

Livewell Southwest

**Retirement Policy**

Version No 3

Review: March 2028

Expires: August 2028

**Notice to staff using a paper copy of this guidance**

**The policies and procedures page of LSW Sharepoint holds the most recent version of this document and employees must ensure that they are using the most recent guidance.**

**Author: People and Professionalism**

**Asset Number 55**

## Reader Information

<b>Title</b>	<b>Retirement Policy V3</b>
<b>Asset Number</b>	55
<b>Rights of Access</b>	Public
<b>Type of Paper</b>	Policy
<b>Category</b>	Non-Clinical
<b>Document Purpose/Summary</b>	The policy describes the circumstances in which employees can retire. This policy aims to promote flexible retirement and increase the options available to employees, increasing the number of employees working past traditional retirement ages.
<b>Author</b>	People and Professionalism
<b>Policy Author's Manager</b>	Dawn Slater, Director of People and Professionalism
<b>Ratification date and group</b>	August 2025, Virtual Policy Ratification Group November 2025, JCCN
<b>Publication date</b>	13 <sup>th</sup> November 2025
<b>Review Date and Frequency</b>	Three years after ratification, or earlier if minor changes are required.
<b>Disposal Date</b>	The Policy Ratification Group will retain an e-signed copy for the archive in accordance with the Retention and Disposal Schedule, all copies must be destroyed when replaced by a new version or withdrawn from circulation.
<b>Target Audience</b>	All Livewell Southwest employees
<b>Circulation</b>	Electronic: Livewell Southwest (LSW) intranet and website (if applicable) Written: Upon request to the Policy Co-ordinator at <a href="mailto:livewell.livewellpolicies@nhs.net">livewell.livewellpolicies@nhs.net</a> Please contact the author if you require this document in an alternative format.
<b>Stakeholders</b>	Current and potential Livewell employees
<b>Consultation Process</b>	HR & Payroll Staff Side Colleagues & JCCN Policy Review Group
<b>Equality Analysis Checklist completed</b>	Yes
<b>Is the Equality and Diversity Policy referenced</b>	Yes
<b>Is the Equality Act 2010 referenced</b>	Yes
<b>Associated Documentation</b>	Equality, Diversity & Inclusion Policy Flexible Working Policy
<b>Supersedes Document</b>	All Previous versions
<b>Author Contact Details</b>	By post: Local Care Centre, Mount Gould Hospital, 200 Mount Gould Road, Plymouth, Devon. PL4 7PY. Tel: 01752 434700 (LCC Reception) or email: <a href="mailto:livewell.livewellpolicies@nhs.net">livewell.livewellpolicies@nhs.net</a>

## Document Version Control

Version No.	Type of change	Date	Originator of change (Name and job title)	Description of change
For previous review history please contact the PRVG Co-ordinator.				
1.6	Full Review	May 2018	HR Policy Group	Full review and additional clarification of types of return.
1.7	Minor Change	December 2018	HR	Additional info on long service awards.
1.8	Minor Change	June 2019	Workforce Policy Group	Remove fixed term contract reference and Flexible Retirement requests to be made under the Flexible Working Policy
1.9	Minor Change	August 2019	HR Administrator	Minor amendment made.
1.10	Extension	April 2021	HR Administrator	Extension
1.11	Extension	November 2021	Associate Director of HR & Engagement	Extension
2	Reviewed	June 2022	Deputy Director of People	Minor changes
2.1	Minor Change	February 2023	People Relations Advisor	Update re change in pension rules - removal of 16 hour rule upon retire and return
2.2	Minor Changes	May 2023	People Relations Advisors and Payroll and Pensions Advisor	Update to reflect all 3 pensions within in LSW
3	Reviewed	April 2025	People Business Partner	Minor amendment made to Contents List to reflect content updates required by pension providers and process.

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# Retirement Policy

## 1. Introduction

- 1.1 This policy aims to provide guidance and sets out the potential options for employees who are looking to retire, access their pension, partially retire or retire and return to work. The policy also signposts employees to additional sources of information regarding their pension scheme. Livewell Southwest recognises the importance of supporting employees to achieve a work life balance during their employment and in planning their transition into retirement.
- 1.2 Livewell Southwest is committed to fairness and equity and values diversity in all aspects of its work as a provider of health and social care services and as an employer of people. We constantly strive to build a workforce that is representative of the community it serves.
- 1.3 Livewell Southwest is committed to eliminating all forms of discrimination on the grounds of age, disability, gender reassignment, marriage / civil partnership, pregnancy maternity, race, religion or belief, sex and sexual orientation in the provision of our services and in recruitment and employment. This enables an environment that is characterised by dignity and respect which is free from harassment, bullying and victimisation.
- 1.4 Whilst this is a guide the organisation has provided for employees, we would advise you contact your individual pension provider for accurate and current information relating to your pension.

## 2. Purpose

The purpose of this policy is to provide a consistent and equitable process for employees who are looking to retire, access their pension, partial retirement or retire and return to work.

## 3. Definitions

### 3.1 Age Discrimination

- 3.1.1 What is age discrimination? Age discrimination is when someone's age is used as the basis for employment decision, including retirement decisions. Age discrimination or ageism as it is sometimes referred to tends to occur when assumptions about people's ability and competence are made based on their age, supported by stereotypes, prejudices and myths. The Equality Act 20210 makes it unlawful to discriminate against employees on their age and could result in disciplinary action.

## **3.2 Contractual Position**

- 3.2.1 Livewell Southwest has no set retirement date. In line with the Equality Act 2010, Livewell Southwest has removed any default retirement age and has no requirement for employees to retire at a particular age. This will ensure that all employees are treated in the same way irrespective of their age.
- 3.2.2 Employees can elect to retire at a date of their choosing.
- 3.2.3 Pensionable age is the age at which employees can draw their state or workplace pensions.
- 3.2.4 Livewell Southwest recognises that employees pay into to a number of pension providers including; NHS Pension, Scottish Widows and Local Government.

## **Pension Rules**

### **3.3 NHS Pension**

- 3.3.1 The rules of the NHS Pension Scheme are determined by the Secretary of State for Health (represented by the NHS Pensions Agency and not the organisation). There are various schemes with different rules.
- 3.3.2 Members of the scheme can retire at any time after the age of 50 and apply for early pension. The amount due is actuarially reduced according to a set table. The scheme allows (subject to certain rules of re-engagement) employees in receipt of a pension to re-engage in NHS employment. In the case of 'step down' pension may be preserved at the higher salary.
- 3.3.3 Employees are strongly advised to ensure they have received appropriate pensions advice before agreeing any contract changes. Links can be found in Section 12 for further guidance and contact details.
- 3.3.4 Employees who are members of the NHS Pension Scheme before 1 April 2008 can retire at 60 and claim their full pension (of 55 if you have special class status). Employees who joined the NHS Pension Scheme on or after 1 April 2008 have a normal pension age of 65.

### **3.4 Scottish Widows**

- 3.4.1 Employees with Scottish Widows can start taking their pension from the age of 55. However, in 2028, the age from which you can normally take pension benefits is changing from 55 to 57. Links can be found in section 12 for further guidance and contact details.

### **3.5 Local Government Pension Scheme**

- 3.5.1 This scheme's normal retirement age is now linked to your State Pension Age for both men and women. Employees can retire and draw their benefits for all kinds of reasons and at all kinds of ages. Employees may retire and draw their benefits from anywhere between age 55, right up to the eve of your 75th

birthday. Links can be found in section 12 for further guidance and contact details.

## **4. Duties & responsibilities**

- 4.1 The Chief Executive is responsible for ensuring that there is a robust system in place which allows employees to understand retirement options.
- 4.2 Line Managers are responsible for ensuring that processes outlined in this policy are adhered to and ensuring that employees are made aware of this policy and understand the potential implications of processes in relation to it.
- 4.3 Employees have a responsibility to follow the process outlined in this policy and to ensure they have made the necessary enquiries regarding retirement.

## **5. Process**

Employees have a number of options to consider in relation to retirement which are outlined below.

### **5.1 Retirement – Age**

All employees must advise their Line Manager in writing of their intention to retire giving the specified notice period requirements under Agenda for Change or other applicable NHS terms and conditions. Line Managers should ensure that they acknowledge retirements with an appropriate resignation acknowledgment letter. For example, reflecting the length of service or the contribution the employee has made.

If the employee is in the NHS Pension Scheme, a minimum of six months will be required to process the application to receive the NHS Pension.

#### Managers Responsibilities:

- Support employees with completion of paperwork/forms as required, this may involve verifying ID documentation as part of the application
- Consider and support with any applications for retire and return when required
- Meet with the employee to agree their last working day and actual leaving date, taking into account any accrued annual leave. Annual leave will be calculated pro-rata for the employees leaving date. As annual leave is pensionable it should be taken prior to the actual leaving date as any untaken leave will extend the last day of pensionable service beyond the last day of work. Pension benefits are paid from the last day of pensionable service therefore it is better that you have taken all leave prior to your last working day
- Complete a leavers form (when needed)
- Complete the retirement service award where appropriate (section 10).

5.1.1 NHS Pension - when a member wishes to retire, they need to contact a Pensions Advisor at Shared Business Services (SBS) and complete the necessary forms.

- 5.1.2 Scottish Widows - when a member wishes to retire, they need to contact Scottish Widows directly and complete the necessary forms.
- 5.1.3 Local Government - when a member wishes to retire, they need to contact Peninsula Pensions directly and complete the necessary forms.
- 5.1.4 Employees intending to retire should inform their manager as soon as possible. Whenever possible the employee and manager should meet to discuss the upcoming intended retirement. Employees need to give **at least 6 months' notice in writing** of their intention to retire in order to receive their pension in good time. Any outstanding annual leave should be taken before the retirement date.

## **5.2 Flexible Retirement Options**

- 5.2.1 There are a number of options available for employees which provide flexibility as retirement approaches (please see options below: 5.3 – 5.7). The options are dependent on which pension scheme they are in and which section of the NHS Pension Scheme the employee is a member of.

If an employee wishes to take a flexible retirement option, the [Flexible Working policy](#) must be adhered to.

Where a flexible retirement request is not agreed the employee has the right to appeal this decision. The appeals process is set out in the Flexible Working Policy.

Where an employee takes a flexible option of retirement and receives pension benefits, any employment prior to the implementation of the flexible option may not count as reckonable service for the purposes of redundancy payments. Employees should refer to the guidance within the Agenda for Change Handbook which refers to continuous service and redundancy and seek more detailed advice from the NHS Pension Agency, Scottish Widows or the Local Government Pension Scheme before making important decisions about retirement.

## **5.3 Employment/Career Break/Come Back**

- 5.3.1 Retirement need not be a sudden shift from working to not working.
- 5.3.2 Retirement planning including options for flexible retirement is an important issue especially as we have some groups of employees who can retire as early as 50. Personal circumstances also come into play when considering retirement options.
- 5.3.3 We hope that the initiatives promoted below are a sensitive and imaginative approach to encouraging older staff not to leave work earlier than planned.
- 5.3.4 Further information on Employment Breaks can be found in the Career Break

Guidance on the Intranet and within the Agenda for Change Handbook (Section 34) Employment Break Scheme.

<https://www.nhsemployers.org/publications/tchandbook>

## 5.4 Wind Down

5.4.1 As an alternative to retiring completely, employees can request to 'wind down' by working fewer days, or hours, in their existing post. The employee can agree with the line manager to reduce hours within the same post. This agreement could be on a permanent or trial basis, with an annual review. A trial should last no longer than six months.

5.4.2 This should only be considered on the request of an individual however consideration must be given to the needs of the service before it is approved.

5.4.3 Reducing working hours could result in a reduced level of membership to your Pension Scheme. For details, please contact your pension provider for further details should this be something you are considering.

## 5.5 Draw Down (or Partial Retirement)

5.5.1 Draw down/partial retirement allows an employee to partially retire and take some

or all of their benefits. Employees wishing to draw down/partially retire must consult their pension provider:

NHS <https://www.nhsbsa.nhs.uk/member-hub>

Scottish Widow [www.scottishwidows.co.uk/gppae/](http://www.scottishwidows.co.uk/gppae/)

Local Government [Peninsula Pensions - Helping you get the most out of retirement](#)

From 1<sup>st</sup> October 2023 employees in the NHS Pension 1995 scheme will be able to draw down their pension. Please consult the NHS pension website as above.

## 5.6 Step Down

5.6.1 Employees who would like to reduce the pressure and/or responsibilities they have in their current role can request to step down into a less demanding and lower graded post, which still makes use of their skills and experience. An employee who is over the minimum retirement age and a member of the NHS Pension Scheme **on or before the 1<sup>st</sup> April 2008** can request a transfer to a post carrying less responsibilities and at a lower salary banding (same hours or less), providing the employee meets the person specification of the alternative post. They will be given priority status and will either slot-in or have an interview.

5.6.2 The reduction in pay must be at least 10% and the employee has to apply for the higher rate of pay to be protected for pension purposes within 15 months of their pay reducing. Employees can only apply for this once.

[N.B Priority status in these circumstances is lower than another employee at risk of redundancy or who needs to be moved for health reasons].

- 5.6.3 In the first instance please discuss this option with your Line Manager. All employees are advised to contact their pension provider to discuss the impact of this on their pension.

## **5.7 Retire and Return**

- 5.7.1 The decision to approve an employee's retire and return request is discretionary, and the Line Manager will be responsible for completing Appendix C which considers the business justifications for approving the request. There is no guarantee that applications for retire and return will be granted.
- 5.7.2 An employee can request to retire, receive their Occupational Pension and come back to work part-time. Please contact your pension provider to discuss this.
- 5.7.3 To support the application the Manager must also complete an Approval to Recruit (ATR).
- 5.7.4 The individual can request to come back to their existing job or other suitable employment, not necessarily at the same band of their existing job. There is no restriction in the amount of hours that can be worked upon returning.
- 5.7.5 If the request to retire and return is agreed, in order for employees to receive their pension, the current contract(s) of employment must be terminated by way of a termination form completed by the Line Manager highlighting retire and return. The employee must have at least an eight day 'unpaid' employment break, before commencing the new contract which includes the minimum 24 hours break in pensionable employment to satisfy local requirements.
- 5.7.6 A new contract will be issued and this will be the current terms and conditions offered by the organisation. This break in service will not affect the individual's continuous service date for the purposes of annual leave and sick pay however it will affect continuous service for the purposes of determining eligibility for redundancy pay. Managers will work with the Recruitment Team to ensure the new contract is issued.
- 5.7.7 Employees will be required to complete new starter paperwork and return as per standard recruitment process.

## **5.8 Ill Health Retirement**

- 5.8.1 Please refer to the Attendance Policy for further information, noting decisions by pension providers may take at least three months or longer.

## **6. Advice**

- 6.1 Before contemplating retirement employees should take advice from any or all of the following: Line Manager, Trade Union Representative, HR People Team,

Independent Financial Adviser, Relevant Pensions Agency and Shared Business Services.

- 6.2 Line Managers should consider requests for career breaks, wind down and step down, retire and come back, but should seek advice from the HR People Team when they are considering refusing a request.
- 6.3 No requests received from employees to flexibly retire will be approved or refused unless the application has been through the full approval process. This also applies for the review meetings. Line Managers to note that an Approval to Recruit (ATR) will be required in these circumstances.

## **7. Independent Financial Advice**

Managers should encourage their employees to seek independent financial advice before embarking on retirement to ensure that they have sufficient information to make an informed decision before reducing hours of work or salary. Details of Independent Financial Advisors can be found by contacting the Financial Conduct Authority (<https://www.fca.org.uk/>).

## **8. State Pension Forecast and Guide**

- 8.1 Employees wishing to obtain a personal State Pension Forecast should contact The Pensions Service requesting (Form BR19) Application for a Retirement Pension forecast online at: <https://www.gov.uk/check-state-pension>
- 8.2 Employees should quote their National Insurance Number which is shown on payslips. You can get a State Retirement Pension forecast if you are more than four months away from State Pension Retirement age. our forecast will tell you in today's money values:
  - The amount of Basic State Pension you have earned already
  - The amount of Basic State Pension that you can expect at state pension age based on what you have earned already and what you might earn before you retire.
- 8.3 Your forecast will also tell you if there is anything you can do to improve your Basic Pension.

## **9. Lost Touch with an Old Non-NHS Pension?**

- 9.1 Employees who have lost touch with a previous non-NHS Pension when changing jobs should contact the Pensions Tracing Service (PTS), part of the Department for Work and Pensions. The PTS provides a free tracing service. They hold details on more than 200,000 occupational pension schemes and some personal pension schemes too, although they do not know whether the individual has any pension rights with a particular scheme and they do not hold details about who belongs to a pension scheme but what they will do is give employees an up-to-date name and address to help them make contact with a pension somewhere where they think they may have benefits.

- 9.2 Employees who think they may have lost touch with a non-NHS Pension Scheme or just want to check out whether they ever contributed to a previous employer's pension scheme should give the PTS a call and ask for Form PT1 05/06. Their contact details are:

**Pension Tracing Service online:** <https://www.gov.uk/find-pension-contact-details>

## **10. Retirement Award**

- 10.1 Livewell Southwest recognises the service and commitment of employees when retiring from employment. Therefore, the Organisation is pleased to continue supporting retirement awards for all employees with 15, 20, 30+ years continuous service.
- 10.2 Eligibility for a retirement award is based upon continuous service within NHS services as recorded on the central Electronic Staff Record. For those in Adult Social Care who transferred into Livewell Southwest, this information has been updated to reflect any prior service with local government at the point of transfer.
- 10.3 Eligibility for the retirement award is based upon the service up to the termination / leaving date. The retirement award is intended as an employee benefit for those retiring from employment and leaving the organisation, or retiring and returning therefore those leaving and taking up other roles will not be eligible. It will be made to an employee who retires from Livewell Southwest in the following circumstances:
- Retirement on or after reaching pensionable age
  - Early retirement as a result of organisational change
  - Early retirement in the interests of the efficiency of the service
  - Early retirement on the grounds of ill-health at age 50 or over. Special consideration will be given to individual cases of ill-health retirement under the age of 50.
- 10.4 The Line Manager is responsible for preparing the Retirement Award Application (Appendix A) and submitting this to the HR People Team via the EVA Portal, once reviewed by the HR People Team this will be processed by Finance for payment of the eligible award. Line Managers should liaise with the employee regarding their preference for either gift vouchers or salary payment (subject to usual tax deductions). It will only be payable on one occasion. If the employee selects to receive E-Code vouchers, this will be sent to Finance to process. If the employee selects to receive payment via direct payment with their salary, the HR People Team will confirm the amount to be paid and instruct the Line Manager to submit a Change Form to request the payment to be made.
- 10.5 Eligible awards are:  
15-20 years' service = £100  
20-30 years' service = £200  
30+ years' service = £300

## 11. The Farewell Party

Some employees will welcome a farewell celebration, some will not. Either way it is the individual we are valuing not their age. Any celebration is a local arrangement to the unit/ward/service where the employee worked.

## 12. Where to go for Advice

### Internal Contacts

Payroll and Pensions Co-ordinator	(01752) 436355
HR People Team	(01752) 434163
Trade Union Office	(01752) 434450

### External Contacts

NHS Pensions Agency (Members Helpline)	0300 3301 346 <a href="https://www.nhsbsa.nhs.uk/member-hub">https://www.nhsbsa.nhs.uk/member-hub</a>
Shared Business Service Pensions Advisor	0303 123 1144
Pensions Tracing Agency (for Non NHS Pensions)	<a href="https://www.gov.uk/find-pension-contact-details">https://www.gov.uk/find-pension-contact-details</a>
Local Government	<a href="#">Peninsula Pensions - Helping you get the most out of retirement</a>
Scottish Widows	<a href="http://www.scottishwidows.co.uk/gppae/">www.scottishwidows.co.uk/gppae/</a>
Financial Conduct Authority (FCA) (For advice on Independent Financial Advisors)	<a href="https://www.fca.org.uk/">https://www.fca.org.uk/</a>
Employers Forum on Age	<a href="http://www.enei.org.uk">www.enei.org.uk</a>
ACAS	<a href="http://www.acas.org.uk">www.acas.org.uk</a>
Age UK	<a href="https://www.ageuk.org.uk/">https://www.ageuk.org.uk/</a>
Retired Staffs Association	<a href="http://www.nhsrf.org.uk/index.html">http://www.nhsrf.org.uk/index.html</a>

## 13. Training Implications

No formal training is required for the application of this policy. Line Managers should seek advice from the Payroll and Pensions Coordinator and the HR people Team.

## 14. Monitoring and compliance

The effectiveness of this policy will be monitored via the HR People Team and the

Payroll and Pensions Co-ordinator. Any non-compliance with the policy will be escalated to the Director of People and Professionalism and Director of Finance if required.

**All policies are required to be electronically signed by the Lead Director. Proof of the electronic signature is stored in the policies database.**

**The Lead Director approves this document and any attached appendices. For operational policies this will be the Head of Service.**

**The Executive signature is subject to the understanding that the policy owner has followed the organisation process for policy Ratification.**

**Signed: Director of People and Professionalism**

**Date: 12<sup>th</sup> November 2025**