



## **Micheldever & Stratton Preschool Retirement Policy (Revised 4<sup>th</sup> September 2022)**

*Working in conjunction with the Early Years Foundation Stage Statutory Framework (EYFS).*

Quality and Consistency.

A Secure Foundation.

Partnership Working.

Equality of Opportunity.

**Unique Child   Positive Partnerships   Enabling Environment   Learning and Developing**

### Introduction

At Micheldever & Stratton Preschool we use the NEST company for the employee's retirement and we assist employees approaching retirement age by explaining the options available. This applies to all employees unless they do not meet the qualifying criteria. This will be explained to you upon commencement of your employment.

### Procedures

#### *Retirement Date*

There is no longer a default retirement age but there are relevant dates you should be aware of before making any decisions about your retirement.

#### *State Pension Age (SPA)*

The SPA is currently between 65 and 68. You can find out when you will reach your SPA at [www.direct.gov.uk](http://www.direct.gov.uk).

#### NEST Pension Scheme Members

If you are a member of the NEST, the normal age at which you receive your pension is your state pension age. There are options to retire from age 55 with a reduced pension, to retire flexibly, or to accumulate membership rights in the scheme until 2 days before your 75th birthday.

Some of these options have specific criteria or need employer approval.

#### Retirement options and criteria

#### Non NEST Member

If you are not in the NEST pension scheme, you can choose to retire at any time. No pension benefits are payable by the Council.

If you wish to apply to reduce your hours you should apply using the Flexible Working Policy.

You can choose to retire on your SPA in which case unreduced NEST pension benefits will be payable.

#### NEST Member - Age 55+

You can choose to retire and take your pension from the NEST at any time between age 55 to 75, as long as you have 2 years active membership in the pension scheme and were making pension contributions on or after 01 June 2018.

If you choose to take your pension before your state pension age it will normally be reduced, as it's being paid out early (before normal retirement age). The amount of your reduction depends on how early you take the benefits. The reduction is based on the length of time (in years and days) between the date your benefits are paid and the normal retirement age for that part of your scheme membership. There are some exceptions and you should contact the Pensions team for advice.

The general rule is that the earlier you retire, the greater the reduction.

You can find more information on the Pension Fund website or speak to the Pensions team.

#### Opting Out

If you opt out of the scheme, your retirement benefits cannot be paid out until you leave the employment which you earned your benefits in.

#### Continue to work

You can continue to work in your current post for as long as you wish, provided you are able to perform the duties of your post to the required standards.

#### Delaying your pension payments

If you take your NEST pension later than your normal retirement age, it's increased because it's being paid later.

You can choose to take your pension before you are 75 but if you choose not to; your pension will automatically be paid when you reach 75. More information about this is available from the Pensions team.

### Flexible retirement

The flexible retirement rules of NEST mean that, in certain circumstances, it is possible for you to receive some or all of your retirement benefits and to continue working. If you wish to apply to reduce your hours without accessing your pension benefits you should apply using the Flexible Working Policy.

You must:

be aged 55 or over

reduce your hours or grade enough to meet the needs of the NEST

have approval from the Council for your revised working arrangements

not be financially better off as a result of flexible retirement

If there is a strain cost to release your pension, you will need to accept an actuarially reduced pension (ARP) to allow your pension benefits to be released. Flexible retirement can be for a maximum of 5 years, after which you must retire.

If your flexible retirement application is approved, you will stay in the scheme and build up a new set of pension rights for your revised working arrangements unless you choose not to. Any additional benefits built up will be payable when you retire fully.

You can find out how to apply for any retirement options in the [How to apply for a retirement option](#).

### **Re-employment with Micheldever & Stratton Preschool**

Whilst flexible retirement will enable us to retain the skills and knowledge of experienced employees, if you have retired, and a cost has been incurred by Micheldever & Stratton Preschool or committee, you cannot be re-employed by Micheldever & Stratton Preschool. This includes casual and consultancy work.

### **Roles and responsibilities**

#### *Employee responsibility*

You have a responsibility to ensure that you have the relevant information to assist you in making a decision about your retirement options. Information is available from [www.direct.gov.uk](http://www.direct.gov.uk), the employee internet, your manager, Human Resources,

Micheldever & Stratton Pre-School, The Warren Centre, Micheldever Station, SO21 3AR, Tel: 07934981271,

EY2647913, Charity Number: 1076656

Pensions and Trade Unions. You may also wish to consider specialist independent financial advice although this may have a cost.

The normal notice periods for any resignation apply when you are retiring but you should be aware of the timescales required to release pension funds where applicable (4 – 6 weeks).

If you wish to request flexible retirement, you are responsible for making sure that the correct application form is completed and submitted in time. A late application could mean a delay in any agreement to flexible retirement. If the flexible retirement start date is less than 6 months from the date of receipt, a member of the HR Helpdesk will contact your manager and ask them to discuss a revised date with you. This is to allow time for the calculations to be completed and to provide time for you to consider the offer along with providing time for the new arrangements to be put in place.

### *Manager responsibility*

On receipt of your retirement resignation, your manager will complete a termination form and submit this to Payroll. The committee chair will write to you confirming relevant dates and other details such as annual leave entitlement and salary sacrifice details.

If you are a NEST member, your manager will also send an email confirming the last day of your contractual service (the date of retirement) to NEST.

Managers will assess any flexible retirement requests you submit in line with the guidance and ensure requests are processed within the required timescales. They will also complete a termination form for your agreed retirement date and submit this to Payroll. More information for managers is available at [How to process an application for flexible retirement](#).

### [Other Related Policies & Procedures](#)

*The following policies provide additional information regarding the safeguarding and welfare of the children in our care:*

- *Committee Policy*
- *Confidentiality & Client Access Policy*
- *Employment & Staffing Policy*

- *Financial Reserves Policy*
- *GDPR Policy*
- *Information Sharing Policy*
- *Organisation Policy*
- *Provider Records Policy*
- *Staffing & Volunteers Policy*
- *Transfer of Records Policy*
- *Usage, Storage & Retention Policy*

*This policy will be monitored and evaluated at committee meetings. It will be reviewed annually and unless new legislation or an incident occurs which requires an immediate review of this policy*

**September 2022**

**Review Date: September 2023**

**\* This Notice was adopted by the committee on 26/01/21**

**Signed: Katy Toms** \_\_\_\_\_

\*This document was agreed via email by our Trustees as we were unable to hold our policy meeting due to the Covid-19 virus (Jan 2021)

**Reviewed Date: 10/09/22**

**Signature: *Mrs N L Mann-Roe***

**Amendments:**

**Reviewed Date:**

**Signature:**

**Amendments:**

**Reviewed Date:**

**Signature:**

**Amendments:**

**Reviewed Date:**

**Signature:**

**Amendments:**