

# Flexible Retirement

## What is flexible retirement?

Under the pension scheme rules it is now possible, from age 55, to retire and receive pension benefits without completely leaving employment.

However, to do this the scheme employer will need to agree to two things.

- Firstly, under the scheme rules, flexible retirement can only be considered in situations where a pension scheme member has either reduced their working hours or reduced their grade.
- Secondly, the employer will also need to agree to the pension benefits being released.

## Why does the employer have to agree?

In all cases the employer will need to consider the effective running of that office, department etc were the member to reduce their hours or grade, and also there may be a considerable cost to the employer if they agree to pension benefits being paid early.

Each employer will have a policy in place to determine whether or not they will consider requests for flexible retirement. So, a scheme member should ask their Human Resources officer what they need to do to look at the possibilities of making a request.

## What now?

When an agreement has been reached in principle, to a reduction in either hours or grade, with the Human Resources Officer or your Line Manager, both scheme employer and member will both need to know the financial implications. For the member, this will mean what pension figures can be expected and for the employer this will mean what cost to them might be attached to any potential flexible retirement.

Once Sections 1 and 2 have been completed you will need to ensure Section 3 is also completed by sending the form on to your Payroll or HR team so that they can provide us with the pay information that we need to do these calculations. This will need to be done before sending the form on to the Pension Section.

**Therefore please ensure all 3 sections of the form are completed before sending the form on to the Pension Section.**

The Pensions Section will then send the member a personal forecast, and the employer will receive a statement of cost (if any).





