

Retirement and Flexible Retirement Policy

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1. Aim

Cambridgeshire and Peterborough Combined Authority does not have a normal retirement age for its employees. This is in accordance with legislative changes which came into effect from 03 April 2011.

However, employees from the age of 55+ years have some options they may consider if they no longer want to work full time, in terms of the pension benefits they may be eligible to receive.

2. Scope

This policy applies to all CPCA employees regardless of their length of service and should be read in conjunction with the Pension Discretionary Policy.

3. Vision and Values

Our vision is for a prosperous and sustainable Cambridgeshire and Peterborough. Driven by our values and using our collective voice and strengths, we seek inclusive good growth for an equitable resilient, healthier and connected region.

Our values define what is important in the way we deliver this vision. At Cambridgeshire and Peterborough Combined Authority our core values are Collaboration, Integrity, Vision, Innovation and Leadership. We are committed to ensuring our culture enables our employees to display these values regardless of their roles within the organisation. Managers and employees alike must ensure our core values are upheld when implementing this policy.

4. Retirement

Employees wishing to fully retire from work must resign from their employment, giving the appropriate contractual notice. They will be expected to take all accrued annual leave prior to their leaving date.

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5. Early Retirement

Any CPCA employee with at least 2 years membership of the Local Government Pension Scheme can choose to retire voluntarily from the age of 55 without the employer consent.

They will be able to receive the associated benefits immediately. It is important to note that pension payment is likely to be significantly reduced for being paid early.

Any employee who wishes to take an early retirement must give CPCA the required contractual notice period to do so.

6. Flexible Retirement

In accordance with the terms and conditions of the Local Government Pension Scheme an employee who is aged 55 or over can request for Flexible Retirement. With CPCA's agreement, this option will allow the employee to retire flexibly i.e., by reducing their contractual hours or/and grade whilst receiving their pensions benefit.

Flexible Retirement is an employer's discretion; therefore, an employee would only be allowed to retire flexibly if the organisation gave its consent to a reduction in hours or grade and agreed to the release of all or part of the accrued pension benefits. Employees, therefore, do not have a contractual right to flexible retirement.

For employees under the age of 60, the CPCA will be liable to meet additional charges and the employee's pension will be paid at a reduced rate unless the 85 year rule is satisfied (the age of the applicant when added to their period of membership totals 85 years or more). For employees over the age of 60 there will be no additional charge to CPCA, however, the employee's pension scheme benefits may be subject to a penalty, unless they satisfy the 85-year rule.

To qualify for flexible retirement, an employee may request to reduce their hours of work or apply for a lower graded position to continue working whilst also receiving their pension benefits. The reduction in hours will be at least one contractual day less per week. They can transition from full time working to reduced hour without need for break in service.

The employee may wish to continue contributing to the pension scheme, this will be based on their new annual salary. However, the employee can opt out of the scheme.

Applying for Flexible Retirement

To apply for flexible retirement the employee must first obtain written permission from their Head of Service by putting their request in writing.

Next Steps

Where the flexible retirement application involves a cost to the authority, the Assistant Director must consult with the HR Business Partner, prior to processing the application. They must also consider the impact the application has on the business and service delivery.

If the flexible retirement application is approved, the Line Manager must contact HR to complete a Change to Establishment Form. A variation of contract will then be produced for the employee.

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On receipt of the above notification, the employee will be asked to complete a 'Retirement Declaration and Options Form' and return this to Human Resources as soon as possible. HR/Payroll will ensure that Pension Services are notified of the employee's flexible retirement.

7. Appeals Procedure

If the request for flexible retirement is rejected the employee may appeal. This must be done in accordance to the organisation's appeal procedure.

8. Ill Health Retirement

An employee may be eligible to receive their pension benefits immediately if they have at least 2 years total membership in the scheme and an independent doctor (qualified in occupational health) declares them unable to do their job, or any other comparable job, efficiently due to ill health. This medical assessment is made in accordance with the LGPS tiered system.

To reflect the fact that the employee has to retire early they may receive additional membership, and this will be calculated based on the length of your total membership of the pension scheme.

9. Further Guidance

It is important to note that this document is not designed to provide pensions advice. If you have a specific query in relation to your own personal circumstances, you must contact CPCA's Pensions Services team.

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Governance

Retirement/Flexible Retirement Policy

References:

Pensions Discretionary Policy

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Document control sheet

Purpose of document	This document provides useful information on the Retirement and Flexible Retirement Process
Type of document	Policy
Document checked by Legal	No
If applicable, has an initial Equality Impact assessment (EIA) been completed?	
Document Lead and Author	HR Team
Dissemination	
What other documents should be read in conjunction with	Document listed in this guidance
Who will review the document (job title)	HR Team
Why is this document being reviewed	First version of Policy, q not applicable

Revisions

None.