

# New opportunities for flexible retirement

'Improving Working Lives Officer? Jean, the only thing that will improve my working life is retirement!' He meant it as a joke, I think, but few of us have relished the prospect of the 40 years of NHS service required for a full pension entitlement.

Dr Jean McEwan, Improving Working Lives Officer, writes:

Until now the opportunities for consultants to reduce their time commitment to work in the latter years of employment have been limited by the need to generate high earnings right through to the last three years of work, since it is on that remuneration that their final salary pension benefits are calculated. Retirement can be requested from the age of 50, with a proportional reduction in pension. This reduction reflects both the reduced number of years of contribution and the potentially greater number of years in receipt of a pension. Subsequent paid part-time work in the NHS cannot exceed 16 hours a week without loss of pension benefits. So many consultants work full time until close to retirement, then stop NHS work completely.

## New NHS Pension Scheme

The New NHS Pension Scheme, active for all new members from 1 April 2008, and open next year to members of the previous scheme, takes a more flexible approach to work in the latter years of a consultant's career. Recognising the potential benefits of retaining senior staff for longer years of service, the new scheme allows:

- negotiation of a reduction in contracted hours after reaching the minimum age of 55
- 'drawing down' pension (receipt of part pension) to offset earning reduction, while continuing to work



Image by Jean McEwan

Pictured: Professor Stephen Spiro and colleague Dr Wayomi Perera. Innovative job planning would ensure the NHS retains the invaluable experience of consultants.

- and accumulate pensionable years of service
- calculation of final pension on the basis of the three highest earning years of the last 10 of employment, with index linkage of those earnings used in the assessment.

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## Retaining clinical experience

These arrangements can extend the number of years during which part-time work can be financially viable, encouraging longer working lives that are less intensive in latter years and within financial security. Innovative approaches of clinical service managers to job planning for less-than-full-time working could create a good balance of consultants working flexibly, retaining those with long years of clinical experience, expertise and authority that

can be used to help direct service, teach and train. These consultants can also mentor and support the other flexible consultant group, those whose domestic responsibilities demand less-than-full-time work early in their careers and who can take up these sessions released by their older colleagues. One can envisage true flexibility and partnership, with annualised job planning ensuring appropriate cover for all responsibilities.

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Only 31% of respondents to the 2005 consultant census made an estimate of their likely year of retirement. In future surveys we will include a request to consider the years when part-time employment might lead to an improvement in the working lives of senior consultants. ■

■ Further information: [www.nhs.gov.uk/nhsa\\_site/index.htm](http://www.nhs.gov.uk/nhsa_site/index.htm)