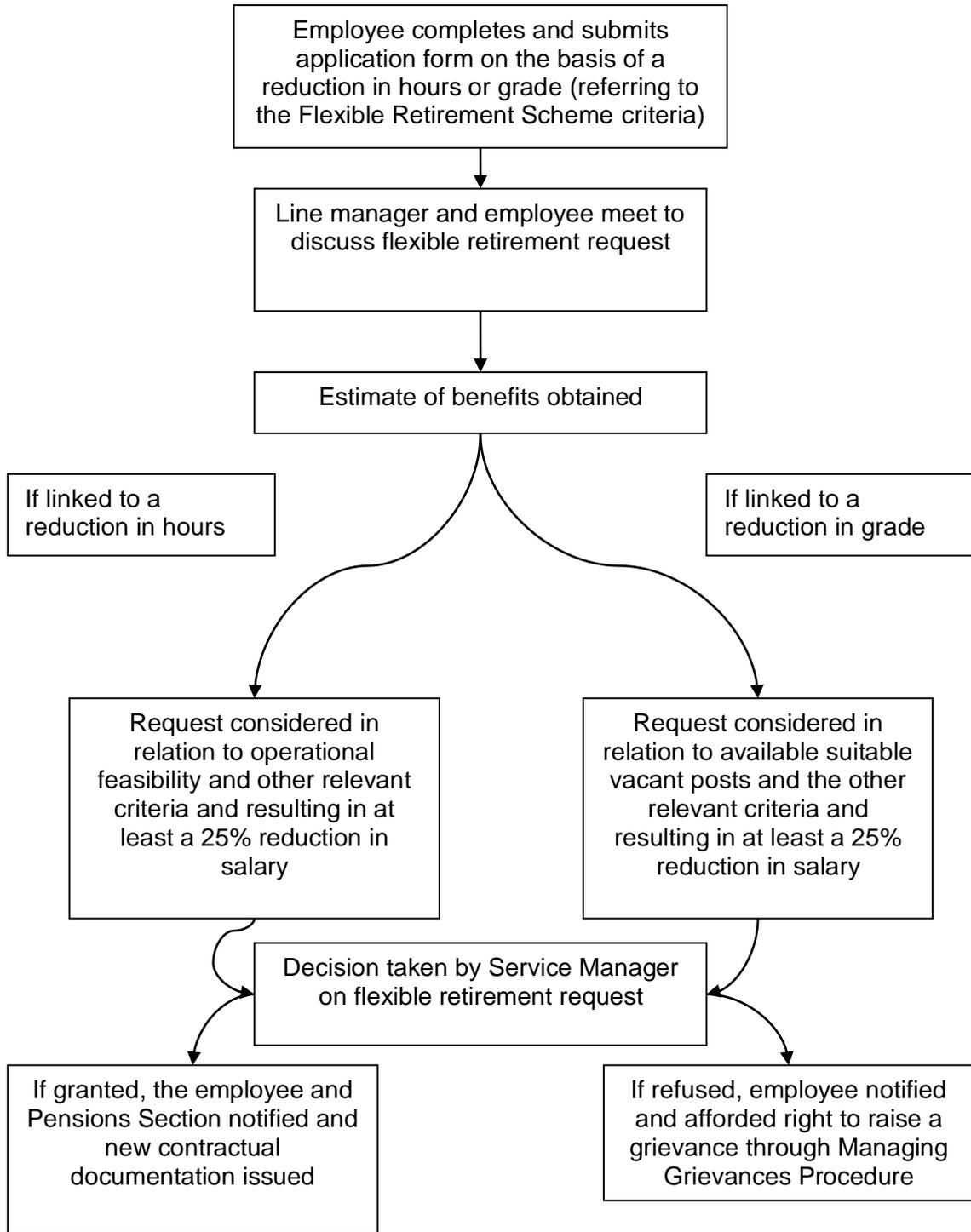
## **6. Flexible Retirement and Service Restructuring**

Flexible Retirement requests are always initiated by the employee and must result in a reduction in hours and/or a move to a lower graded post (in accordance with the conditions in the scheme). Where a manager is also able to undertake some minor restructuring by accommodating the employee's request, there may be an opportunity to achieve an organisational objective as well as meeting the employee's personal requirement. Managers should bear this in mind when considering employee Flexible Retirement requests.

## **7. Rule of 85 cases**

In the Flexible Retirement Scheme, it states that 'where an employee who is 55 or over seeking Flexible Retirement meets the Rule of 85 and the case is approved, the Council automatically meets the 'Strain on the Fund' cost. Hence, in these cases the 'Strain on the Fund' cost requires to be carefully scrutinised in advance of any decision being taken to ensure affordability, with the Chief Officer being consulted as part of the assessment.

**FLOWCHART OF FLEXIBLE RETIREMENT PROCEDURE**



**FLEXIBLE RETIREMENT SCHEME**

**APPLICATION FORM FOR FLEXIBLE RETIREMENT**

**Introduction**

You can request flexible retirement by seeking the Council’s consent to either reduce your hours of work and/or grade of post, at the same time accessing your pension benefits either in full or part. There are certain criteria that require to be met before a flexible retirement request can proceed. Please refer to the Flexible Retirement Scheme (contained within the Managing Retirement Policy) for details. You can also continue to pay contributions into the pension scheme and accrue further pension service once the change in hours and/or grade has occurred.

To be considered for flexible retirement you must fully complete this form and submit it to your line manager.

**1. PERSONAL AND POST DETAILS**

**Name (in full)** ..... **Date of Birth:** .....

**Job Title:** ..... **Cluster / Function:**

**Location:** .....  
.....

**Current Working Hours** ..... **Grade of Post:** .....

**Member of Local Government Pension Scheme**      **Yes**      **No**      Please tick one box  
     

**2. BASIS OF APPLICATION**

**Please tick one box**

**Reduction in hours**     

**Reduction in grade**     

**Reduction in hours and grade**     

If request is linked to a reduction in grade, please specify the type of post(s) you would consider

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**3. REASON FOR APPLICATION**

Please state briefly the reason(s) for applying for flexible retirement.

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Is the request linked to a caring responsibility for a dependant?

**Yes**

**No (Please tick one box)**

(if yes, please also refer to the Smarter Working Guidance, for details on how a statutory request for flexible working is considered).

**4. DECLARATION AND SIGNATURE**

I confirm that I meet the eligibility criteria as specified in the Flexible Retirement Scheme and declare that I am applying for flexible retirement in accordance with the Scheme.

**Signature** ..... **Date** .....

Please submit this completed form to your line manager.

**FOR SERVICE USE**

To be completed by line manager.

Have the eligibility criteria in the Flexible Retirement Scheme been met? (see Scheme for details)

**Yes**                       **No (Please tick one box)**

If no, which has/have not been met? \_\_\_\_\_  
\_\_\_\_\_

**Reduction in hours' applications**

Is it operationally and financially feasible to proceed with the reduction in hours application and will it result in a reduction in the employee's salary of at least 25%? (the relevant issues detailed in the policy and guidance should have been met before proceeding).

**Yes**                       **No (Please tick one box)**

Please indicate brief details: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Revised hours per week: \_\_\_\_\_

Effective date of change: \_\_\_\_\_

**Reduction in grade applications**

Is it operationally and financially feasible to proceed and has a suitable vacant post been identified at a grade which will result in a reduction in basic salary of at least 25 %? (the relevant issues detailed in the policy and guidance should have been met before proceeding).

**Yes**                       **No (Please tick one box)**

Please indicate brief details: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**OUTCOME OF APPLICATION – SERVICE MANAGER’S DECISION**

Request approved/declined\*

Please indicate reason(s) if declined

\_\_\_\_\_  
\_\_\_\_\_

**Signature:** .....

**Date** .....

**Name:** .....

**Job Title:** .....

\* delete as appropriate

The manager should now prepare and issue the appropriate letter (appendix 6, if case is being approved or appendix 7, if case is being declined). This form and a copy of the letter should be forwarded to the HR Service Centre for any required processing, and filing.

Our Ref.  
Your Ref.  
Contact  
Email  
Direct Dial  
Direct Fax

Date

Address

Dear

### **Application for Flexible Retirement**

I refer to your application for flexible retirement on the basis of a reduction in your contractual hours/reduction in your grade (*delete one option*) and write to confirm that your application has been granted.

The reason(s) for your case being granted is.....

*Insert paragraph here with brief details on why the case was granted*

I note from our discussions that you would wish to proceed with the flexible retirement arrangement and you will be issued with appropriate contractual documentation reflecting the above change as soon as practicable. You have previously been issued with a quotation from the Pensions Section detailing your flexible retirement pension benefits.

This letter has been copied to the Pensions Section, who will make the necessary arrangements for payment of your pension benefits. You now require to write to the Pensions Manager, Aberdeen City Council, Resources, Finance, Business Hub 16, 3<sup>rd</sup> Floor West, Marischal College, Broad Street, Aberdeen, AB10 1AB, as soon as possible to confirm whether you wish to access all or only part of your pension benefits, in accordance with the Flexible Retirement procedure. The Pensions Section will write to you separately to notify you of the payment arrangements of your pension benefits.

Please contact ..... if you have any questions with regard to the content of this letter.

Yours sincerely

**Name>**  
**<Job Title>**

cc Pensions Manager, Pensions Section  
HR Service Centre, Personal file

Our Ref.  
Your Ref.  
Contact  
Email  
Direct Dial  
Direct Fax

Date

Address

Dear

**Application for Flexible Retirement**

I refer to your application for flexible retirement on the basis of a reduction in your contractual hours/reduction in your grade (*delete one option*) and write to confirm that your application has been declined.

The reason(s) for your request being declined is.....

*Insert paragraph here with brief details on why the case was refused.*

I hope that you will understand and accept the reason(s) why your flexible retirement request cannot be granted. If you consider that this decision has been made unfairly you have the right to raise a grievance at the Formal Stage of the Managing Grievances procedure. To exercise this right you would require to write to ..... Chief Officer within 10 days of receipt of this letter stating the grounds of your grievance.

Please contact ..... if you have any question with regard to the content of this letter.

Yours sincerely

**Name>**  
**<Job Title>**

Cc Pensions Manager, Pensions Section  
HR Service Centre, Personal file