

## LA(S)PS Partial Retirement Factsheet



### **Introduction**

If you reduce your pensionable pay by at least 10% and you have reached the minimum retirement age of 55 you may partially retire and take some of your benefits. The benefits would be reduced if they are paid before your 65th birthday. Your pensionable pay must remain reduced for at least a year otherwise you will cease to be eligible for the pension that you have taken.

### **Eligibility**

To be able to take part of your pension benefits and continue working you must have reached age 55, the Scheme's minimum pension age and have at least two years pensionable service. Your terms of employment must have changed and as a result your pensionable pay must also reduce by at least 10%, for at least 12 months. You must choose to partially retire within three months of the reduction in your pay.

### **Additional Pension**

You can choose to take any additional pension you may have purchased, in full, at the same time as you take part of your Scheme benefits or you can leave this to be taken later or when you fully retire.

### **Applying for partial retirement**

You can apply for partial retirement on a form that is available from your employer. Your employer must state that your employment terms have changed and your pensionable pay has reduced by at least 10%.

- Your application must state how much of your pension you wish to apply for (as percentage of the total).
- Whether you are also applying for any additional pension you may have purchased.

If you are under age 65 your benefits will be reduced to take account of the fact that they are being paid earlier than expected. See the Factsheet on leaving early for more details about taking your pension early.

If you are over age 65 the part of your pension that was earned before you reached 65 will be increased as it is being paid later than expected. More information is available in the Factsheet on late retirement.

### **Minimum and maximum amounts available**

The minimum value of the pension you can apply to have paid as part of your partial retirement is 20% of your pensionable service at the date you choose to take some of your benefits and not less than £825 per annum in 2008/9. This figure is linked to the HMRC tax rules and represents 0.05% of the member's lifetime allowance.

You must continue to have at least 20% of your pensionable service remaining in the Scheme (at least 1 year's worth) when you take partial retirement. This means that the maximum amount you can apply for is 80%.

### **Limit on amount of times you can partially retire**

You may choose to take part of your benefits on no more than two occasions. Any remaining pension after two partial retirements must be taken when you finally retire.

### **Continuing to qualify for your pension**

If you have chosen to take part of your pension and your pensionable pay increases within 12 months of its earlier reduction you will cease to be entitled to receive the pension that you have chosen.

### **Questions**

If you are unclear about any aspect of this Factsheet or have a specific question that is not answered by the information above, please ask your usual pension contact. The contact details are available in the members guide or are on the web [www.sppa.gov.uk](http://www.sppa.gov.uk)