

Retirement Policy

UPR HR30 version 01.0

Policies superseded by this document

This is the first UPR with this title which combines two HR policy documents previously known as Retirement Policy and Flexible Retirement Policy.

Summary of significant changes to the previous version

There are no significant changes from the previous documents.

Glossary

A glossary of approved University terminology can be found in [UPR GV08](#).

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1 POLICY STATEMENT

- 1.1 The University of Hertfordshire (“the University”) is committed to the good management of retirement. The University does not have a retirement age, it is at the discretion of the staff member when they wish to stop working.
- 1.2 The University is committed to promoting equality and valuing diversity of all staff and seeks to ensure that all staff continue to be valued fully, have their work and performance managed appropriately and fairly, have appraisals and access to appropriate development opportunities. The University seeks to eliminate age-stereotyping which might undermine either the fair treatment or dignity and respect of staff. For further details on the University’s commitment to equality, diversity and inclusion principles, please see UPR EQ03.
- 1.3 The information provided in this policy does not convey any contractual or statutory rights and is provided for information purposes only. You should contact the relevant pension scheme administrators for further information on your personal options. The University cannot be held liable for any errors or inaccuracies. The appropriate pension regulations/legislation will be applied by the pension scheme administrators. If there are any differences between this publication and the scheme legislation or rules, the latter will prevail.

2 PURPOSE AND SCOPE

- 2.1 This policy sets out the University’s approach to employment and retirement from work.

3 CONSIDERING RETIREMENT

- 3.1 The following options may be considered by the staff member:
- (i) Continue to work on current contractual terms;
 - (ii) Flexible Retirement – professional staff in the Local Government Pension Scheme (LGPS);
 - (iii) Phased Retirement – academic staff in the Teachers’ Pension Scheme (TPS);
 - (iv) Flexible Retirement – academic and professional staff in Universities Superannuation Scheme;
 - (v) Reduction in hours (via Flexible Working Policy) – for staff not members of either the TPS, LGPS or USS;
 - (vi) Retirement – cease work altogether from the University.

4 NORMAL RETIREMENT

4.1 Teachers' Pension Scheme (TPS)

- 4.1.1 The Normal Pension Age (NPA) of a member in the Career Average arrangement is either their State Pension age or age 65, whichever is the later date.
- 4.1.2 If you are a protected member and remained in the final salary arrangement, your NPA will be either 60 or 65 depending on when you entered pensionable service.
- 4.1.3 If you are a transition or tapered member, you will have benefits in both the Career Average and Final Salary arrangements and therefore will have more than one NPA.
- 4.1.4 If you require clarification on your membership status, please contact the University's Pension Manager.

4.2 Local Government Pension Scheme (LGPS)

- 4.2.1 The Normal Pension Age (NPA) is State Pension age or age 65, whichever is the later date.

4.3 Universities Superannuation Scheme (USS)

- 4.3.1 The Normal Pension Age is State Pension age or age 65, whichever is the later date.

5 EARLY RETIREMENT

5.1 Teachers' Pension Scheme (TPS)

From age 55 with an early retirement penalty applied to your pension benefits.

5.2 Local Government Pension Scheme (LGPS)

From age 55 with an early retirement penalty applied to your pension benefits. The exception to this would be if you qualify for unreduced benefits under the '85 Year Rule'. Further information is available [here](#).

If you decide to draw your benefits from age on or over 55 and before 60 the rule of 85 will not automatically be applied but the University can exercise its discretion to apply it. There may be a cost to the University which will be taken in consideration.

5.3 University Superannuation Scheme (USS)

From age 55 with an early retirement penalty applied to your pension benefits.

6 FLEXIBLE RETIREMENT

- 6.1 The Teachers' Pension Scheme, the Local Government Pension Scheme and the University Superannuation Scheme allow employees to draw their pension whilst continuing to work in a reduced capacity. These are referred to as "Flexible" and "Phased" retirement respectively.
- 6.2 Employees applying for flexible retirement must give notice of complete retirement as part of their application for flexible retirement, as well as how they wish to apply flexible retirement up to that date. Applications with the retirement date omitted or incomplete will be returned to the applicant unprocessed.
- 6.3 There is no obligation upon the University to approve requests for flexible retirement. Requests should be considered, in conjunction with the HR Business Partner, according to the business needs of the team/department/SBU, which will include consideration of a suitable timeframe – normally no more than two financial years – after which the individual's employment with the University will cease.
- 6.4 An application for flexible retirement is considered a formal resignation from the ultimate retirement date and a permanent variation to terms and conditions of employment.
- 6.5 Working hours cannot be increased after an application for flexible retirement is approved.
- 6.6 Employees should note that their benefits will be reduced under the relevant pension scheme if they are taken before the normal pension age. It is therefore essential that an estimate of benefits is obtained prior to making an application for flexible retirement.
- 6.7 Employees may request to reduce their contracted hours twice within a period of flexible retirement, before final retirement.
- 6.8 To be considered for flexible retirement, the employee must:
- (i) Be aged between 55 and 75;
 - (ii) Be a member of a relevant pension scheme (TPS, LGPS or USS)
 - (iii) Have a minimum of 20% reduction in pensionable pay which can be achieved by a reduction in hours. The reduction must apply for a minimum of 12 months.

6.9 Teachers' Pension Scheme (TPS)

The employee may choose how much of their accrued benefits they will take, up to a maximum of 75%. Additional pension benefits will continue to accrue on the remaining hours worked.

6.10 Local Government Pension Scheme (LGPS)

Employees must take 100% of their pre-1 April 2008 benefits but can decide whether to draw all, none or some of the benefits that relate to membership from 1 April 2008. Additional pension benefits will continue to accrue on the remaining hours worked.

6.11 Universities Superannuation Scheme (USS)

Employees may choose how much of their accrued benefits they will take, up to a maximum of 80%. Additional pension benefits will continue to accrue on the remaining hours worked.

7 Further Information

Employees requiring further information about their pension benefits should make contact with the University's Pensions team via pensions@herts.ac.uk .

Sharon Harrison-Barker
Secretary and Registrar
Signed: **1 December 2023**

Alternative format

If you need this document in an alternative format, please email us at governanceservices@herts.ac.uk or telephone us on +44 (0)1707 28 6006.