

Cambridge University Assistants' Contributory Pension Scheme (CUACPS) Career Revalued Benefits (CRB) Section Factsheet 7 - Late Retirement

You may be able to retire after the Scheme's Normal Pension Age of 65. The latest date you can defer taking your benefits is your 75th birthday. This factsheet contains details of how late retirement affects your CUACPS benefits.

HOW LONG CAN I DELAY RECEIVING MY PENSION?

There are two ways in which you can delay receiving your pension.

- You can either remain in employment and continue to contribute to CUACPS to build up additional benefits after age 65,
- Or
- You can leave CUACPS and ask that payment of your benefits is deferred until after your 65th birthday.

POSTPONED PENSIONER

You can work beyond age 65 and continue to earn benefits in CUACPS. Your pension will then come into payment either on the day you stop working for your Employer or your 75th birthday, whichever is earlier.

How will my postponed pension be calculated?

When you retire, your pension will include your CRB benefits earned before and after age 65 and your final salary benefits earned before 1 January 2013. Your CRB benefits will include revaluation up to your late retirement date. Your final salary benefits will be based on your Final Pensionable Salary at your late retirement date.

DEFERRED PENSIONER

If you leave CUACPS at age 65 (or before) then you can ask to receive your pension at any time between your normal pension age of 65, and your 75th birthday.

Provided that the Trustee agrees, your benefits can be paid late. However, if the Trustee does not agree to your request you will start receiving your pension from your Normal Pension Age of 65.

How will my deferred pension be calculated?

If you choose to leave CUACPS at or before age 65 and defer payment of your benefits until after age 65, then your lump sum and retirement pension will be increased when you retire. The increase will be applied to the pension that would have been paid at age 65 to reflect the fact that the benefits are paid late and the pension will be paid over a shorter period. The level of this increase will be decided by the Trustee after consulting the CUACPS Actuary.

Pension increases

Once in payment, your CRB benefits will increase on 1 August each year in line with the Retail Prices Index (RPI), up to a maximum of 5%. In years where the RPI increase is greater than 5%, the University has discretion to provide a higher increase but such increases are not guaranteed.

AVCs

If you have any Additional Voluntary Contribution (AVC) arrangements agreed before 1 January 2013 then your AVC benefits will come into payment at the same time as your main Scheme benefits.

For added years AVCs, your AVC benefits will be based on your Final Pensionable Salary at your late retirement date if you stay in the Scheme after age 65 (i.e. postponed retirement). However, if you leave the Scheme at or before age 65 and defer your retirement, your AVC benefits will be increased by a late retirement factor.

CAN I POSTPONE MY STATE BENEFITS TOO?

Yes, if you continue to work past your State Pension Age it is possible for you to delay payment of your State Pension. More information on postponing your State Pension can be found in the State Pension section under pensions and retirement by following the link below:

www.gov.uk/browse/working/state-pension

IMPORTANT NOTE

This factsheet provides a summary of the Scheme's late retirement provisions. However, your legal rights are governed by the Trust Deed and Rules of CUACPS. If there are any differences between the Scheme Rules and this factsheet, the Rules will override the factsheet. A copy of the Rules can be found at:

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

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