

Health Service Circular



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sets out a specific action on the part of the recipient with a deadline where appropriate

Flexible Retirement

For action by: NHS Trusts - Directors of Human Resources
NHS Trusts - Nurse Executive Directors

For information to: Regional Nurse Directors
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Flexible Retirement

Summary

1. An increasing number of NHS staff are over 50. Extending the contribution of staff pre- and post-retirement is an essential part of a Trust strategy to expand the workforce and tackle vacancies. The guidance booklets enclosed with this circular give information to employers and staff on the benefits of offering flexible working patterns to those nearing retirement, or who have recently retired. It also includes information about the pension implications.
2. **Additional funding is available to Trusts encouraging staff who are planning to retire shortly, to defer their retirement until Spring 2001.**
3. A letter will shortly be sent to recently retired nurses under the age of 65 drawing their attention to this initiative and ways they can come back to work in the NHS, especially over the winter months.
4. The guidance booklets are part of the Improving Working Lives Toolkit which was issued on 28 February 2000 by the Recruitment and Retention Unit. Further copies are available from the NHS Responseline.
5. Pension queries about implementing flexible retirement should be directed to the NHS Pensions Agency 01253 774440.

Background

Flexible retirement

6. Over 150,000 staff in the NHS are over age 50 and 50,000 of these are qualified nurses. The majority of these staff are in good health and able to continue working for many years. Offering more flexible routes to retirement, such as part time work and a chance to wind down, can help extend their contribution and reduce pressures on staffing levels at critical times of the year such as the winter months.
7. Mature and experienced staff have a great deal to offer the NHS later in their careers. Being flexible about retirement is often not considered because staff and managers believe that this can reduce pension entitlement. This is rarely the case. The attached guidance for managers and staff explores the available options and explains the benefits and financial effects of flexible retirement.

Retired Nurses

8. There is also a pool of nurses who have recently retired who may be able to offer some time to the NHS on a part time basis, or at times of high demand. There are great benefits for employers in fully utilising this source of nurses, particularly during the winter months. The guidance covers the options for staff who wish to contribute once they have retired, including the setting up of Winter register and 'keep in touch' schemes.

9. In conjunction with this circular a letter is being sent to qualified and unqualified nurses,
- over age 50 who have left the NHS Pension Scheme in the last 5 years, and
 - under age 65 who have retired in the last 5 years, on grounds other than ill-health or redundancy.

The letter draws their attention to this initiative and sets out their options for coming back to work in the NHS, especially over the Winter months.

Incentives for Key Staff

10. When staff with key skills retire it can have a negative effect on the service, particularly if they are retiring at peak times. The guidance gives information about additional pension contributions that employers can make as an incentive for key members of staff to defer their retirement. **Funding is available through ROs for Trusts to make such payments to key staff who defer retirement over this Winter.**

Action

11. In planning for the demands on the service over the Winter period, employers should follow the guidance on flexible retirement to extend the contribution of staff about to retire and to attract back recently retired staff. There is an action check list on page 10 of the guidance for managers.
12. Each Trust should identify a person to take this initiative forward and to act as a contact point for current and former staff. The NHS Pensions Agency will be contacting all Trust Directors of Human Resources/Personnel in the week commencing 17th July to ensure safe receipt of the guidance and to identify the Trust lead.
13. Trust leads should contact their regional office lead (see Annex A) to discuss funding implications.
14. Each Trust should set up a Winter register and develop a 'keep in touch' scheme for retiring and retired staff.

This Circular has been issued by:

Director



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