



Flexible Retirement

The rules of the LGPS allow for flexible retirement from an employer participating in the LGPS. Flexible retirement means that a member can scale down their working responsibilities and start to access their pension from the LGPS.

Provided you have the consent of your employer, you may either:

- ❖ Reduce the number of hours you work, or
- ❖ Reduce the grade of your employment

and continue to work whilst drawing on your pension from the LGPS. You may take the full amount, or part of the full amount, of the pension you have built up at that point.

Each employer participating in the LGPS is required to formulate a policy on flexible retirement which should be available on request from your pension or HR manager.

Pension Rights In Continued Employment

Taking flexible retirement should not restrict your ability to continue building up pensionable service in the LGPS. This would then give you additional pension that could be drawn when you decide to retire completely.

Working Past Your 65th Birthday

Age discrimination legislation allows employers to dismiss employees on the grounds of retirement at age 65 providing a certain procedure is followed. Members have the right to request continuing to work past this retirement age. If this is given you can still have access to your pension at 65 and retire flexibly as described above.

If you continue to work past your 65th birthday, you can delay drawing your pension. Pensions brought into payment after age 65 (whether you are in work or not) will be increased to reflect the fact that they are brought into payment later. All LGPS pensions must be taken before your 75th birthday.

Examples:

Wilma works as a finance administrator. On her 55th birthday she takes a reduction in grade and is granted the facility to take flexible retirement. As a result she is able to draw upon her pension, which is reduced by 39% for early payment, and continue working in her new role. In her new role Wilma also builds up a further 10 years service in the LGPS, and draws upon this further pension from age 65.



LOCAL GOVERNMENT PENSION SCHEME 2008

GMB Pensions Guide

www.gmb.org.uk/LGPSGuide

Kevin works as a school facilities manager. On reaching his 65th birthday, he successfully requests continued working on the grounds that he reduces his hours from 5 days a week to 3 days a week. He is allowed immediate access to his pension from the LGPS, which is unreduced as he has reached pension age. He elects to draw half of his accrued pension and leaves the remaining half until he completely leaves employment. The remaining half of his pension remains deferred until this time and will be increased for late payment.

Halafe requests to work past age 65 without reducing the hours or grade of her employment. Permission is granted however, she is not allowed to draw on her pension unless she reduces her hours or grade. She does not do this until her 70th birthday at which time she is able to draw upon her pension, which has been increased for late payment.