

Normal Pension Age

For defined benefit schemes, the age at which members will be expected to retire without an actuarial reduction (or an actuarial increase) in their benefits will be set out in the scheme rules.

Typically, *normal pension age* for members of defined benefit schemes will be 60 or 65 (although interim ages may apply for some schemes, and different ages may apply for different tranches of pensionable service in the same scheme).

Prior to legislation being introduced on 'equalisation of benefits' it was not uncommon to have different *normal pension ages* for male and female members of the same defined benefit scheme (typically 65 for males and 60 for females).

Although scheme rules generally make reference to *normal pension age*, it is usually possible for members of defined benefit schemes to retire earlier (but generally not before age 55, unless ill health applies) or later, with their benefits being actuarially adjusted to take into account the shorter or longer expected period of payment.

Defined contribution schemes will generally also have a *normal pension age* set out in the scheme rules, although with 'Budget 2014' and the introduction of 'freedom of choice', members now have greater flexibility relating to when they can take their benefits and how they choose to take them.