

<b>Flexible Retirement Procedure</b>	
<b>Enabling Policy Statement; Executive Owner; Approval Route:</b>	Our Colleagues – Chief Operating Officer – Operations Committee
<b>Is the Procedure for internal use only (Non- disclosable) ?</b>	Disclosable
<b>Associated Policy Statements:</b>	N/A
<b>Authorised Owner:</b>	HR Director
<b>Authorised Co-ordinator:</b>	Associate Director (People Services)
<b>Effective date:</b>	08 July 2025
<b>Due date for full review:</b>	08 July 2028
<b>Sub documentation:</b>	Flexible Retirement Application Form

#### Approval History

<b>Version</b>	<b>Reason for review</b>	<b>Approval Route</b>	<b>Date</b>
1.0	Migration to POPP structure	Operations Committee (Chair's Action)	08 July 2025

## **1. Purpose**

- 1.1 This procedure relates to all categories of University staff who are eligible members of one of the University Pension schemes which operates a flexible retirement scheme, and establishes guidelines for managers, staff and HR in relation to an employee requesting flexible retirement. The procedure will help managers and employees to understand the options which are available in relation to flexible retirement.
- 1.2 The regulations are complex and while the University is legally prohibited from giving direct financial advice, we are encouraged to provide information and interpretation. The procedure framework that is set out here should help to inform employees to make personal retirement arrangements that take account of the wishes of the individual as well as the needs of the University.

## **2. Scope and Exceptions to the Procedure**

- 2.1. Flexible retirement allows an employee to draw a proportion of their pension benefits (scheme rules permitting) but enables them to continue working, albeit at reduced hours and salary. Importantly they still build up more benefits based on future membership in the scheme. However, the employee must receive the University's consent, and they will have to agree to a long-term reduction in the current working hours and salary of at least 20%. The part-time service fraction should then not increase again within at least 12 months of the flex.
- 2.2. To be considered for flexible retirement the employee must be an active member of one of the University's pension schemes which operates a flexible retirement option, have a minimum of two years' qualifying service and be at least 55 years old. The Pensions Team should be contacted by the employee to check eligibility before making any application.
- 2.3. This procedure does not form part of any employee's contract of employment. It may be amended from time to time with appropriate consultation with recognised trade union representatives.

## **3. Definitions and Terminology**

N/A

## **4. Procedural Principles**

### **4.1 The terms of a flexible retirement application**

- 4.1.1 Once eligible, an employee can choose when to make an application for flexible retirement. By applying, the employee is agreeing to a long-term reduction in their current working hours and salary of at least 20%.
- 4.1.2 An application requires approval by the University and the agreement of the relevant pension scheme. Any effective date must be at least two months in the future after the approval date.
- 4.1.3 The minimum reduction to working hours/salary is 20% and the maximum pension will depend on the scheme rules.
- 4.1.4 Flexible retirement, within the relevant pension scheme rules, will be limited to a

maximum of 2 occasions whilst continuing to work, assuming the employees have not reduced their hours to 20% already and that there are the relevant benefits in the scheme available to flex further.

- 4.1.5 Each occasion requires a separate application to be made, and it should be at least 12 months since the previous reduction in hours and salary. On the third occasion the employee would have to fully retire to receive the remaining benefits. Retirement means that the contract of employment has terminated due to retirement and the employee is ceasing employment with the University. At each flex the employee must reduce the current working hours and salary by at least 20%. Pension benefits taken before the schemes' normal pension age may be subject to an early retirement reduction.
- 4.1.6 Any increase in hours, following a period of at least 12 months since the last reduction, will be considered by the University, subject to line management support. If an agreement is reached with the University that an increase in hours is acceptable, benefits will accrue based on the increased salary.
- 4.1.7 Once a flexible retirement request is processed and has commenced, it cannot be amended or reversed. Any changes would need to be subject to a new application.
- 4.1.8 If the employee wishes to fully retire after taking flexible retirement, they should do this in the normal way. The Leaving the University Procedure should be referred to.
- 4.1.9 Employees are encouraged to take independent financial advice before making a decision about flexible retirement. The Pensions team can assist the employee through the process, confirming eligibility, obtaining estimates from the relevant pension scheme, providing the benefit options to the member and action the flexible retirement request, once approved.
- 4.1.10 When planning for retirement, employees should take into consideration any state pension entitlements or other pension benefits that they have. The University cannot provide information about these arrangements.
- 4.1.11 Employees who are unhappy with a decision in respect of their flexible retirement applications are advised to contact Human Resources in the first instance to determine whether an informal resolution can be achieved. Employees who wish to formally dispute a decision in respect of the flexible retirement procedure should do so via the Appeals process outlined in section 4.3.

## **4.2 Process of Applying for Flexible Retirement**

### **Submitting an Application**

- 4.2.1 Before making an application to flexibly retire, the employee should contact the Pensions team to see if they qualify and to get estimated figures based on their application.
- 4.2.2 To make an application, an employee must apply in writing using the Flexible Retirement Application Form (see sub document on the procedures page) and set out the reduction in working hours they want (minimum 20%, maximum 80%), stating how this could be accommodated within their work area. The initial onus is on the employee to prepare a carefully thought-out application well in advance of when they would like the desired reduction in working hours to take effect.

- 4.2.3 Any application will not be considered if the employee has made one previously within the last 12 months, unless in the management's interest. An application will be considered to have been made on the day that the Faculty or Directorate receives it.

#### **Considering an Application**

- 4.2.4 The employee's line manager must hold a meeting with the employee to consider the request within 14 calendar days of the application being received. An employee can be accompanied by a recognised trade union representative or by another person of their choice who must be an employee of the University. A representative from Human Resources may also be present. If the manager is away, consideration of the application may be referred upwards or delayed until their return, depending on what is appropriate under the circumstances.
- 4.2.5 The meeting will provide the manager and the employee with the opportunity to discuss the flexible retirement request in depth and consider how it might be accommodated. At the meeting the employee should be prepared to expand on any points within their application.
- 4.2.6 It may be necessary for both sides to compromise, and both should be prepared to be flexible.
- 4.2.7 Following the meeting, the line manager will write to the employee, informing them of the decision within 14 calendar days of the date of the meeting. It may be necessary to extend this period i.e. the manager may need extra time to consult with other employees about covering the work.
- 4.2.8 Where additional time is required, the employee will be kept informed. If an employee is asked to provide more information on their application and they unreasonably refuse, the application will be considered to have been withdrawn.

#### **Where the Flexible Retirement Application is Agreed**

- 4.2.9 Where the application for flexible retirement is agreed by the University, the Pensions Team will be informed. Should the agreed hours be different from those requested, the employee should discuss this with the Pensions Team before agreeing the change.
- 4.2.10 Once the employee has considered the revised figures, the employee should notify Human Resources that the meeting has been held.
- 4.2.11 The employee then chooses whether to formally accept the agreed flexible retirement by confirming in writing to Human Resources within 14 calendar days.
- 4.2.12 If the employee accepts the flexible retirement, Human Resources will write to the individual confirming this and will make the change to the employment contract. The date of this letter is the "approval date". They will agree an effective date with the employee of a minimum of two months in the future from the formal written acceptance (or "approval date").
- 4.2.13 Once formal agreement has been confirmed by Human Resources, the Pensions Team will complete the paperwork with the employee and process the pension benefits. If the employee rejects the flexible retirement, the process ends, and no further action is taken. Human Resources will inform the Pensions Team of the employees' decision.

- 4.2.14 The employee can withdraw a request for flexible retirement up until the effective date. However, it is important to note that if it is withdrawn, another application cannot be made for another 12 months from the date of the original application. A withdrawal needs to be made as soon as possible and in writing, to avoid misunderstandings.

#### **Where Flexible Retirement application is Refused**

- 4.2.15 The University can refuse the application on business grounds. (A non-exhaustive list is shown below):
- The reduction in hours or change to the working pattern will carry with it additional costs
  - The reduction in hours will have a detrimental effect on the ability to meet University customers' demands
  - The reduction in hours will have a detrimental effect on the ability of the University to provide expected operational services
  - The workplace is unable to re-organise the work amongst existing staff
  - The University is unable to recruit additional employees to perform the outstanding work
  - The change will lead to a detrimental effect on quality and/or individual performance
  - A planned structural change in the Faculty or Directorate will not enable the request to be accommodated.
  - If a request has been rejected, the notification to the employee will state the business reason(s) for refusal, together with an explanation on why this applies in their particular case.

### **4.3 Appeals Process**

- 4.3.1 Where an employee has had their flexible retirement request refused and the employee wishes to discuss further, the matter should be referred to their line manager's manager for informal resolution. If the matter cannot be resolved to the satisfaction of the employee, they may lodge an appeal.
- 4.3.2 The employee must lodge the appeal in writing to the HR Director for referral to the Appeals Panel within 14 calendar days of receipt of the decision. It must be dated and state clearly the grounds on which the appeal is being made. There are no constraints on the grounds under which an employee can appeal, although the following grounds of appeal are given for guidance:
- Procedure - a failure to follow procedure had a material effect on the decision;
  - Decision - the evidence did not support the conclusion reached or is inconsistent with other decisions within the University.
  - New evidence.
- 4.3.3 The Appeals Panel will meet within 14 calendar days of receipt of the appeal. An employee can be accompanied by a recognised trade union representative or by another person of their choice who must be an employee of the University.
- 4.3.4 The composition of the Appeals Panel will be determined by the HR representative but

will be expected to comprise:

- As Chair, a senior manager independent from the case;
- A Senior member of staff from the originating Faculty or Directorate (not party to the original request)
- An HR representative.

Senior managers are defined as staff at Grade 6 level or above.

- 4.3.5 The individual raising the appeal will be informed of the composition of the Appeal Panel. Should they have any concerns these should be raised with the HR representative who will consider the employee's concerns and may reconstitute an agreed panel.
- 4.3.6 Confirmation of the appeal outcome will be given in writing, within 14 calendar days of the date of the Appeals Panel meeting. The decision of the Appeals Panel is final and there shall be no further right of appeal.

## **5 Governance Requirements**

### **5.1 Implementation: Communication Plan**

The procedure was embedded when first published and is available on SurreyNet (HR Procedures Page) for all staff to access.

### **5.2 Implementation: Training Plan**

Further support will be provided to colleagues implementing the procedure when required.

### **5.3 Review**

This procedure will be reviewed every 3 years or sooner if required by a change in legislation or practice.

### **5.4 Legislative Context and Higher Education Sector Guidance or Requirements**

#### **5.4.1 Applicable Legislation**

N/A

### **5.5 Sustainability**

The Sustainable Development Goals (SDGs) support the idea of a flexible retirement procedure by promoting inclusive economic growth, social protection, and lifelong well-being. In particular, SDG 8 (Decent Work and Economic Growth) and SDG 10 (Reduced Inequalities) emphasise the importance of adaptable employment policies that accommodate the diverse needs of individuals. A flexible retirement system allows individuals to gradually transition out of the workforce, ensuring financial security (SDG 1: No Poverty) while encouraging continued participation in society. This approach not only respects the rights and choices of aging populations but also fosters intergenerational solidarity and resilience in labour markets.

## **6 Stakeholder Engagement and Equality Impact Assessment**

6.3 An Equality Impact Assessment was completed on 16 April 2025 and is held by the Authorised Co-ordinator.

6.4 Stakeholder Consultation was completed, as follows:

Stakeholder	Nature of Engagement	Request EB Approval (Y/N)	Date	Name of Contact
Governance	Review of V1.0	N	14/05/2025	Kelley Padley, Governance Officer
H&S	Review of V1.0	N	08/05/2025	Matt Purcell, Director of Health and Safety
Sustainability	Review of V1.0	N	29/05/2025	Martin Wiles, Head of Sustainability
Academic Freedom / Freedom of Speech	Review of V1.0	N	25/04/2025	Abi Bradbeer – AFFE Project Manager