

A guide to your partial retirement options

Letting you take some or all of your pension and continue working



About this guide

We have designed this guide for all contributing members and non-members who are eligible to join the EAPF and who want to know more about their pension options for partial retirement.

What is partial retirement?

If you are a contributing member of the EAPF and you have at least 2 years membership, partial retirement gives you the option to take some, or all, of the pension that you have built up while you continue working on either reduced hours or at a lower grade. You can apply if you are aged 55 or over.

If you take the option of partial retirement, you will continue to build up further pension benefits which will become payable when you fully retire. Any benefits you chose not to take as part of partial retirement would also become payable.

Am I automatically entitled to partial retirement?

No, the decision to allow partial retirement is at your employer's discretion. You can find more information about your employer's rules around retirement and answers to specific questions on the pension pages of your employer's intranet.

What benefits can I take on partial retirement?

The amount you can take depends on when you joined the scheme.

Membership built up/ or treated as built up from	Your options
Before 1 April 2008	You must take all of your pre 1 April 2008 benefits
From 1 April 2008 to 31 March 2014	You can choose to take some or all (between 0% and 100%) of benefits built up between 1 April 2008 and 31 March 2014
On or after 1 April 2014	You can choose to take some or all (between 0% and 100%) of benefits built up on or after 1 April 2014

If you are taking your benefits before your Normal Pension Age (NPA) some or all of these benefits may be reduced.

Will the benefits from my ongoing employment be reduced?

Your benefits may be reduced if you are taking early payment of your benefits before your NPA.

However, any benefits which you did not take at the point of partial retirement will retain any 85 year rule protections. A further factsheet 'reductions for early payment' is available to help you understand the 85 year rule and the reductions applied for different periods of membership.

What happens if I take partial retirement or fully retire after my NPA?

Your benefits will be increased because they are being paid late.

When is my final pay calculated?

Your final pay will be calculated when you begin to take partial retirement benefits on the same basis as if you stopped being a contributing member of the scheme. However, a second calculation will be made when you fully retire.



Do my final pay protections apply on partial retirement in respect of my pre 1 April 2014 benefits?

If you were issued with a Certificate of Protection before 1 April 2008, the protected final pay will only be applied if you fully retire within 10 years of the date of the certificate. This would not apply at the point when you take partial retirement.

If you meet the criteria for final pay reductions on or after 1 April 2008, known as BR10, the protections would apply from the date you take partial retirement as long as this is within 10 years of the reduction or restriction in your pay. They wouldn't then apply when you fully retire.

How does partial retirement affect any benefits that may be due upon my death?

If you do not opt out of the LGPS after taking partial retirement we will pay a lump sum death grant. The lump sum death grant would be the higher of three times the assumed pensionable pay (APP) for your continuing employment or the guaranteed ten years of pension payments from your partial retirement less any payments already made.

Your spouse will also become entitled to a pension of 30.625% of the pension you have built up from your continuing membership and $1/160 \times \text{APP} \times \text{years and days}$ from the date of death to your normal pension age. We will pay this pension as well as the spouse's pension attached to the benefits you received and any you chose not to receive on partial retirement.



If I were to divorce how would this affect my benefits?

It is possible for a Court to split your pension when you divorce by issuing a pension sharing order. This will involve a debit being applied to your pension and a pension credit of the same value being awarded to your ex-spouse. If you take partial retirement a pension sharing order will apply to your benefits as they become payable. However, if you choose to take some of your benefits and not all of your benefits on partial retirement, only part of the debit will apply on your partial retirement with the rest applying when you fully retire.

I am paying in-house additional voluntary contributions (AVCs), how will this affect those payments?

If you began paying AVCs before 13 November 2001 you must take these benefits when you take partial retirement. If you began after this date you can choose to draw all or none of the benefits when you take partial retirement. However, if you decide to take your AVC fund at a later date, the amount of your fund that you can draw as tax free cash may be restricted depending on the value of your LGPS pension. If you have AVCs, please check with Capita before making your decision.

You may also be subject to additional tax if you take your AVC fund and reinvest this in your ongoing pension. This is known as recycling.

You will be able to continue to pay into your existing fund or start a new fund in your continuing employment.

I'm currently purchasing additional membership (added years), what are my options on taking partial retirement?

This depends on when your contract began:

- If your contract began before 1 October 2006, you must take any added years that you have purchased along with your pre 1 April 2008 benefits.
 - If your contract started between 1 October 2006 and 1 March 2008, you can choose to take all or none of the added years you have purchased.
- If you choose to take your added years, you will only receive a proportion of the membership that you'd originally set out to buy. You won't be able to buy any more in your ongoing employment as this option is no longer available.
- If you choose not to take your 'added years' you can continue to pay the additional contributions in your ongoing employment.

Taking partial retirement before the age of 65 will mean that the benefits from your additional membership may be reduced for early payment.



I'm purchasing additional pension by making Additional Pension Contributions (APCs) and/or Additional Regular Contributions (ARCs), how will this be affected?

You have the option to take all or none of the additional pension that you've built up.

If you choose to take your additional pension you can start a new APC arrangement to build up more additional pension in your ongoing employment. You will not be able to build up more ARCs as this option is no longer available.

If you choose not to take the additional pension you have built from your ARCs and/or APCs you can continue the additional contributions in your ongoing employment.

Taking partial retirement before your NPA will mean that the benefits from your additional pension may be reduced for early payment.

How do I apply for partial retirement?

Speak to your line manager. They will need to put together a case to see if it is possible for your business to accept the partial retirement request.



Contact point

Capita looks after the day-to-day administration of the EAPF and will be your main point of contact for any questions you have about your benefits. You can contact us at:

EAPF
Capita
11b Lingfield Point,
Darlington,
DL1 1AX
Tel: 0800 121 6593
Email: info@eapf.org.uk

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