

What is the scheme's retirement age?

The normal retirement age in the Local Government Pension Scheme (LGPS) is 65. It is possible to retire and receive your benefits from age 60, however as they are paid before age 65 a reduction may apply. There are members who could have met the 85 year rule and who may be eligible to receive unreduced benefits at age 60.

Eligibility for the "85 Year Rule"

Determining eligibility was relatively straight forward; age plus LGPS membership in whole years had to be added together to equal at least 85.

Removal of the "85 year rule"

The "85 Year Rule" was abolished on 1 October 2006, with measures put in place so that scheme members on 30 September 2006 would have some or all of their membership protected in line with the "85 year rule".

Who is protected and how much?

The various levels of protections depend on a member's date of birth as follows:

- A member born on or before 31 March 1956 will have all benefits built up to 31 March 2016 protected.
- A member born between 1 April 1956 and 31 March 1960 will have all benefits built up to 31 March 2008 protected with benefits accruing between 1 April 2008 and 31 March 2020 being protected on a sliding scale of reductions.
- A member born after 31 March 1960 will only have benefits built up to 31 March 2008 protected with service from 1 April 2008 being liable to full reductions.

How much of a reduction will apply?

Below is a short table showing the reductions applicable.

No. of years paid early	Pensions reduction Men	Pensions reduction Women	Lump sum reduction (both)
0	0%	0%	0%
1	6%	5%	2%
2	11%	10%	5%
3	16%	15%	7%
4	20%	19%	9%
5	24%	23%	12%

Examples

Gareth was born on 1 April 1953 and retires at the age of 60 on 31 March 2013, with 25 years membership up to 31 March 2008 and 5 years membership from 1 April 2008. His final pay is £20,000.

Gareth satisfies the 85 year rule as his age and total membership of 30 years exceeds the sum of 85 (60 + 30). As Gareth's date of birth is before 31 March 1956, he is fully protected, therefore there is NO reduction to his retirement benefits.

His retirement benefits are:

Pension: $25 \times £20,000 \times 1/80 = £ 6,250.00$
 $5 \times £20,000 \times 1/60 = £ 1,666.67$
£ 7,916.67

Lump sum: $25 \times £20,000 \times 3/80 = £ 18,750.00$

Sue was born on 1 April 1963 and retires at the age of 60 on 31 March 2023, with 15 years membership up to 31 March 2008 and 15 years membership from 1 April 2008. Her final pay is £20,000.

Sue satisfies the 85 year rule as her age and membership exceeds the sum of 85 (60 + 30). However, as Sue's date of birth is after 1 April 1960, her membership up to 31 March 2008 is protected, but her benefits relating to her membership from 1 April 2008 will be subject to a reduction based on retirement 5 years early to the normal scheme retirement age of 65.

Her retirement benefits are:

Pension: $15 \times £20,000 \times 1/80 = £ 3,750.00$
 $15 \times £20,000 \times 1/60 = £ 5,000.00$
£ 8,750.00

Less Reduction (23% x post '08 membership) = £ 1,150.00
Pension to be paid = £ 7,600.00

Lump sum: $15 \times £20,000 \times 3/80 = £ 11,250.00$
No reduction £ 0.00
Lump sum to be paid = £ 11,250.00

Contact Us

This leaflet gives general guidance only, for more information please contact:

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ffeithlen rhif. 5

Rheol 85 Mlynedd

Beth yw oedran ymddeol y cynllun?

Yr oedran ymddeol arferol yn y Cynllun Pensiwn Llywodraeth Leol (CPLIL) yw 65. Mae'n bosib ymddeol a derbyn eich buddion pan yn 60 mlwydd oed, ond oherwydd y telir y rhain cyn 65 mlwydd oed fe allent gael eu gostwng. Gall fod rhai aelodau yn diwallu rheol 85 mlynedd fod yn gymwys i dderbyn buddion heb eu gostwng pan yn 60 mlwydd oed.

Meini prawf "rheol 85 mlynedd"

Roedd penderfynu cymhwysedd yn eithaf rhydd: roedd yn rhaid i gyfanswm oed yr aelod a nifer y blynyddoedd o aelodaeth CPLIL mewn blynyddoedd cyflawn fod yn o leiaf 85.

Diddymu "rheol 85 mlynedd"

Diddymwyd y "Rheol 85 mlynedd" ar Hydref 1af 2006 gyda mesurau yn cael eu cyflwyno fel y buasai peth neu'r cyfan o aelodaeth aelodau'r cynllun ar 30 Medi 2006 yn cael ei ddiogelu i gydymffurfio â "rheol 85 mlynedd".

Pwy sy'n cael eu diogelu a faint?

Mae'r nifer o lefelau diogelwch yn dibynnu ar ddyddiad geni aelod fel â ganlyn:

- Fe ddiogelir holl fuddion sydd wedi eu cronni hyd at 31 Mawrth 2016 gan aelodau sydd wedi eu geni ar neu cyn 31 Mawrth 1956 .
- Fe ddiogelir holl fuddion sydd wedi eu cronni hyd at 31 Mawrth 2008 gan aelodau wedi eu geni rhwng Ebrill 1af 1956 a 31 Mawrth 1960 gyda buddion yn cronni rhwng Ebrill 1af 2008 a 31 Mawrth 2020 yn cael eu diogelu ar raddfa symudol o ostyngiadau.
- Dim ond buddion a gronnwyd hyd at 31 Mawrth 2008 a ddiogelir ar gyfer aelodau wedi eu geni ar ôl 31 Mawrth 1960 gyda gwasanaeth o Ebrill 1 2008 yn agored i ostyngiadau llawn.

Faint o ostyngiad a weithredir?

Isod gwelir tabl byr yn dangos y gostyngiadau perthnasol.

Nifer o flynyddoedd yn gynnar	Gostyngiad Pensiynau Dynion	Gostyngiad Pensiynau Merched	Gostyngiad Lwmp swm (y ddau)
0	0%	0%	0%
1	6%	5%	2%
2	11%	10%	5%
3	16%	15%	7%
4	20%	19%	9%
5	24%	23%	12%

Enghreifftiau

Ganwyd Gareth ar Ebrill 1af 1953 a bydd yn ymddeol yn 60 mlwydd oed ar 31 Mawrth 2013 gydag aelodaeth 25 mlynedd hyd at 31 Mawrth 2008 a 5 mlynedd o aelodaeth o Ebrill 1af 2008. Ei gyflog terfynol yw £20,000.

Mae Gareth yn bodloni'r rheol 85 mlynedd oherwydd bod ei oedran a 30 mlynedd cyfanswm aelodaeth yn fwy na 85 (60 + 30) . Oherwydd bod dyddiad geni Gareth cyn 31 Mawrth 1956 mae wedi ei ddiogelu yn llawn, felly NI fydd gostyngiad yn ei fuddion ymddeoliad.

Ei fuddion ymddeoliad yw:

$$\begin{aligned} \text{Pensiwn: } & 25 \times \text{£}20,000 \times 1/80 = \text{£}6,250.00 \\ & 5 \times \text{£}20,000 \times 1/60 = \underline{\text{£}1,666.67} \\ & \text{£}7,916.67 \end{aligned}$$

$$\text{Lwmp swm: } 25 \times \text{£}20,000 \times 3/80 = \text{£}18,750.00$$

Ganwyd Sue ar Ebrill 1af 1963 a bydd yn ymddeol yn 60 mlwydd oed ar 31 Mawrth 2023 gydag aelodaeth 15 mlynedd hyd at 31 Mawrth 2008 ac aelodaeth 15 mlynedd o 1 Ebrill 2008. Ei chyflog terfynol yw £20,000.

Mae Sue yn bodloni y rheol 85 mlynedd oherwydd bod ei hoedran a chyfanswm ei haelodaeth yn fwy na 85 (60 + 30). Fodd bynnag, oherwydd bod dyddiad geni Sue ar ôl 1 Ebrill 1960 fe ddiogelir ei buddion hyd at 31 Mawrth 2008, ond bydd ei buddion sy'n deillio o'i haelodaeth o Ebrill 1af 2008 yn cael eu gostwng yn seiliedig ar ymddeoliad 5 mlynedd yn gynnar o'i gymharu ag oedran ymddeol arferol y cynllun sef 65 mlwydd oed.

Ei buddion ymddeoliad yw:

$$\begin{aligned} \text{Pensiwn: } & 15 \times \text{£}20,000 \times 1/80 = \text{£}3,750.00 \\ & 15 \times \text{£}20,000 \times 1/60 = \underline{\text{£}5,000.00} \\ & \text{£}8,750.00 \end{aligned}$$

$$\begin{aligned} \text{Llai gostyngiad (23\% x aelodaeth o'r 1/4/08)} &= \underline{\text{£}1,150.00} \\ \text{Pensiwn i'w dalu} &= \text{£}7,600.00 \end{aligned}$$

$$\begin{aligned} \text{Lwmp swm: } 15 \times \text{£}20,000 \times 3/80 &= \text{£}11,250.00 \\ \text{Dim gostyngiad} &= \underline{\text{£}0.00} \\ \text{Lwmp swm yn daladwy} &= \text{£}11,250.00 \end{aligned}$$

Cysylltwch â ni

Rhoi arweiniad cyffredinol yn unig yw bwriad y daflen hon, am ragor o fanylion cysylltwch â :

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factsheet no. 5

85 Year Rule