When you retire you will receive the benefits which will have built up over the time during which you were a member of CUACPS. This factsheet provides details of what those benefits will be. Before you retire, you will be provided with a quotation showing what your benefits are and what options you have.

WHEN CAN I RETIRE?
Your Normal Pension Age is 65, but you can decide to take your benefits before or after age 65. You must take all of your benefits at the same time.

Early retirement
If you take your benefits before age 65 they may be reduced to reflect the fact that benefits will be paid over a longer period. The reduction applied depends on when you joined CUACPS as described below.

If you joined CUACPS before 1 December 2009, you have the right to take your benefits from age 60 and the benefits you earned before 1 January 2013 will not be reduced for early payment. However any benefits earned on or after 1 January 2013 will be reduced if they are taken before age 63. In addition, all of your benefits will be reduced if you decide to retire before age 60.

If you joined CUACPS on or after 1 December 2009, your benefits will be reduced if you decide to take them before age 65.

For more details on early retirement please refer to Factsheet 6 – Early Retirement.

Late retirement
You may be able to carry on working for your Employer and continue to earn benefits in CUACPS beyond age 65.

For more details on late retirement please refer to Factsheet 7 – Late Retirement.

Retirement due to ill health or incapacity
If you are suffering from ill health or disability which leaves you unable to carry out your work then you may be able to retire and receive your benefits early.

WHAT WILL I RECEIVE AT RETIREMENT?
When you take your benefits you will receive a pension and a cash lump sum. The amount you will receive depends on several factors such as your salary, your length of service in CUACPS and whether you have paid any additional voluntary contributions.

As you are a member of the CRB Section, you will have built up final salary benefits in respect of your service up to 31 December 2012 and Career Revalued Benefits in respect of your service from 1 January 2013. These benefits are described in more detail below:

Final salary benefits
The benefits in respect of your service up to 31 December 2012 will be based on your Final Pensionable Salary at retirement (or earlier date of leaving if you left CUACPS before you reached retirement age). Your final salary service will include any service granted in respect of Additional Voluntary Contributions you have paid to purchase added years/days as well as any service granted in respect of a transfer value paid into the Scheme before 2013.

Career Revalued Benefits
From 1 January 2013 you have been building up benefits on a Career Revalued Benefits (CRB) basis. This means that each year you earn a block of pension and a block of lump sum based on your Pensionable Salary in that year (or part year). Once earned, these blocks are revalued each year in line with inflation. At retirement, all of the blocks are added together to give your pension and lump sum from the CRB Section.

The benefits you receive when you retire will be calculated as described below:

If you joined CUACPS before 1 December 2009, the pension you will receive at your Normal Pension Age is calculated as follows:

1. A pension of 1/60th of your final pensionable salary for each completed year of pensionable service in the Scheme up to 31 December 2012.

Plus
If you joined CUACPS on or after 1 December 2009, the pension you will receive at your Normal Pension Age is calculated as follows:

1. A pension of 1/80th of your final pensionable salary for each completed year of Pensionable Service in the Scheme up to 31 December 2012.

Plus

2. A block of pension equal to 1/95th of your revalued average salary for each completed year of Pensionable Service from 1 January 2013 to 31 December 2017.

Plus

3. A block of pension equal to 1/100th of your revalued average salary for each completed year of Pensionable Service from 1 January 2018 to the day you retire.

Plus

4. A tax-free cash lump sum of three times your CRB pension earned from 1 January 2013.

If you leave any part-time hours will be converted into a full-time equivalent and your final salary pension will be calculated based on your full time equivalent salary and your part-time service. If you worked part-time on or after 1 January 2013, your CRB benefits will be based on your actual pensionable earnings each year.

State Pension benefits
You will also be entitled to receive State Pension benefits although these are not payable until your State Pension Age. For more information, please refer to Factsheet 14 - State Benefits.

WHAT HAPPENS WHEN I DIE?
If you die after retirement your spouse or partner will receive a pension. If you leave any children, each of them will receive a child’s allowance provided they are under 18. If they are over 18, the child’s allowance will be paid until age 23 if your child continues in full-time education.

For more information on what happens if you die after retirement please refer to Factsheet 9 - Death Benefits.

HMRC ALLOWANCES
Her Majesty’s Revenue & Customs (HMRC) has set limits on how much pension you can have and still receive tax-relief. The Annual Allowance affects how much pension you can earn each year and the Lifetime Allowance impacts how much you can take from your pension without suffering a tax charge.

Annual Allowance
HMRC has introduced a limit on the maximum amount of pension you can earn in a year whilst still receiving tax relief. This is known as the Annual Allowance. The Annual Allowance is currently £60,000 (2023/2024) and could change in the future. You can find updates on the Annual Allowance on the HMRC website.

Lifetime Allowance
The Lifetime Allowance (LTA) is the limit on the amount you can take from your pension savings before you’re charged tax. Currently, the LTA still...
applies and is set at £1,073,100 but may be higher if you have an LTA protection. From 6 April 2023 the LTA tax charge was abolished, but you may still need to pay some tax depending on how you take your benefits in excess of the LTA. It is your responsibility to check whether your total retirement savings exceed the Lifetime Allowance. You will be able to obtain a quotation of your benefits shortly before retirement from CUACPS.

http://www.hmrc.gov.uk/pensionschemes/understanding-aa.htm

**IMPORTANT NOTE**
This factsheet provides a summary of your retirement benefits. However, your legal rights are governed by the Trust Deed and Rules of CUACPS. If there are any differences between the CUACPS Rules and this factsheet, the Rules will override the factsheet. A copy of the Rules can be found using the following link:

http://www.pensions.admin.cam.ac.uk/cps

Version 9: August 2023