

Police Staff Retirement Policy

Greater Manchester Police

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1. Introduction and Background

Policy statement

Greater Manchester Police is committed to equal opportunities and recognises the contributions of a diverse workforce, including the skills and experience of older staff.

There are a number of retirement options set out in this policy.

We aim to:

- Treat you fairly, equally and supportively
- Consider your application in line with the policy
- Process your retirement in line with the policy

Aims

The aims of this policy are to:

- Give you a clear understanding of retirement
- Explain the procedure to be followed, so that we can fairly process your request for retirement

2. Scope

This policy applies to all Police Staff.

Retirement benefits are only paid to staff who are members of the Local Government Pension Scheme.

3. Terms and Definitions

Retirement

Leaving GMP and drawing your pension benefits from the Local Government Pension Scheme (LGPS), provided you've been a member of the LGPS for 2 years; or leaving GMP at normal pension age.

Normal Pension Age (NPA)

This is age 65 or your state pension age if this is older than age 65.

State Pension Age (SPA)

This is the age you can be paid your state pension. This varies dependent on your date of birth.

Voluntary Early retirement

You can choose to retire from age 55. A percentage reduction may apply to your benefits.

Flexible retirement.

You reduce your hours or move to a lower graded post and receive immediate pension benefits, with the approval of our Retirement Panel. A percentage reduction may apply to your benefits.

Ill Health retirement

Retirement before normal pension age when an Independent Medical practitioner qualified in occupational health, gives an opinion to GMP that you're no longer medically able under the LGPS conditions to undertake your role, or you're unlikely to work within a reasonable period of time and GMP decides you qualify for an ill health retirement.

Gainful employment

"Gainful employment" means paid employment of at least 30 hours per week for 12 months.

4. Roles & Responsibilities

Responsibility of HR

The Head of Strategic HR & Workforce Planning is responsible for developing a retirement policy in line with employment legislation and LGPS rules that supports good employee relations and the operational needs of GMP.

HR will advise managers on the processes to follow and monitor consistency of applications.

Responsibility of Managers

Managers are responsible for meeting with staff, having an open discussion and making recommendations to the retirement panel.

Responsibility of Workforce Development Unit

The Workforce Development Unit will act as management for staff who are externally seconded.

Responsibility of Staff

You should follow the procedure for submitting retirement applications and ensure you give as much information as possible.

5. Principles

5.1 Normal Pension Age

The normal pension age under the Local Government Pension Scheme is the same as your State Pension Age (SPA), but with a minimum of age 65 for benefits built up from 1st April 2014.

See Department of Work & Pensions (DWP) website for your individual SPA – <https://www.gov.uk/calculate-state-pension>

Once you've met the 2 years minimum pension build up period, you can choose to retire at any time from your 55th birthday without approval; however, your pension benefits may reduce.

You've the right to work and stay in the LGPS until the eve of your 75th birthday. You must draw your benefits in the LGPS before your 75th birthday.

5.2 Voluntary Early Retirement from Age 55

Once you've met the 2 years minimum pension build up period, you can choose to retire at any time from age 55 without approval. However your benefits may reduce significantly in line with actuarial reductions calculated on how long it is before you reach normal pension age.

Your pension estimate will show the reductions that apply so you can make an informed decision about whether to retire.

The 85 year rule applies to some longer serving members of the LGPS. It's a mechanism that can offer some protection against early retirement reductions. If this rule applies to you and you choose to retire before age 60 you will lose those protections and take a reduction in your benefits.

In exceptional circumstances we may agree to turn the 85 year rule protections back on.

5.2.1 Discretions

There are a number of scenarios where we can use our discretion to grant you early payment of benefits with or without reductions on compassionate or other grounds.

There will be a cost for us and we'll consider each request on a case by case basis taking into account the reason for the request and the likely financial impact.

1) For active members who are over age 55 and for deferred members who were 'not' members of the LGPS prior to 1st October 2006 in exceptional circumstances we may:

- protect all of your benefits accrued before 1st April 2014, from reduction on compassionate grounds; and
- some or all of your benefits accrued after 31st March 2014 from reduction on other grounds.

2) For active members over 55 and deferred members with service prior to 1 October 2006 and who will be 60 or more on 31 March 2016, in exceptional circumstances we may:

- protect all of your benefits accrued before 1st April 2016 from reduction on compassionate grounds; and
- some or all of your benefits accrued after 31st March 2016 from reduction on other grounds.

3) For active members over 55 and deferred members with service prior to 1st October 2006 and who will not be 60 or more on the 31st March 2016 and will not attain age 60 between 1st April 2016 and 31st March 2020, in exceptional circumstances we may:

- protect all of your benefits accrued before 1st April 2014 from reduction on compassionate grounds; and
- some or all of your benefits accrued after 31st March 2014 from reduction on other grounds.

4) For active members over 55 and deferred members with service prior to 1st October 2006 and will not be 60 or more on 31st March 2016 but will attain age 60 between 1st April 2016 and 31st March 2020, in exceptional circumstances we may:

- protect all of your benefits accrued prior to 1st April 2020 from reduction on compassionate grounds; and
- some or all of your benefits accrued after 31st March 2020 from reduction on other grounds.

5) For members who ceased active membership between 1st April 1998 and 31 March 2008 we may:

- grant an application for early payment of benefits on or after 50 and before age 60.

However, benefits paid on or after age 50 and before age 55 will be subject to a reduction and a charge on all your benefits. For further information about unauthorised payments please see: <http://www.hmrc.gov.uk/pensionschemes/unauthorised-payments.htm>. In exceptional circumstances we may protect all of your benefits accrued before age 65 on compassionate grounds.

6) For members who ceased active membership between 1st April 2008 and 31st March 2014 we may:

- grant an application for early payment of benefits on or after age 55 and before age 60.

However, benefits paid on or after age 55 will be subject to a reduction and in exceptional circumstances we may protect all of your benefits on compassionate grounds.

7) For members who ceased active membership before 1st April 1998 in exceptional cases, we may:

- grant an application for early payment of benefits on or after age 50 and before age 60 on compassionate grounds.

However, benefits paid on or after age 50 and before age 55 will be subject to a reduction and a tax charge on all your benefits. For information about unauthorised payments please see: <http://www.hmrc.gov.uk/pensionschemes/unauthorised-payments.htm>.

5.3 Flexible Retirement

Provided you've met the 2 years pension build up period and are aged 55 or over, you can request to reduce your hours or grade, and receive immediate pension payments, even if you remain in employment.

If approved you must draw all your accrued pension benefits prior to 01/04/2008, and you may choose to draw some, all or none of your pension benefits accrued after 01/04/2008 and before 01/04/14 and some all or none of your pension benefits accrued after 01/04/14, plus any extra benefits in accordance with actuarial guidance issued by the Secretary of State.

Extra benefits are added years being bought by you, additional voluntary contributions (AVC's) , if you choose to draw them, extra pension bought by additional pension contributions (APCs)/shared cost APCs, extra pension bought by additional regular contributions (ARCs) and additional pension given by GMP.

If approved, pension benefits may reduce significantly in line with the actuarial reductions calculated on how long it is before you reach your state pension age.

We'll not waive reductions unless there are exceptional circumstances, and it's in our financial and or operational interest.

We will take the following into consideration:

- Cost to GMP
- Whether there is any benefit/detriment to GMP
- The operational and financial effects of reducing hours/grade
- The impact on other staff (e.g. staff requiring redeployment)
- The implications/effect on other policies (e.g. recruitment and selection)

5.4 Retiring through Redundancy or Efficiency

5.4.1 Redundancy

Provided you've met the 2 years minimum pension build up period, if you're 55 or above, and we make you redundant, you're entitled to payment of your pension without reduction. However, there would be a reduction for early payment of any extra pension you have chosen to buy.

5.4.2 Discretionary Compensation Arrangements

Although unusual, we have the provision in exceptional circumstances to:

- pay enhanced redundancy payments or award compensation if we terminate your employment early in the interests of redundancy.
- award compensation if we terminate your employment.

If you're a member of the LGPS, and where the reason for termination is due to redundancy, we may give you the option for additional annual pension, up to a maximum of £6,500; or an enhanced redundancy payment.

If you're not a member of the LGPS, then an enhanced redundancy payment may apply.

Enhanced Redundancy Payment

You must have at least 2 years' service with GMP, but you don't have to be a member of the LGPS.

The discretions allow us to use actual pay to calculate redundancy payments, and the number of weeks' statutory redundancy entitlement is double, subject to a max 60 weeks pay inclusive of statutory redundancy pay.

You'll not receive enhanced redundancy if we award additional annual pension.

Efficiency

Provided you've met the 2 years minimum pension build up period, if you're 55 or above, and we retire you in the interests of efficiency, you're entitled to payment of your pension without reduction (but there would be a reduction for early payment of any extra pension you have chosen to buy).

In efficiency situations, that don't meet the criteria for redundancy, we may grant additional annual pension up to a maximum of £6,500 to LGPS members, but no other payments are made.

If you work less than 36.25 hours per week, additional pension will be on a pro-rata basis in accordance with hours worked at the time your employment ceases.

Fixed Term Contract/Temporary Post

If you're a fixed term worker and we terminate your fixed term employment in line with the terms of your contract of employment or you're a permanent member of staff whose chosen to transfer to a temporary post we'll not pay a discretionary compensation payment, but you may be entitled to statutory redundancy pay .

5.5 Ill Health Retirement

If you satisfy the two conditions needed to qualify for an ill health retirement:

1. Permanent incapacity, and
2. As a result of this, you're not immediately capable of undertaking any gainful employment

and you've been a member of the LGPS for 2 years, you could be entitled to an ill health pension benefit as follows:

Tier 1: If you have a reduced likelihood of being capable of undertaking any gainful employment before NPA. Your benefits are based on the pension you have built up and your pension account is adjusted by adding the equivalent amount of earned pension you would have accrued from the day after your employment ended and NPA.

Tier 2: If you are (a) not entitled to Tier 1 benefits; (b) have a reduced likelihood of being capable of undertaking any gainful employment within 3 years of leaving the employment; but (c) are likely to be able to undertake gainful employment before reaching normal pension age. Your benefits are based on the pension you have built up and your pension account is adjusted by adding 25% of the equivalent amount of earned pension you would have accrued from the date after your employment ended and NPA.

Tier 3: If you are likely to be capable of undertaking gainful employment within three years of leaving the employment, or before NPA if earlier. Your benefits are based on the pension you have built up and paid until you start work, unless they are suspended following a review after 18 months but for no more than 3 years.

For tier 3 ill health pensions given before 01/04/2014, we may allow an application for reinstatement of a suspended tier 3 ill health pension on or after age 55 and before age 60 with or without reductions on compassionate grounds, and as a result of a medical opinion stating you're permanently incapable of undertaking any gainful employment.

There will be a cost to GMP and we'll consider each request on a case by case basis taking into account the reason for the request and the likely financial impact. However, benefits paid on or after age 55 will be subject to reduction and in exceptional circumstances we may protect all of your benefits on compassionate grounds.

For Tier 3 ill health pensions given after 31/03/2014, you can elect for payment on or after age 55, and before your normal pension age, but this will be reduced because of early payment. We can use our discretion to waive any reduction.

As there will be a cost to GMP we'll consider each request to waive reductions on a case by case basis taking into account the reason for the request and the likely financial impact. Should your original health condition worsen within 3 years of the suspension of your pension, or before age 65, we can agree to uplift the suspended Tier 3 pension to Tier 2, if in the Medical Officers opinion you're not likely to be capable of undertaking gainful employment within three years of your date of leaving.

Within 3 years of the tier 3 ill health pension ending, GMP can agree to uplift the pension to a Tier 2, if, having obtained an opinion from an approved IRMP, we're satisfied that you're permanently incapacitated and are unlikely to be capable of undertaking gainful employment before normal pension age, or are unlikely to be capable of undertaking gainful employment within 3 years of leaving, but are likely to be able to undertake such employment before reaching your normal pension age.

We'll also consider, following a request from you, whether to agree to bring your suspended tier 3 pension back into payment. We would only agree to such a request where we're satisfied, having obtained an opinion from an approved Independent Registered Medical Practitioner that as a result of ill health, you are unlikely to be capable of undertaking gainful employment before your normal pension age.

5.7 Retirement Gift

If you've 20+ continuous years' service (local authority/police), you're entitled to a retirement gift to the value of £8 for each full year of service.

You can buy your own gift and send us the receipt(s). We will not reimburse cash if you purchase a gift costing less than the value of the entitlement.

5.8 Annual Leave

If you leave part way through a leave year we'll calculate your annual leave pro rata for each completed day.

You should take all outstanding annual leave, RDIL and TOIL prior to your last day of service. **Only** in exceptional circumstances, where due to the exigencies of the service, you're unable to take such leave, payment may be made.

We may also pay outstanding annual leave if you've been on long term sick.

We'll deduct overtaken annual leave from your final salary.

5.9 Pre-retirement Course

You may attend a pre retirement course in the last two years before you're due to retire. The course covers financial, lifestyle and career planning.

5.10 Local Government (Discretionary Payments) (Injury Allowances) Regulations 2011

These regulations allow employers the discretion to adopt an injury allowance scheme. This discretion had not been adopted by GMP.

6. Procedure

6.1 Retiring at or later than Normal Pension Age

Please refer to the guidance in the Leavers Toolkit.

Complete a Leavers Form (*Form 003F*), and submit it to your manager.

You should provide contractual notice as detailed below:

Grades A-F – one months notice
Grades G-M incl – two months notice
Above Grade M – three months notice

If you're on an external secondment contact the Workforce Development Unit who'll act as your GMP management. Forward the form to the Workforce Development Unit group mailbox.

Your manager will offer you an exit interview and follow the appropriate steps in the Leavers Toolkit.

It's important you keep us up to date with contact numbers and any change of address in case you're required to attend court after you've left.

6.2 Voluntary Early Retirement at your choice from age 55

If you're considering retirement from age 55 you should obtain a pension estimate so you can make an informed decision. Your estimate will show the reduction that will apply to your pension by retiring early. You can obtain a pension estimate by contacting Payroll and Pensions Unit.

Once you have made a decision you should follow the procedure at 6.1 above.

6.3 Voluntary Early Retirement from age 55 – asking GMP to waive reductions in benefits and flexible retirement applications.

Submit an '*Application for retirement and access to pension for staff who are members of the Local Government Pension Scheme (LGPS)*' (*Form119P*) to your manager.

It's important to understand that whilst we'll seriously consider all requests for voluntary early retirement or flexible retirement applications; we may only be able to support these where there are minimal costs to the organisation.

Your manager will meet with you to discuss your application.

Your manager and members of the Senior Leadership Team will consider the application and make recommendations to the Retirement Panel.

The Retirement Panel consists of a representative from HR Branch and Finance Branch.

The panel will consider:

- The reasons for the application
- Previous requests;
- Potential costs;
- If you've been considered for ill health retirement;
- Any other relevant evidence.

If approved, HR Branch will arrange to process your retirement.

Appeal

Stage 1. If you're not satisfied with the application of this policy or a decision made in respect of your request, you can appeal in writing to the Head of the HR (Retained) no later than 6 months from the date you were told of the decision.

Stage 2. If you're not satisfied with the outcome of the stage 1 appeal, you should write to Greater Manchester Pensions Fund, Guardsman Tony Downes House, 5 Manchester Road, Droylsden, M43 6SF.

6.4 Ill Health Retirement

If you agree, you and your manager may complete an ill health retirement referral form as part of a:

- Attendance Management meeting
- Standards, Performance and Attendance meeting
- Occupational Health meeting e.g. Medical Case conference
- At your request

Once completed, your manager will forward it to the HR Branch for allocation to a Caseworker who'll then forward it to the Force Medical Officer, Occupation Health Unit, for an opinion.

The Force Medical Officer will offer his/her opinion to the HR Branch, as to whether a referral to an Independent Registered Medical Practitioner (IRMP) is medically supported, and return the form to the HR Branch Caseworker.

HR Branch will decide whether to refer your case to the IRMP to consider your eligibility for ill health retirement.

We may require your written consent for your medical records/specialist reports be released upon request from the IRMP.

You may be required to undertake a medical appointment with the IRMP during this process.

We'll provide support to enable you to remain in work during this process and this will be taken into consideration as part of the decision on whether to approve your ill health retirement application.

Upon receipt of the Independent Medical opinion, the Head of HR (Operations) will decide on the ill health retirement.

The HR Branch will keep you up to date during this process and will write to inform you of the decision, providing reasons where appropriate; and determine your last day of service.

Ill Health Retirement Appeals Process

Appealing the decision that you will remain in employment

If you want to appeal the decision that you will remain in employment (and you will not be dismissed), you can write to GMSS. Please outline the reasons for your appeal and provide any additional information to support your appeal. Your appeal will be heard by the Head of HR (Retained).

Appealing the decision that you do not qualify for your pension on ill health grounds or appealing the decision regarding which Tier applies to you

Stage 1 – Appeal to Head of HR (Retained)

If you want to appeal the decision, you can write to GMSS. Please provide any additional medical information to support your appeal. This should be done within six months of the original decision that you are appealing.

Your appeal will be heard by the Head of HR (Retained). The Head of HR (Retained) will review your appeal in line with the process, review additional medical information and send to IRMP for consideration.

If there's no additional medical information to support your appeal, and the process was followed correctly, the original decision will stand. You should receive a reply within two months.

Stage 2 – Appeal to Greater Manchester Pensions Fund

If you want to appeal the Stage 1 Appeal Decision, you can appeal by writing to: Greater Manchester Pensions Fund, Guardsman Tony Downes House, 5 Manchester Road, Droylsden, M43 6SF. This should be done within six months of the stage 1 decision that you are appealing. You should receive a reply within two months.

You may wish to consider GMPF's [How to Complain](#) factsheet.

6.5 Agile Working Equipment

You're responsible for any Agile Working equipment that's been assigned to you and this must be returned to the IS Branch via the IS Surgery/HQ before your last day of service.

7. Legal Compliance

7.1 Freedom of Information Act (2000), Data Protection Act (2018) and GDPR

The policy and procedures are compliant with the Acts and Regulation.

7.2 Equality Act 2010

Due regard has been had to the Equality Act implications. The Retirement Policy is open to all staff and the aim is to promote equality of opportunity for all members of staff throughout the Force.