

## RETIREMENT PROCEDURE

### 1. INTRODUCTION

The purpose of this procedure is to set out the University's approach to retirement for employees.

The University aims to ensure employees can continue to work until they feel it is appropriate for them to retire. There is no default retirement age. The Normal Pension Age is the same as State Pension Age (but with a minimum age of 65). Employees can use the Governments State Pension Age calculator to find out their State Pension Age at [State Pension Calculator](#).

The scope of this procedure applies to all employees who wish to retire naturally. Ill-Health Retiral or Voluntary Early Retiral are not covered by the procedure.

The procedure has been developed in conjunction with, and agreed by the recognised trade unions.

A flowchart of the procedure is available in Appendix 1.

### 2. OBJECTIVES OF THE PROCEDURE

The objective of this procedure is to:

- support employees who wish to retire and this procedure sets out guidance for employees to ensure that they have a smooth transition into retirement. Ensure employees have a smooth transition into retirement

### 3. GENERAL PRINCIPLES OF THE PROCEDURE

The general principles of this procedure are:

- Everyone's situation is different and it is recommended that independent financial advice is taken before submitting notification of retirement.
- The Univesity aims to ensure all employees have access to the correct and relevant information when considering retirement options.
- Employees should consider all the information available to them before reaching their decision. A good starting point is the government website [Pensions & Retirement Planning](#).
- Employees can also contact the University's payroll team for advice in relation to the pension fund.
- Employees considering retirement are encouraged to find out well in advance the benefits from the appropriate pension scheme. Further information can be found at:
  - Members of [Strathclyde Pension Fund](#)
  - Members of [Scottish Teachers Superannuation Scheme](#)

## 4. PROCEDURE

### 4.1 Flexible/Phased Retirement

If an employee wishes to reduce their working hours they may be eligible to receive part or all of their pension benefits (depending on the pension scheme) from the age of 55 onwards.

If the University agrees to flexible/phased retirement, the employee may still be able to draw their salary from their job on the reduced hours or grade and continue paying into their pension, building up further benefits in the scheme (if the scheme allows for this).

Further information on flexible/phased retirement are available through the relevant pension fund can be found at:

- Members of [Strathclyde Pension Fund](#)
- Members of [Scottish Teachers Superannuation Scheme](#)

Employees should consider their individual financial implications by contacting the relevant pension fund or the University's payroll team. It is also recommended that full independent financial advice is sought.

Flexible/Phased retirement is entirely at the University's discretion. To apply for flexible/phased retirement, contact the HR Business Partner in the first instance. Applications will be considered on a case by case basis and must be approved by the line manager and the HR Business Partner.

### 4.2 Phased Reduction of Working Hours

For planned natural retirement, a gradual reduction in working hours will be offered to employees to take effect three months prior to retirement. This will be offered on a pro-rata basis to part-time employees. This will be offered as follows:

- Starting 3 months before retiral – equivalent of 4 working days (pro-rata for part-time employees)
- Starting 1 month before retiral – equivalent of 3 working days (pro-rata for part-time employees)

*(e.g. a full time employee will work 4 days per week for 2 months and 3 days per week for 1 month before they retire)*

Employees will receive full basic pay during this three month period. However, in order to facilitate this benefit, employees must provide **a minimum of 6 months' notice** in writing to their line manager.

### 4.3 Additional Reduction of Working Hours

Employees who wish to consider reducing their working hours further, without accessing their pension benefits should consider using accrued annual leave.

Alternatively, employees can consider applying for flexible working. It is advised that advice is sought from the appropriate pension fund in relation to any potential impact on an individual's pension by reducing contractual working hours.

To apply for a reduction of contractual working hours, individual should do this via the **Flexible Working Procedure**.

#### **4.4 Notification of Retirement**

It is recommended that employees who are considering retiring have early discussions with their line manager. Once they have reached a decision to retire, they should notify their line manager in writing **providing at least 3 months' notice** (or the contractual notice where this is greater than 3 months). This is to allow the pension fund to make arrangements to pay pension benefits on time as well as helping with succession planning.

Employees wishing to take advantage of the phased reduction of working hours must provide **6 months' notice** of retirement.

The University will write to the employee acknowledging their notice to retire and the line manager will arrange a meeting to discuss plans for retirement, including intended retirement date, succession and handover plans, pension details and flexible retirement options if applicable. The employee will also need to complete the appropriate pension forms which will be issued to them by the People & OD team.

Procedure Author – Employee Relations & Performance Adviser	Procedure Owner – Director of People and Organisational Development
Parent Policy Statement – People and Organisational Development	Public Access or Staff Only Access – Public and Staff Access
Version 2 – Approved June 2018	Changes and Reason for Changes – <b>POD Policy Review Project 2017/2018</b>

**Appendix 1**  
The Procedure at a Glance

