Service Policy: PODPOL15 Flexible Retirement Policy

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Document Control:

Active date	Review date	Author	Editor	Publisher
12/02/20	1st April 2027	[redacted]	[redacted]	[redacted]

Amendment History:

Version	Date	Author	Reasons for Change
1.0	12 February 2020	[redacted]	New Policy
1.1	06 March 2025	[redacted]	Update to Process and Team Names

Equalities Impact Assessment:

Initial	Full	Date	Reviewed by	Comments
	X		ED&I TEAM	LOCATED ON PORTAL

Civil Contingencies Impact Assessment:

Date	Reviewed by	Comments

Related Documents:

Doc. Type	Ref No.	Title	Location
SI	0657	Flexible Working	Portal
POL	PODPOL03	Work Life Balance Policy	Portal
Fire Standard		Leading the Service	Portal
Fire Standard		Leading & Developing People	Portal

Distribution List:

Name	Position	Department

Sign-Off List:

Name	Position

Target Audience:

All MFRS	Principal Officers	Senior Officers	Operational Crews	Fire Safety	Community Fire Safety	Support Staff
X						

Ownership:

FOI exemption required?	Yes		URL	
	No	X	Reason	

Legislation:

Title	

Contact:

Department	Email	Telephone ext.
HR Services Team	[redacted]	[redacted]

PODPOL15 Flexible Retirement Policy

1. Policy Introduction and Background:

This policy outlines Merseyside Fire and Rescue Authority's (MFRA) arrangements for Flexible Retirement. This policy applies to all MFRA employees who are active contributors or members of the Local Government Pension Scheme (LGPS).

2. Policy Explanation:

Local Government Pension Scheme (LGPS) Regulations

Arising from the implementation of the Local Government Pension Scheme (LGPS) Regulations 1997, the LGPS (Benefits, Membership and Contributions) Regulations 2007, and the LGPS Regulations 2013, flexible retirement was introduced into the LGPS regulations in April 2006.

An MFRA employee who is a member of the LGPS, providing they are over 55 years of age, can draw some or all of the pension benefits whilst continuing their employment on reduced hours or grade, providing the employer agrees.

For any LGPS employee considering flexible retirement, the individual must ensure they are familiar with the terms of their pension and the LGPS 85 year rule. The LGPS 85 year rule applies for any employee who was a member of the LGPS at any time between 1 April 1998 and 30 September 2006.

For these members some or all of the pension benefits could be protected from an early payment reduction. However, there are many criterions for eligibility based on individual circumstances, the Authority therefore recommends the employee themselves contacts the pension provider for details of the 85 rule eligibility.

This information can be found at https://www.lgpsmember.org/more/eightyfive.php .

3. Policy Implementation:

Merseyside Fire and Rescue Authority Flexible Retirement Criteria

Merseyside Fire and Rescue Authority (MFRA) has set the criteria listed below with regards to the approval of flexible retirement requests and shall only consider the requests for flexible retirement that meet this criterion.

MFRA will not approve requests for the release of pension benefits where there is a cost to the Authority for releasing the benefits, unless the costs can be offset by financial savings.

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Early release of pension benefits before the pension age may result in reduced pension benefits. Employees should therefore obtain information on their pensionable benefits from the Pay & Pensions Team and Merseyside Pension Fund prior to submitting any request for flexible retirement.

To be considered for flexible retirement, the employee must submit a request to flexibly retire to the flexible working panel. This request must be supported by a business case setting out the benefits to the Authority of the proposed flexible retirement request. This business case will be provided by a manager nominated by the Director of POD.

Each application will be reviewed on individual merit, following full consideration of the following financial and service delivery implications:

- The employee must be aged 55 or over
- The request to reduce working hours is at least a 20% reduction from current contractual hours, and/or the request involves a move to a less senior post.
- The cost to the Authority in releasing pension benefits. *MFRA will not approve requests for the release of pension benefits where there is a cost to the Authority for releasing the benefits. (Unless your application forms part of a Business Efficiency Plan).*
- Impact on service delivery, training and performance.
- Requirement or ability to recruit into the vacated hours or grade.
- Potential recruitment and training costs associated with filling the vacated hours or grade.
- Capacity within the team or directorate to re-allocate work amongst colleagues.
- Overall suitability of requested working arrangements, i.e. - hours, days, team cover, availability, etc.

Individual circumstances will be considered where reasonably practicable, however it is ultimately the requirements of the Authority which take priority.

Please note should a request for flexible retirement be refused, this does not affect any entitlement the employee has to reduce working hours or grade, this would be processed as per the standard Flexible Working process.

Conditions associated with Flexible Retirement approval

Approved flexible retirement requests will be subject to the following stipulations set by MFRA:

- The employee will be unable to work additional hours above the newly reduced contracted hours whilst in this post. In the event of an unforeseen situation whereby additional hours are worked, these hours will not be paid and must be taken as time in lieu at flat rate.
- The employee is unable to receive any additional responsibility allowance (ARA) for extra work/hours covering senior roles.
- The employee cannot apply for an increase in their hours in their flexible retirement role or

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apply for promotion which would result in an increase in their salary.

- This change is contractually permanent.
- Ability to show there is no increased costs associated with this approval.
- All terms and conditions of employment will be applicable to the post and the attendant grade.
- Any role or grade change would be a move into a vacant substantive post only and is subject to recruitment and selection processes.
- Any pay protection already in place at the time the flexible retirement commences will cease immediately, as the agreement is a voluntary agreement, and the employee will be in receipt of pension.

Applying for Flexible Retirement

To apply for flexible retirement the employee can request a Flexible Retirement application form via email to flexibleworking@merseyfire.gov.uk via the HR Services team.

Early release of pension benefits before the normal pension age may result in reduced pension benefits. Employees should therefore obtain information on their pensionable benefits, from the Pay & Pension Team and Merseyside Pension Fund prior to submitting any request for flexible retirement. Employees will need to consider how flexible retirement will affect their net pay and pension entitlement and employees advised to seek independent financial advice.

Following submission of the flexible retirement application form, the Pay & Pensions Team will contact the Merseyside Pension Fund to gather information on behalf of the employee and MFRA.

When in receipt of the required information from the Merseyside Pension Fund, the application will be considered on behalf of the Authority, by the Flexible Working Panel. For flexible retirement applications this panel consists of representatives from the following departments: People and Organisational Development, Equality and Diversity, Time and Resource Management, Pension team, and the relevant line manager of the applicant. The panel will discuss the practicalities of the requested working arrangements and consider suitable alternative arrangements weighing the benefits of the changes in working conditions for both the employee and the Authority against any costs associated with implementing the changes.

If a request can be accommodated, the panel will confirm this in writing to the employee. The commencement date of the new work pattern, new role, new hours and salary details (if applicable) will be confirmed, subject to the outcome of any appropriate selection process that may be applicable. This will be a permanent change to the employee's contract.

There may be circumstances where due to business requirements the Authority is unable agree to a request. In these circumstances the employee will be notified of these reasons in writing, the basis for not approving flexible retirement would be justified via one of the eight substantial reasons, including Health and Safety or failure to meet any of the set criteria listed above.

The Authority provides a right of appeal against any decision regarding flexible retirement. A written appeal should be submitted to the Director of People and Organisational Development within 14 days of receiving the outcome detailing the grounds for making the appeal. An appeal meeting will be

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organised within a reasonable time of receiving the appeal. The appeals process may take the form of a full meeting or a review of the case by the Director of POD or their nominee

If an appeal is rejected, the employee will receive a written decision within a reasonable time of the appeal meeting. The letter will state the grounds for the decision and provide an explanation as to why the grounds for refusal apply in these circumstances.

All policies can be found on the Website

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