MASSEY UNIVERSITY

Massey University Policy Guide

RETIREMENT POLICY

Section	People & Culture
Contact	People & Culture
Last Review	October 2022
Next Review	October 2025
Approval	SLT 17/08/112

Purpose:

To provide guidance and support to staff wishing to plan for retirement, including an opportunity to explore options for managing a transition from full-time active service to retirement.

Policy:

1. All staff will be subject to the retirement provisions of their employment agreement.

2. The University's definition of a retirement is a staff member **permanently withdrawing from the regular paid workforce**. This does not exclude retired Massey University staff from being re-employed by Massey University on a fixed-term basis up to a maximum of two years.

3. The timing of retirement is a matter of individual choice and mutual agreement between the University and the staff member.

4. Early planning for retirement is mutually beneficial as it provides both the University and the staff member with certainty about the future and encourages staff to be pro-active with retirement planning.

5. The University provides the following assistance to staff to prepare for and enter into retirement:

- **Subsidised Superannuation** – subsidised membership to UniSaver (formerly the NZ Universities' Superannuation Scheme) or the KiwiSaver Scheme is offered to staff who meet the eligibility criteria. Staff are encouraged to access this benefit as part of their savings plan for retirement.

- **Financial Planning & Retirement Seminars** – seminars on financial planning and preparation for retirement are available to staff from time to time.

- **Managed Transition to Retirement** - the University recognises that a staff member's employment can be affected by lifestyle preferences, personal aspirations, health considerations, and changes to individual circumstances. The availability of flexible employment arrangements can be extremely helpful in assisting a staff member to prepare for retirement. Staff contemplating retirement in the foreseeable future should feel free to discuss with their manager any proposals which might assist them to manage their transition to retirement. Further information about possible options is provided below under 'Options for Managing a Transition to Retirement'.

- **Retirement Gratuity** – eligibility for retirement payments from the University is contained in relevant staff employment agreements.

- **Access to Library & Other Services** – retired University staff continue to have access to the print only material of the University Library, and use is subject to University Library rules and regulations. Access to

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other facilities (e.g., office/lab space, computer use, etc) will be considered on a case-by-case basis by the direct line manager.

Options for managing a transition to retirement:

- Staff wishing to explore possible options for a managed transition to retirement can do so informally and confidentially with their manager.
- It is expected that any proposal for a managed transition will include a specific date for a full and final retirement from employment with Massey University within a timeframe of no more than three (3) years.
- Options for managing a transition to retirement might include, but need not be limited to, the following:

i. Reduced hours

This is a reduction in the level of work and time commitment but involves the same or very nearly the same job responsibilities. Agreement will need to be reached with the manager about what job responsibilities will be undertaken during the proposed part-time commitment as well as the pattern of working hours which, depending on the job responsibilities, could be regular or intermittent to suit the operational requirements.

Salary payments will be pro-rated in line with the part-time level of commitment and there may also be implications for annual leave entitlements, eligibility for overseas leave and contributions to superannuation schemes. These matters should be discussed and clarified with People and Culture and/or the relevant person e.g., superannuation scheme provider.

A staff member who, at the date of the reduction to part-time, has completed continuous full-time University service to qualify for the maximum retiring leave/gratuity available under their employment agreement, will have the rate of payment protected and paid at the equivalent full-time salary rate prevailing at the date of their eventual retirement. That is, the rate of payment will not be reduced to the level of their part-time commitment. Other part-time staff will have their retirement payment calculated on a pro-rated basis.

ii. Re-focusing responsibilities (e.g., research-only, or teaching-only)

Changes to job responsibilities are to be agreed with the manager. Changes to responsibilities may also require consideration of changes to the job title and/or remuneration to reflect the revised role. A new job description should be documented and agreed. For academic staff, consideration may also need to be given to the University's Research Strategy.

iii. Specified project work

This would typically involve a change to a fixed-term employment arrangement to undertake and complete a specified project. The change to project work could either be prior to eventual retirement or involve an official retirement and then re-engagement on a fixed term up to a maximum of two years (see also (vii) below).

iv. Flexible or different work hours

Changes to the daily start/finish times and/or the days of the week on which work will be performed can be mutually agreed but this should only be agreed after reference to the hours of work provisions contained within the relevant employment agreement. A 'compressed' working week in which the same number of hours are worked over a fewer number of days may also be an option, however, careful consideration needs to be given to any potential impact on the health and wellbeing of the staff member.

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v. Job-sharing

A reduction to part-time work involving two or more people sharing the working hours, responsibilities, and tasks of a single full-time position. To work most effectively job-sharing requires the right match of job, job "partners" and manager, and also requires more attention, flexibility and communication than other work options. Any job- sharing arrangement must have the prior agreement of the manager.

vi. Leave with/without pay

Some staff may find it useful to take periods of time away from work to explore or develop post-retirement pursuits. This can be with or without pay, depending on the staff member's leave entitlements.

vii. Retirement from permanent full-time position and re-engagement on a part-time and fixed-term agreement undertaking different responsibilities.

This may suit a staff member seeking to transition to retirement by reducing to a relatively low level of part-time work but at the same time needing to access other forms of income such as superannuation benefits.

This option involves the staff member formally retiring from their current position at which time they receive any contractual retirement owing to them under their employment agreement in addition to annual leave payments from the University. Retiring in full also qualifies the employee to apply for a superannuation benefit. The staff member can then be re-engaged on a part-time and fixed-term agreement with a job title, grading and salary commensurate with the job responsibilities and professional standing of the individual.

Such re-engagements would normally be for limited term of (up to) one year or a maximum of two years and would usually be to a role that is markedly different to the position from which they retired. If the staff member has chosen to receive a retirement payment from the University in the form of retiring leave, then any such re-engagement cannot take place until after the expiry of that leave. Implications for other terms and conditions of employment (e.g., leave, salary reviews, promotions, overseas duties) should be discussed and clarified with People and Culture.

Once a detailed transitional retirement proposal has been developed, a formal written request is to be made by the staff member to their manager, who will add comments as to whether or not they support the proposal, before it is submitted to the relevant executive manager (PVC/DVC) for a decision.

Decisions on any such proposals will include consideration of the relevant department's future staffing plans, operational needs, financial and other resourcing implications and the staff member's contribution to the aims and objectives of the department and University.

If approved, the People and Culture section will prepare appropriate written documentation to formalise the changes to the staff member's employment agreement. If not approved, the staff member will be provided with reasons for declining the request.

Audience:

All University staffs

Relevant legislation:

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Human Rights Act 1993

Legal compliance:

With the exception of Section 30A of the Human Rights Act 1993, the Act prohibits aged-based discrimination in respect of decisions to pay service-based retirement benefits.

Related procedures / documents:

Employment Agreements

Document Management Control:

Prepared by: Employment Relations Advisor
Authorised by: Deputy Vice-Chancellor – University Services
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