



ORE VALLEY HOUSING ASSOCIATION

RETIREMENT POLICY AND PROCEDURE

Issue No	1
First Approved	22/02/2011
Last Reviewed	
Date of Next Review	Feb 2016
Review Requirement	5 Yearly

RETIREMENT POLICY AND PROCEDURE

Introduction

Ore Valley HA recognises that introducing a Retirement Policy will help to ensure full compliance with the retirement procedure brought in by the Employment Equality (Age) Regulations 2006. This policy is also introduced to help ensure Equal Opportunities and retaining talent and skills in the workforce.

Background

Like most European countries, the UK is facing the reality of an ageing population. People aged over 50 will now represent 40% of the population, and by 2020 will form the majority. This forces employers to think differently, as in order to retain skills and talent necessary for successful business operation; they need to develop ways to attract older people to work for them, often beyond a default retirement age. This demographic situation has also caused pension difficulties, with the state pension going through inevitable changes and many pension schemes closing or changing. These factors, together with growing pressure to ensure equal opportunities at work have led to a conclusion that our attitude to age needs to be challenged. In employment, age should be treated as an irrelevant factor as all decisions must be made by considering ability and competence.

Legal framework

- **Age Discrimination legislation run up timetable**

Like most recent employment law initiative, the age discrimination initiative has been introduced in response to a European Directive, to which the UK signed up in 2000. Following that, two consultations took place: Towards Equality and Diversity in 2001 and Age Matters in 2003, and in 2004 a summary of responses were published. The Draft Regulations were published in 2005 and then submitted to Parliament in 2006. The Regulations were formally introduced from 1st October 2006 and the default retirement age will be reviewed in 2011.

- **Employment Equality (Age) Regulations 2006**

The Regulations form a large and comprehensive document but this policy will only mention its parts referring to the retirement.

Definitions:

- **Pension age** is when an employee can draw down their pension; for many employees it is also the time when they can retire if they wish.
- **Retirement age** is either the employer's normal retirement age (if they have one) or the default retirement age of 65 (to be reviewed in 2011).

- **Normal retirement age (NRA)** means the age at which the employer requires employees in the same kind of position as the employee to retire.

Retirement age

The Regulations set a default retirement age at 65. This is subject to a review in 2011. Employers can therefore retire employees at 65 or higher. Setting a retirement age below 65 would require objective justification.

Employers do not need to set a fixed retirement age but the EVH Terms and Conditions of Employment set it at 65 and this will be the NRA for the purpose of this policy.

Retirement as a dismissal

Retirement will be added to the list of potential fair reasons for dismissal but the correct procedure must be followed in order for the dismissal to be deemed fair and the real reason for dismissal must be retirement.

Fair retirement is one that:

Takes effect on or after the default retirement age (65 unless otherwise specified).

The employer has given the employee written notice of the date of their intended retirement and told them about their right to request working beyond that date. This must have happened no longer than a year but no later than six months before the planned retirement date.

Statutory retirement procedure

There is a statutory procedure for retiring an employee and it mirrors the disciplinary procedure: letter – meeting – appeal, giving an employee opportunity to be accompanied at the meeting. The procedure will be outlined in detail below and standard letter templates will also be provided.

Policy Principles

This retirement policy:

- Has been produced as the Ore valley HA's response to the legislation brought in by the Employment Equality (Age) Regulations Act 2006, in force from 1st October 2006.
- Aims to provide workers with an opportunity to extend their working lives beyond the retirement age and at the same time benefit the Association by retaining valuable skills and experience and saving recruitment and training costs.
- Details the retirement procedure and provides standard letter templates to use.
- Encourages employers, in the spirit of the Regulations and by recommendations contained in them, to consider workers' requests to work on beyond their retirement age in good faith and, where possible, to consider a flexible approach by offering part time and flexible working.
- Encourages the employer to be proactive in planning people's retirement in plenty of time to allow for due process, considered decisions and time for individuals to plan their lives.
- Is only applicable when the employer instigates an employee's retirement (and not when the employee does so).
- Re-emphasizes a desire to create a good place to work for everyone with no discrimination on grounds of age.

Retirement procedure

Ore Valley HA introduces a retirement procedure based on the statutory one. Below a procedure of retiring an employee is broken down into stages to follow. Appendices A-H contains standard letters and templates to use in conjunction with the procedure.

All letters will be issued and meetings held by a person of sufficient authority, which in most cases will mean an employee's line manager. In line with this policy and the Regulations, it is supposed to be a meaningful discussion between an employee and their manager, which is substantially different to a discipline and grievance procedure. It will therefore be the same person of sufficient authority to deal with all stages of the Procedure.

Letter informing of a retirement date

An employee will be informed in writing of their retirement date at least six months and no more than a year before that date. The letter will inform them of a right to request

working beyond the retirement date, which must be lodged at least three months prior to that date. The standard letter can be found in Appendix A.

Holding a meeting in response to the employee's request

If an employee requests to work beyond their retirement date, an employer must hold the meeting to discuss it. A meeting will be held within two weeks of receiving such request and a letter will be given to the employee inviting them to the meeting and informing them of their right to be accompanied by a fellow employee or a trade union representative of their choice (Appendix B). The companion can address the meeting and confer with the employee during the meeting but they cannot answer questions on behalf of the employee.

During the meeting, the employee will be invited to put their case regarding reasons for wishing to work on, proposed job content and hours of work. If the employer is persuaded by the employee's case not to be retired but it is not possible to agree to the proposed conditions, a compromise should be sought, in relation to job content and hours of work. In the spirit of this policy to make the agreement beneficial for both sides, it is perfectly acceptable for the employer to propose alternative working patterns and/or a retirement date to those proposed by the employee.

Post meeting due consideration

Ore Valley HA is committed to duly consider employees' requests not to retire. Any existing options will therefore be considered in order to grant such request. A template (Appendix H) will be used as a framework to explore all options. The template can also be used as a framework for the meeting. The employee will be informed of a decision in writing within four weeks.

If a request to work is not granted, a standard letter will be issued (Appendix C), informing the employee of their right to appeal the decision.

If a request has been granted, a standard letter (Appendix D) will be issued, informing the employee of their new retirement date and working pattern. The employee has a right to appeal the new retirement date if it is shorter to the one proposed by them. If a new working patterns and/or hours of work are different to the current agreement, a new Contract of Employment must be produced and signed.

Appeal meeting

If the employee decides to appeal the decision of not allowing them to work on or the retirement date being sooner than the one proposed by them, the appeal meeting will be set within four weeks and a letter inviting the employee to attend will be issued (Appendix E).

During the meeting, the employer will give the employee an opportunity to put their case and will endeavour to seek a compromise solution if the employee's request cannot be granted (template H can be used as a framework for the meeting). Again, in the spirit of this policy to make the agreement beneficial for both sides, it is perfectly acceptable for the employer to propose alternative working patterns and/or retirement date to those proposed by the employee.

The appeal meeting may be held up to four weeks after the retirement date and if the appeal decision is to allow the employee not to retire at the intended date, the employee will be re-engaged.

Post appeal meeting action

The employer will duly consider the employees request and a decision template will be used (Appendix H).

If the decision is to accept the employee's request to work on (whether in their original proposal or in a modified version), a standard letter (Appendix F) will be issued, informing the employee of their new retirement date and working pattern. If a new working patterns and/or hours of work are different to the current agreement, a new Contract of Employment must be produced and signed.

If a request to work is not granted, a standard letter will be issued (Appendix G).

The appeal decision is final.

Implementation and review

- The Retirement Policy applies to all workers of Ore Valley HA.
- The person responsible for ensuring compliance with the policy is Andrew Saunders, CEO
- Any questions/comments/concerns/ regarding this policy should be taken to Andrew Saunders, CEO
- This policy will be reviewed on a 5 yearly basis.

A good place to work for everyone

Ore Valley HA is committed to preventing workplace ageism in any form. Age discrimination will be included in the Equal Opportunities and Dignity at Work policies and any complaints should be made using procedures outlined within these policies.

Any Organisation recognises that it is beneficial to retain skills and experience in the workforce by allowing workers to work on beyond their retirement age where possible. It is also recognised that where a request to work on has been granted and it is not exactly the same job as before, a reasonable effort will be made to accommodate any training and support needs in order to allow an employee to fully assume their new job.

Ore Valley HA recognises that in order to make the Retirement Procedure run smoothly and allow both employer and employee time to make decisions and prepare for the future, the employees approaching their retirement age will be notified in plenty of time and each stage will be dealt with promptly.

APPENDIX A

LETTER INFORMING EMPLOYEE OF THEIR RETIREMENT DATE

Ore Valley Housing Association
114-116 Station Road
Cardenden
Fife
KY5 0BW

Employee's name
Employee's address

Date

Dear *insert employee's name*

I am writing to inform you that your retirement date will be *insert date* and that you have a right to request not to be retired.

I will give careful consideration to any request you may make to work beyond that date and will inform you if I cannot let you. Please note that if your request is not approved, I am not required by law to give a reason.

If you wish to request not to be retired, your request must be submitted to *insert name* no later than three months before the date of your intended retirement stated above. Failure to do so will mean that you lose your statutory right to have your request considered and you will be retired on the retirement date stated above. I would also ask that you consider a proposed job content and other arrangements, such as hours of work so that those points could be discussed during the meeting.

Yours sincerely,

Andrew Saunders
CEO

APPENDIX B

LETTER INFORMING EMPLOYEE OF A MEETING TO DISCUSS A REQUEST NOT TO RETIRE

Ore Valley Housing Association
114-116 Station Road
Cardenden
Fife
KY5 0BW

Employee's name
Employee's address

Date

Dear *insert employee's name*

I am writing to inform you that after receiving your request not to be retired, there will be a meeting to discuss your request.

The meeting will be held on *insert date* at insert time *at* insert location.

You have a right to be accompanied at the meeting by a fellow worker or a trade union representative of your own choice. Your companion can address the meeting but not answer questions on your behalf although you may confer with your companion during the meeting.

I would ask that you consider a proposed job content and other arrangements, such as hours of work so that those points could be discussed during the meeting.

After the meeting, if it is decided to continue your employment beyond the intended retirement date of *insert date* you will receive written notification reflecting these agreed changes to your contract.

If no agreement is reached, you will receive further notification confirming your intended retirement date and informing you of your right to appeal.

Yours sincerely,

Andrew Saunders
CEO

APPENDIX C

LETTER CONFIRMING RETIREMENT ON THE INTENDED DATE

Ore Valley Housing Association

114-116 Station Road
Cardenden
Fife
KY5 0BW

Employee's name
Employee's address

Date

Dear *insert employee's name*

I am writing to inform you that after our meeting held on *insert date* to discuss your request not to be retired, Ore Valley HA still intends to retire you on *insert intended retirement date*.

You have a right to appeal this decision and to do so you must inform *insert name* within two weeks and a meeting will be held to discuss your appeal.

Yours sincerely,

Andrew Saunders
CEO

APPENDIX D

LETTER CONFIRMING NEW RETIREMENT DATE

Ore Valley Housing Association
114-116 Station Road

Cardenden
Fife
KY5 0BW

Employee's name
Employee's address

Date

Dear *insert employee's name*

I am writing to inform you that following our meeting to consider your request not to be retired held on *insert date*, Ore Valley HA has agreed that your new intended retirement date shall be *insert date*.

You have a right to appeal the decision regarding your new retirement date and to do so you must inform *insert name* within two weeks and a meeting will be held to discuss your appeal (*this paragraph is to be left only if the new retirement date is sooner than the one proposed by the employee*).

As discussed at our meeting held on *insert date*, your new working pattern will be as follows: *insert details* and your new job content will be as follows *insert details*. (*If any elements of a contract of employment have changed, attach new contract. If no changes to working pattern, delete this paragraph*).

Please see attached your new contract of employment, incorporating the said above changes. Please sign and date both copies, return one to myself and retain one. (*delete the paragraph if no changes to contract*)

Yours sincerely,

Andrew Saunders
CEO

APPENDIX E

LETTER INFORMING EMPLOYEE OF A MEETING TO DISCUSS AN APPEAL AGAINST A DECISION NOT TO GRANT THEIR REQUEST NOT TO BE RETIRED

Ore Valley Housing Association
114-116 Station Road
Cardenden
Fife
KY5 0BW

Employee's name
Employee's address

Date

Dear *insert employee's name*

I am writing to inform you that after receiving your appeal against a decision not to approve your request to work beyond the retirement date, there will be a meeting to discuss your appeal.

The meeting will be held on *insert date* at insert time *at* insert location.

You have a right to be accompanied at the meeting by a fellow worker or a trade union representative of your own choice. Your companion can address the meeting but not answer questions on your behalf although you may confer with your companion during the meeting.

After the meeting and a discussion I will inform you of a decision in writing and if it is decided to continue your employment beyond the intended retirement date of *insert date* you will receive written notification reflecting these agreed changes to your contract.

The appeal decision will be final.

Yours sincerely,

Andrew Saunders
CEO

APPENDIX F

APPEAL OUTCOME: LETTER CONFIRMING NEW RETIREMENT DATE

Ore Valley Housing Association
114-116 Station Road
Cardenden
Fife
KY5 0BW

Employee's name
Employee's address

Date

Dear *insert employee's name*

I am writing to inform you that following our meeting to consider your appeal against a decision not to grant your request not to be retired held on *insert date*, Ore Valley HA has agreed that your new intended retirement date shall be *insert date*.

As discussed at our meeting held on *insert date*, your new working pattern will be as follows: *insert details* and your new job content will be as follows *insert details*. *(If any elements of a contract of employment have changed, attach new contract. If no changes to working pattern, delete this paragraph).*

Please see attached your new contract of employment, incorporating the said above changes. Please sign and date both copies, return one to myself and retain one. *(delete the paragraph if no changes to contract)* .

This appeal decision is final.

Yours sincerely,

Andrew Saunders
CEO

APPENDIX G

APPEAL OUTCOME LETTER CONFIRMING RETIREMENT ON THE INTENDED DATE

Ore Valley Housing Association
114-116 Station Road
Cardenden
Fife
KY5 0BW

Employee's name
Employee's address

Date

Dear *insert employee's name*

I am writing to inform you that after our meeting held on *insert date* to discuss your appeal against the decision not to grant your request not to be retired, Ore Valley HA still intends to retire you on *insert intended retirement date*.

This appeal decision is final.

Yours sincerely,

Andrew Saunders
CEO

APPENDIX H

DUE CONSIDERATION TEMPLATE

Details of employee's request:

Competencies and availability needed for the job:

Discussion around employee's abilities:

Discussions around employee's availability:

Future arrangements and timescales (if any):

Any Other points:

y and