Loughborough University Guidelines on Flexible Retirement

1. University Policy
1.1 The University is committed to endeavouring to provide all staff with an acceptable work/life balance and, wherever practicable, to implementing flexible working arrangements in support of this aim. It is therefore recognised that flexible retirement, under the provisions of the relevant pension schemes to which University staff may belong, may be attractive to some members of staff over the age of 55.

2. Universities’ Superannuation Scheme (USS) rules
2.1 A member of the USS (whether in the final salary scheme or the CARE scheme) is able to apply for flexible retirement from the age of 55.

2.2 They may reduce their working hours by at least 20% on a maximum of two occasions.

2.3 The employee must obtain consent from the employer for the reduction in hours of work and the payment of pension benefits.

3. Local Government Pension Scheme (LGPS) rules
3.1 A member of the LGPS is able to apply for flexible retirement from the age of 55.

3.2 They may reduce their working hours (by an unspecified amount) on an unspecified number of occasions.

3.3 In addition, they may be able to apply for flexible retirement if they move to a less senior position (ie a post of a lower grade).

3.4 The employee must obtain consent from the employer for the reduction in hours of work and the payment of pension benefits.

4. University Procedure
4.1 Employees wishing to apply for flexible retirement should speak to their line manager in the first instance. In so doing, they should set out:

- The number of hours to which they wish to reduce
- Their proposed revised working pattern
- Their preferred duration of the arrangement

4.2 In addition, employees should have thought carefully about the operational impacts of their reduction in hours will have on the team, department or school and how these can be addressed.
4.3 If the line manager is supportive of the request, the matter should be referred to the Dean/Director of Service and if they are minded to support the request, a submission must be made to Operations Committee (regardless of the grade of the individual and of the backfill arrangements).

4.4 The submission to Operations Committee must include a statement of how the reduction in hours will be accommodated to ensure that the needs of the team/department/school are not adversely impacted. If this is not considered satisfactory, then the request will be refused.

4.5 Operations Committee will consider all requests for flexible retirement in line with the commitments set out in 3.1 above. In addition, to ensure operational efficiency, Operations Committee will normally apply the following principles:

- Flexible retirement arrangements should normally be agreed on a fixed term basis, i.e. arrangements where an individual reduces their hours for an indefinite period will not normally be permitted. This means that at the end of the agreed period(s) of reduced hours, the individual will retire. If an employee is not willing to agree to this, then the flexible retirement request will not normally be granted.

- Any backfill arrangements must be cost and FTE neutral.

4.6 If approval is granted by Operations Committee, the employee will be expected to write to confirm their intention to reduce their hours and consequently to confirm their retirement at the end of the agreed period. A minimum 3 months’ notice must be given.

4.7 The agreed start date for the reduction in hours will take into consideration any pension scheme rules and also the arrangements for the recruitment of any backfill positions.

4.8 An employee who is unhappy with the outcome of their application for flexible retirement may appeal in accordance with the appeal process set out in the appropriate grievance procedure.

4.9 An employee who has already reduced their hours through the flexible retirement scheme may apply to reduce their hours further (subject to the constraints of the relevant pension scheme) in accordance with the procedure set out above.