

Partial Retirement from the Research Councils' Pension Scheme (RCPS)

A process guide for members

What is partial retirement?

Employees who are interested in making a phased transition from work to retirement may be able to take partial retirement, whereby their pension is drawn, and they continue to work but reduce their earnings by at least 20% (this is usually achieved by reducing their hours). This is subject to management agreement and the relevant pension scheme rules. Decisions on whether requests can be accommodated will be based on business needs. If this is something that you are interested in, then you should first discuss the possibility with your line manager.

Things you need to think about

First, you must consult the Partial Retirement Guide (<https://jsspensions.nerc.ac.uk/docs/partial-retirement-guide.pdf>) so that you fully understand the implications for your pension if you decide to take partial retirement.

In partial retirement, the general principle is that you may not earn more, by way of your re-shaped salary and pension, than you were earning before you took partial retirement. Where your re-shaped salary and pension exceed your previous salary, we deduct the excess from your pension. This is abatement*. Further information about abatement can be found in the What is Abatement guide: <https://jsspensions.nerc.ac.uk/docs/what-is-abatement.pdf>.

This is a member led scheme – but you must have approval from your employer to reduce earnings by either down grading or reducing hours by a minimum of 20%. However, if you reduce your hours, you can then retrospectively apply for Partial Retirement within 3 months.

You cannot take benefits before age 50 (55 if joined on or after 6 April 2006). If under 60 (65 if you are in Nuvos), your pension benefits would be Actuarially Reduced. If you joined the RCPS on or after 4 November 2021 your Minimum Pension Age will rise to 57 from April 2028.

Pension benefits taken are subject to abatement, but you can take just a proportion of benefits to avoid this.

Once Partial Retirement benefits have been taken and a new working pattern agreed you cannot apply for Partial Retirement again if you reduce your hours further.

Future pension payments, particularly related to Death in Service or Ill Health retirement could be reduced, if you take Partial Retirement.

Want to know more about partial retirement?

You can request an 'estimate' for partial retirement by email: memberships@jss.ukri.org or by submitting the JSS partial retirement quote request form, which can be found on the Partial Retirement page of our website: <https://jsspensions.nerc.ac.uk/members/benefits/partial.asp>.

If the partial retirement is due to start more than three months in the future, JSS will automatically produce an 'estimate' for you (rather than a more formal quotation).

The application process

Once management approval for partial retirement is given, you should complete a 'partial retirement quote' form and submit it to JSS. This should normally take place approximately three months before the partial retirement date. However, you can apply for retrospective partial retirement up to three months **after** your job has been reshaped.

JSS will then send you a formal 'quotation'. The quote will include paperwork that needs to be completed and returned to JSS:

- 'Partial retirement application' form
- Pension options form
- Declaration form

'Partial retirement application' form – you should complete Section A of the 'partial retirement application' form and pass it to your retained HR. HR will complete Section B of the application form, which must be signed by an authorized signatory from HR (not your line manager). The form is then submitted to JSS.

'Pension Option' and 'Declaration' forms – you should complete and return these directly to JSS. If JSS are aware that partial retirement is proceeding, JSS will remind you about these forms if necessary.

Final Actions: JSS will set up the partial retirement pension, and pay any lump sum, as per your decision on the 'Pension options' form. JSS will write to you with a partial retirement award letter to confirm the details.

After taking partial retirement the employee must keep JSS informed of any changes

Once partial retirement has commenced, you and the employer must notify JSS if there are any subsequent changes to the reshaped job. For example, if there is a change in hours, a promotion, or an introduction of a new pensionable allowance. This is to ensure that the correct pension is paid, particularly in the context of abatement.