
A guide to your partial retirement options

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



About this guide

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

If you take the option of partial retirement, you'll 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 partial 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	Your options
Before 1 April 2008	You must take all of these benefits
From 1 April 2008 to 31 March 2014	You can choose to take some or all (between 0% and 100%) of these benefits
On or after 1 April 2014	You can choose to take some or all (between 0% and 100%) of these benefits

If you're 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 you don't take at the point of partial retirement will retain any 85 year rule protections. A further factsheet '85 year rule explained' and 'when can I take my LGPS pension' are 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're being paid late.

When is my final pay calculated?

Your final pay, which is used to calculate your pension benefits from membership before 1 April 2014, will be calculated when you begin to take partial retirement benefits.

This is calculated in the same way as if you'd stopped being a contributing member of the scheme.

However, a second calculation will be made when you fully retire if you don't take all of your pension benefits from membership before 1 April 2014.



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

If you meet the criteria for protection from final pay reductions which occurs after 1 April 2008, known as BR10, the protection 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 don't opt out of the LGPS after taking partial retirement we'll 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've 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'll 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's possible for a Court to split your pension when you divorce by issuing a pension sharing order. This will involve a debit, which will reduce the amount of pension you hold, 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'm 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 you can draw as tax free cash may be restricted depending on the value of your LGPS pension. If you've 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'll also be able to continue paying into your existing fund or start a new fund in your continuing employment.

If you've paid AVCs you're eligible to receive free, impartial, guidance from Pension Wise to help you understand your retirement options in relation to your AVC benefits, including the option to transfer your AVC benefits to another arrangement to access them. The Pension Wise service helps pension scheme members think about how to make the best use of pension savings and:

- can be accessed online at www.pensionwise.gov.uk, over the telephone (030 0330 1001) or face to face to explain what options are available;
- provides information about the tax implications of different options; and
- has tips on getting the best deal, including how to shop around.

I'm currently buying 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've 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've purchased.

If you choose to take your 'added years', you'll 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 buying additional pension by making Additional Pension Contributions (APCs) and/or Additional Regular Contributions (ARCs), how will this be affected?

You'll 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 won't be able to build up more ARCs as this option is no longer available.

If you don't choose to take the additional pension you've 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'll need to put together a case to see if it's possible for your business to accept the partial retirement request.



What if I have any questions?

Contact details


If you have any questions regarding your pension entitlement you can contact our pension administrator, Capita, by:

 Using the '**Contact the EAPF**' button on the website at **www.eapf.org.uk**

 Emailing **info@eapf.org.uk**

 Following on twitter
@EAPensionFund

 Calling **0800 121 6593**

 Sending your query to
Capita
11b Lingfield Point
Darlington, DL1 1AX

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