

## Changing working patterns fact sheet (CWP2) Part-time, term-time and seasonal working

### Part-time working

Part-time working is anything less than full-time.

#### **classic, classic plus and premium**

The **pensionable earnings** used to work out your pension are generally the full-time equivalent, regardless of how many hours you work.

Working part time will reduce your pension by reducing your **reckonable service**, but your pension is based on your **reckonable service** and your full-time equivalent **pensionable earnings**.

#### Examples

Emma is in **premium**. Her full-time equivalent earnings are £27,000 a year and her part-time **pensionable earnings** (24 hours a week) are £18,000 a year (24/36ths of £27,000).

If she works for 6 years she will build up  $24/36 \times 6 = 4$  years' **reckonable service**. Her pension would be worked out as her actual service (4 years)  $\times 1/60 \times$  her full-time equivalent **pensionable earnings** (£27,000) = £1,800.

Tom is in **classic** and has worked full-time (36 hours) for the last 15 years. His current full-time salary is £25,000. He now wants to work part-time doing 24 hours a week.

He has already built up 15 years' **reckonable service** and after, for example, 3 years working part-time he would have built up another  $24/36 \times 3 = 2$  years' additional service bringing his total **reckonable service** to 17 years. His **pensionable earnings** are still £25,000 (even though his actual part-time earnings are £16,666) so he could anticipate a pension of  $17/80 \times £25,000 = £5,313$  and a lump sum of 3 times his pension which comes to £15,938.

#### **nuvos**

You earn pension amounts each year at 2.3% of your **pensionable earnings**. If your pay reduces as a result of working fewer hours, then the pension you earn will be reduced.

**This is a summary of basic scheme features. Full details are set out in the scheme rules. In the case of any difference, the scheme rules will apply**

## Is my pension lump sum based on my part-time service?

In **classic**, your pension lump sum is based on your pension so if you reduce your **reckonable service** by working part-time, this will reduce your pension and therefore your automatic lump sum of 3 x your pension. In **premium or nuvos** you can give up some of your pension to provide a lump sum so if you reduce your pension by working part time this will reduce the maximum lump sum you can take (as it is a multiple of your pension).

## Part-time working on medical grounds

If your employer agrees, with advice from their medical adviser, that you can *temporarily* reduce your working hours on medical grounds, for example, following an accident or operation, your *reckonable service will be worked out as if you had not reduced your hours*.

Example: If your normal working pattern was 4 hours per day Monday to Friday, you worked 4 hours per day Monday and Tuesday and Wednesday to Friday you received paid sick leave then your reckonable service will be worked out as if you had not reduced your hours.

However, if your normal working pattern was 4 hours per day Monday to Friday, you worked 4 hours per day Monday and Tuesday and Wednesday to Friday you received sick pay at pension rate or you did not receive paid sick leave, then only your worked hours would reckon.

## *I work around my family commitments – how will this affect my pension?*

## Term-time and seasonal working

Term-time or seasonal working means working full or part-time hours, but for less than the full year.

## classic, classic plus and premium

Your **pensionable earnings** used to work out your pension are generally the full-time equivalent, regardless of how many hours you work.

Your **reckonable service** for **classic, classic plus and premium** is worked out by working out how many hours you work in a year.

$$\text{Reckonable service} = \frac{\text{Total hours worked each year}}{52.2 \times \text{Weekly full-time hours for your grade}}$$

## nuvos

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