

To: ACTIVE MEMBERS OF CPAS

DRAWING YOUR PENSION WHILE STILL WORKING

A number of employees have asked whether they can draw their CPAS pensions while still working for the University. This note explains the University's policy on this subject.

Principle 1

In order to draw your CPAS pension you **MUST** have ceased your employment with the University.

Principle 2

If you then return to the University in a different role, you may join a University pension scheme like any other new employee.

However, you will not normally be able to rejoin CPAS as it has been closed to new entrants since September 2006.

Principle 3

You cannot draw **part** of your CPAS pension (except in special circumstances as explained in the enclosed Q&As). It must either be paid in full or postponed to a later date.

Principle 4

If, with the agreement of the University, you remain in employment after age 65 you will be able to choose between two options:

- (a) Continue to contribute to CPAS and go on earning more years of Pensionable Service.
- (b) Cease contributing and simply wait until you finally retire before drawing your CPAS pension (which will be increased to reflect the later commencement).

We hope this is helpful.

The attached Questions & Answers document addresses some of the questions which may arise in these situations.

**On behalf of the University of Nottingham
and the Trustees**

April 2014

QUESTIONS AND ANSWERS

Question 1 *I have two pensions in CPAS: one for my current period of employment and one for an earlier period. Can I put the two pensions into payment at different dates?*

Answer 1 Yes. The pension for the earlier period can be put into payment at any time after age 55 (age 50 until 5 April 2010), subject to the consent of the Trustees. Of course the amount will be reduced in the usual way if the pension is put into payment before age 65.

Question 2 *In addition to my normal contributions I am paying AVCs (Additional Voluntary Contributions) to CPAS. Can I put my AVC pension into payment without doing the same with my main CPAS pension?*

Answer 2 No. Your AVCs relate to your current period of employment with the University and must be put into payment at the same time as your main CPAS pension.

Question 3 *Can I take the tax-free cash sum from CPAS at one date and the pension at a different date?*

Answer 3 No. Pensions legislation does not permit this.

Question 4 *If I leave my present job and then return to the University in a different post, what pension scheme will be offered to me?*

Answer 4 You will be offered the opportunity to join the pension scheme appropriate to your new post. Full details are available on request from the University's Payroll and Pension Office. See also Question 6 below.

Question 5 *If I stay in CPAS beyond age 65, will my death-in-service benefits (lump sum and spouse's pension) be maintained in full?*

Answer 5 Yes. It does not make any difference whether you choose option (a) or option (b) of Principle 4.

Please note, however, that this cover may be subject to requirements imposed by our insurers. At the present time there are two restrictions relating to the lump sum benefit:

- If the employee is not "actively at work" on the 65th birthday, cover will not be provided until he or she has been back at work for seven consecutive working days.
- Cover will not be provided beyond age 70.

Question 6 *Are there any circumstances in which I could rejoin CPAS after leaving the University and then returning?*

Answer 6 This can only happen if, despite the break in service, you are considered to have a stable employment relationship with the University sufficient to establish continuity of service for the purposes of an Employment Tribunal. The University's decision as to whether this applies in any given case is final.