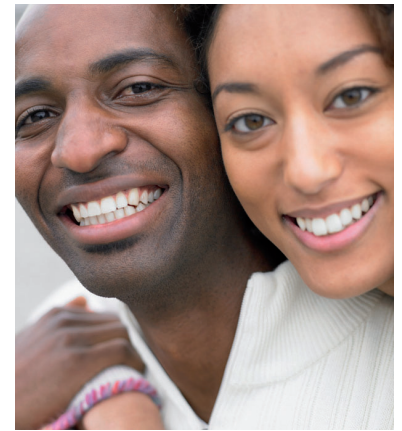
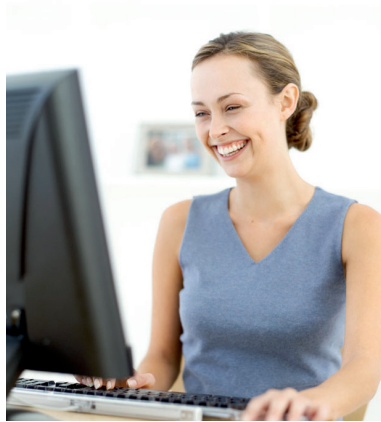




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Factsheet 3 flexible retirement



Can I have a gradual move into retirement?

If you have at least three months total membership or have brought a transfer value into the LGPS, you may wish to consider flexible retirement. Rather than continuing in your job to 65 and drawing your pension from then, from age 55 you could, with your employer's consent, reduce your hours or move to a position on a lower grade and elect to draw the pension benefits you have already built up - helping you ease into retirement - whilst still drawing your wages / salary from your job on the reduced hours or grade.

You can continue paying into the LGPS to build up further benefits in the Scheme and will do so automatically unless you opt out of the scheme.

You must have your employer's consent to draw your pension benefits under flexible retirement. This is at your employer's discretion and your employer's policy with regard to this must be included in a Policy Statement, available to you.

Will my pension and lump sum be reduced if I take flexible retirement?

If you joined the LGPS after 30th September 2006 and take flexible retirement before age 65, your pension and lump sum, initially calculated as detailed in the section on Retirement Benefits, will be reduced for early payment. If you were contributing to the scheme on 30th September 2006 as a 'protected member' some or all of your benefits paid early could be protected from the reduction.

Whether you are a 'protected member' or not, your employer may determine not to apply all or part of any reduction; this is at your employer's discretion and your employer's policy with regard to this must be included in a Policy Statement, available to you.

Will my pension be affected by my continued employment?

If you receive payment of your benefits under flexible retirement, then your benefits will not be subject to reduction or suspension for re-employment whilst you continue in your employment, or any subsequent employment with the employer that allowed you to take flexible retirement.

Will any '85 Year Rule' protections apply to my continued membership?

Even if you are a 'protected member' the membership used to calculate your flexible retirement benefits will not count towards the '85 year rule' in respect of your continuing membership of the scheme. If you retire before age 65 your benefits accrued in your continuing employment will be subject to reductions. This may be a significant factor in your decision to take flexible retirement if you intend to retire before age 65.

How will my earlier membership count in relation to my continued membership?

If you receive payment of benefits under flexible retirement, your membership built up to the date of your flexible retirement will only count in your continuing employment for calculating:

- Whether you have the 3 months minimum total membership to qualify for a benefit when you finally leave your continuing employment.



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Do I have to take all my accrued benefits?

You do not have to take all of your benefits at flexible retirement. However, if you have any benefits that are classed as having accrued prior to 1st April 2008, you must take them and can choose to take all, none or part of any post April 2008 benefits.

Further information and disclaimer

This short guide cannot cover every personal circumstance and does not cover rights or issues that may apply to only a limited number of cases. In the event of any dispute over your pension rights and benefits the appropriate legislation will prevail. This fact sheet does not confer any contractual or statutory rights and is provided for information purposes only. April 2010

