



# The Athelstan Trust

## LGPS Flexible Retirement Policy

### Summary

An employee who is aged over 55 may apply to retire flexibly whilst continuing in their employment on reduced hour/grade. The Athelstan Trust will usually only consider flexible retirement cases where there is no cost to the Trust and business needs are met. Where there is a cost to the Trust, flexible retirement requests will only be agreed in exceptional circumstances i.e. compassionate cases. The Trust will not allow an automatic right to flexible retirement and immediate payment of pension.

Employees must meet the criteria set out below however the Trust will consider cases that have not met the criteria but only in exceptional circumstances.

### Criteria

- Employees must be aged 55 or over
- Employees must submit their request to flexibly retire to their manager in writing.
- The employee must commit to a permanent reduction in hours / grade. There is no requirement by the employer for a reduction in hours and grade.

### Reduction in Hours:

Is contractually permanent.

At least a 30% reduction from previously contracted hours

Employees will be unable to work additional hours above the newly reduced contracted hours whilst in this post.

Ability to show there is no increase in cost by allowing this request.

### Reduction in Grade

At least a minimum of two grades lower.

Ability to show there is no increase in employee cost

- Employee is unable to receive additional responsibility or honorarium for extra hours covering senior roles.
- The Trust proposes to limit flexible retirement to employee's who have reached the age of 60 on grounds of cost, the ability to retain skilled staff and to manage the LGPS pension scheme. The Trust will consider applications from employees who are over 55 and under 60, but the application will not be granted unless the employee can show exceptional reasons why they should be granted flexible retirement at an earlier age.
- The Trust will also consider applications from employees who do not meet the criteria above, again the application will not be granted until the employee can show exceptional reasons why they should be granted flexible retirement despite the fact the criteria are not met.
- The Trust will not waive any actuarial reduction unless the employee can provide exceptional reasons why the actuarial reduction should not apply.



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- The pension is subject to abatement if the employee subsequently leaves employment of The Athelstan Trust and takes up further employment with an employer who is subject to the LGPS.
- The employee should note that pension accrued before the reduction of grade/hours will be unaffected by the change, however pension accrued after the change will be affected. Reduction in hours/grade will also affect redundancy benefits and the Local Government Pension Scheme ill health benefits. Employees should seek advice from the local authority pensions office if they have any concerns.

Please note this policy is subject to review in line with the Local Government Pension Scheme changes.

This Policy will be reviewed in 2022.

Nov 2019

