Early Retirement – Process Overview (Employee)

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                          ┌──────────────┐
                          │    START     │
                          └──────┬───────┘
                                 ▼
        ┌──────────────────────────────────────────────────┐
        │  Are you between age 55 and State Pension Age?     │
        └───────────┬──────────────────────────┬───────────┘
                    ▼                            ▼
              ┌──────────┐                 ┌──────────┐        ┌───────────────────┐
              │   Yes    │                 │    No    │───────▶│ Please note that   │
              └────┬─────┘                 └──────────┘        │ you do not meet    │
                   ▼                                           │ the criteria for   │
        ┌──────────────────────────────────────────────────┐  │ early retirement.  │
        │ Have you been a member of the Local Government     │  └───────────────────┘
        │ Pension Scheme (LGPS) for at least 2 years?        │
        └───────────┬──────────────────────────┬───────────┘
                    ▼                            ▼
              ┌──────────┐                 ┌──────────┐
              │   Yes    │                 │    No    │────────────────────▶
              └────┬─────┘                 └──────────┘
                   ▼
        ┌──────────────────────────────────────────────────┐
        │  Do you want to access some or all of your pension?│
        └───────────┬──────────────────────────┬───────────┘
                    ▼                            ▼
              ┌──────────┐                 ┌──────────┐
              │   Yes    │                 │    No    │────────────────────▶
              └────┬─────┘                 └──────────┘
                   ▼
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Contact your Line Manager / Head of Service to discuss your request for early retirement informally

Explore the implication(s) which a move to early retirement would have on you (for example you may wish to seek independent financial advice)

Put your request for Early Retirement in writing to your Line Manager wherever possible 6 months in advance of the proposed retirement date

An estimate of the benefits which would be received will be requested by HR

Your Head of Service will advise if your request has been approved / rejected by the Corporate Committee

Approved	Rejected
Manager completes a Leavers form, which will instigate notification to Payroll and the North East Scotland Pension Fund. Early Retirement is implemented.	Manager informs you of the reason(s) why your application was rejected. A further application can be made 18 months after the date of decision

Early Retirement – Managers Checklist

Pre-Retirement Discussion

Informal workplace discussions between line managers and employees are encouraged on a regular basis. During those meetings, employees may discuss their future plans or proposals for retirement.

A discussion about possible retirement will not result in the Council making any assumptions about the employee's commitment to their role. The Council seeks to retain the best talent, including older employees. Workplace discussions are an informal opportunity for both line managers and employees to plan jointly for the future.

It may be helpful to signpost employees to the various avenues of support and guidance available, to support them in making a decision on flexible retirement:

- Corporate Event: Planning for the Future
  Website: http://interchange.moray.gov.uk/int_standard/Page_116989.html
- North East Scotland Pension Fund (NESPF) (Non-teaching staff)
  Website: http://www.nespf.org.uk/
  Email: pensions@nespf.org.uk, Tel: (01224) 264264
- Independent financial advice
- Trade Union

Early Retirement request received

It is the manager's responsibility to identify, collect and record the relevant evidence and information. There is an expectation for a manager to make, and be able to justify a robust business decision. To allow a decision to be made, the key actions which should be taken are as follows:

- ✓ Refer to the Flexible & Early Retirement policy and ensure that the employee understands the process.
- ✓ Meet with the employee, this should be used as an opportunity to review the employee's application and to discuss in more detail, agreeing a potential date of retirement.
- ✓ Avoid raising staff expectations when discussing the possibility of Early Retirement and all estimates of possible Early Retirement benefits will only be provided on the clear understanding that it does not constitute a formal offer, nor give any indication as to the outcome of the application.
- ✓ Consult with the appropriate HR Adviser, outline the request and the proposed decision.
- ✓ An estimate of the benefits which would be received and the cost to Council will be sought from the Pensions Section.

- ✓ Consult with the appropriate Head of Service to ensure the proposed decision is supported
- ✓ Head of Service and Head of HR, ICT & OD to discuss the application.

- ✓ If Head of Services in agreement, the application will be considered by the Corporate Committee.

Request approved

- ✓ Meet with the employee and discuss the outcome.
- ✓ The decision of the Corporate Committee will be final, and will be confirmed by the Head of HR, ICT & OD in writing to the employee, with estimated details of the pension and lump sum approved by the Council.
- ✓ If the employee wishes to proceed with retirement from the agreed date, written confirmation should be sent to the Head of HR, ICT & OD as soon as possible to this effect.
- ✓ Complete a Leavers form on the Employee Portal
  (The submission of an NOA will also instigate notification to Payroll where required)
- ✓ Notify the appropriate HR Adviser of the decision who will complete a form to notify the LGPS.
- ✓ Keep records and file accordingly.

Request rejected

- ✓ Meet with the employee and discuss the decision, clearly outlining why the request was rejected.
- ✓ Explore any other feasible options which are available to the employee (e.g. Flexible Retirement, Flexible Working)
- ✓ Follow the meeting up by writing out to the employee, formally confirming the decision.
- ✓ File your documentation accordingly
- ✓ If an application is refused, a subsequent application may be made, if desired, no less than eighteen months after the decision.
- ✓ There is no right of appeal against decisions not to grant early retirement.

Template – Early Retirement Approved Outcome Letter

Service
Your name
Your job title
Address
Telephone: Enter here
Email: your.email@moray.gov.uk
www.moray.gov.uk

PRIVATE AND CONFIDENTIAL

[Title, initial and last name of employee]
[Address 1]
[Address 2]
[Address 3]
[Postcode]

Date:

Dear [Title and last name of employee]

Early Retirement Application

I am pleased to inform you that your request for Early Retirement received on ……………………… has been agreed.

With effect from ……………………. it has been agreed that you will retire from the Council's employment.

With effect from ………………………. you will be granted retirement benefits from your Local Government Pension Scheme

If you have any questions regarding the contents of this letter please do not hesitate to contact me by email on (*insert email*) or telephone (*insert telephone number*).

Yours sincerely

[Name of line manager]

[Job title]

Cc Human Resources

Template – Early Retirement Rejection Outcome Letter

Service
Your name
Your job title
Address
Telephone: Enter here
Email: your.email@moray.gov.uk
www.moray.gov.uk

PRIVATE AND CONFIDENTIAL

[Title, initial and last name of employee]
[Address 1]
[Address 2]
[Address 3]
[Postcode]

Date:

Dear [Title and last name of employee]

Early Retirement Application

Further to our meeting on ……………………………………… I regret to inform you that we are unable to support your request to be considered for Early Retirement. The reason for this is as follows:

(Select reason(s) below and provide a rationale behind the decision)

- Burden of additional costs
- Detrimental impact on service delivery
- Inability to re-organise work among staff
- Inability to recruit staff

Please note there is no right of appeal and therefore this decision is final.

If you wish to reapply for early retirement, a subsequent application may be made, if desired, no less than eighteen months after this decision.

Yours sincerely

[Name of line manager]

[Job title]

Cc Human Resources