

# London Borough of Merton Policy

## Statement on Flexible Retirement

### **1. Introduction**

Following changes to HM Revenue and Customs requirements, the Local Government Pension Scheme, (LGPS) was amended with effect from 1st April 2006 to permit flexible retirement. The Council now has discretionary powers to consider and grant a flexible retirement request

Where the Council gives consent, the benefits will be paid in the same way as if the employee had retired and any early retirement reduction of benefits will still apply. The Council has the discretion to waive this early retirement reduction. However it is envisaged that the discretion to waive this reduction will not normally be exercised other than in exceptional circumstances.

### **2. Flexible retirement**

Flexible retirement allows a pension scheme member who has attained the age of 55 to request payment of their accrued pension benefits even though they have not ceased to be employed. This request can only be considered if the member of staff either reduces their working hours and or their grade.

Payment of pension benefits under this provision is not automatic and can only be made if the Council consents to that payment. There is no provision to subsequently withdraw benefits granted under this provision. The LGPS also allows the member to build up new pension rights in the LGPS based on the new hours and or grade.

All permanent Council staff aged 55 and over and who are members of the LGPS are eligible to apply for consideration under this policy. This policy excludes school based teaching staff.

#### **2.a The decision making process:**

The Council is committed to consider and respond to all requests for flexible retirement. Consideration to grant a flexible retirement request will be based on the merit of each individual case.

The decision, in relation to the request to consider flexible retirement, will require the written justification of the Director and the Head of Human Resources and approval by the Chief Executive.

#### **2.b Appeal process**

The statutory appeal process contained within the Local Government Pensions Scheme Regulations applies to this policy.

Full details of the process are available from the Human Resources division.