

Frequently Asked Questions



When do I qualify for scheme benefits?

If you joined the Local Government Pension Scheme (LGPS) on or after 1 April 2014, with no earlier period of LGPS membership in England or Wales and having not transferred any previous pension rights into the LGPS, you **MUST** attain 2 years scheme membership in order to qualify for benefits. The projections made on your statement assume that you will **continue to contribute to the LGPS until your Normal Pension Age (NPA)**. Your Normal Pension Age (NPA) shown on your statement is linked to your State Pension Age (SPA) but this will change if the Government changes the SPA in the future. If your SPA is earlier than your 65th birthday, your NPA will instead be your 65th birthday. If you have membership in the LGPS before 1 April 2014 your final salary benefits retain their protected Normal Pension Age - which for most is age 65.

Does my statement take account of any early retirement reduction?

No. Your benefits do **NOT** include any early retirement reductions that will apply if you were to retire earlier than your NPA.

Does my statement include a late retirement increase?

If you have gone past your NPA as at 31 March 2017, the total value of your benefits as at 31 March 2017 includes any late retirement increases due in accordance with **current** actuarial factors, issued by the government. Please note that the government have, with effect from 15 March 2017, reduced the factors we use to calculate the increase. For more information, please see

<https://www.yourpensionservice.org.uk/news/?id=2-17/02/03/80949&news=882&page=pr&>

It should be noted that these factors may change again in the future.

What if I contribute to the LGPS under another employment?

You will receive a separate statement in respect of each of your pensionable employments.

What if I also have a deferred benefit under the LGPS?

You will have been issued with a separate statement for any deferred benefit you may have from an earlier period of LGPS membership.

Can I pay more to increase my benefits?

There are two in-house options available to you. You can pay Additional Voluntary Contributions (AVCs) arranged through the LGPS (in-house AVCs) and/or you can elect to purchase additional pension contributions (APCs), (but not if you are in the 50/50 section).

You also have the option to contribute to a personal pension scheme.

I am already paying additional contributions, are they included in my benefits?

If you are paying or have previously paid additional contributions to buy 'Added years' or 'Additional pension' then the proportion you have bought as at 31 March 2017 is included in the pension amounts quoted. Please note that any additional years bought will not be shown separately and are included in the 'Total membership' amounts.

If you are paying or have previously paid 'Additional Voluntary Contributions' (AVCs), these are treated separately and are not included in the pension amounts quoted on your statement. You should receive an AVC statement each year from your AVC provider detailing the value of your AVC fund.

What happens if I am unable to work because of an illness?

If you have been absent from work because of an illness and you have received reduced pay or had no pay for any period as a result of the illness, there will be **NO** affect to your pension build up. In these circumstances your employer should have confirmed the assumed pensionable pay (based on the average pay received in the 3 complete months before the leave) which you are treated as receiving for that period when calculating your CARE benefits. This means that the CARE pension you build up while on such leave is protected. If your employment is then terminated on the grounds of permanent ill health, your retirement benefits will become payable immediately at an unreduced rate and in some circumstances with

enhancements. In order to meet the conditions for payment of ill health benefits you must have satisfied the qualifying conditions for benefit entitlement as mentioned above. For further information on the ill health process, please contact your **Employer**.

Has my Pension Sharing Order / Scheme Pays deduction been applied?

NO adjustment has been made to the benefits shown on your statement if they are subject to a Pension Sharing Order (following a divorce /dissolution of a civil partnership) or an annual allowance debit (where you have requested the scheme to pay your annual allowance tax charge on your behalf). The amount of the reduction will be calculated when your benefits are paid.

Does my statement provide for any Underpin protection?

The projections shown on your statement do **NOT** provide for any Underpin adjustment.

If the underpin applies to you, a calculation will be performed at the date you cease to contribute to the scheme (or at your protected NPA if earlier), to check that the pension you have built up (or, if you have been in the 50/50 section of the scheme at any time, the pension you would have built up had you always been in the Main section of the scheme) is at **least equal** to that which you would have received had the scheme not changed on 1 April 2014. If **NOT** at least equal, the difference in your benefits will be added to your CARE pension account.

The underpin only applies if you were an active member of the Scheme on 31 March 2012 and you were within 10 years of your protected (2008 Scheme) NPA i.e. over age 55, having **NOT** had a continuous break in active membership of a Public Service Pension Scheme of more than 5 years (after 31 March 2012), **NOT** drawn any benefits in the LGPS before your protected NPA and you leave with an immediate entitlement to benefits.

The underpin will not apply to you if you elect to opt out of the scheme before your protected Normal Pension Age or you wish to draw benefits from an age where you would have required employer consent to do so under the pre 1 April 2014 scheme (normally pre age 60).

I am a married or previously married man with pre 1972 service but did not elect to pay additional contributions to uprate my benefits. How is my 'Total membership' affected?

If you are a married or previously married man with service prior to 1 April 1972 and have not elected to pay additional contributions to uprate your lump sum, then the service prior to 1 April 1972 will only count at 89% of its actual length.

What happens to my pension benefits if I stop being a member?

A letter detailing your options and the current value of your benefits will be sent to you automatically if you stop being a member of the scheme.

I still have questions about my benefits, how can I find out more?

For more information regarding benefits that you are entitled to, please refer to our website where you will find factsheets and other literature that you may find useful.

You can also request a copy of any of the documentation or enquire about your statement by contacting our helpdesk from 8.00am until 6.00pm Monday to Friday. Please be patient as the lines can get quite busy during this time. You can also contact us by email.

Telephone: **0300 323 0260**

E-mail: **AskPensions@localpensionspartnership.org.uk**,

Website: **www.yourpensionservice.org.uk**

Address: **Your Pension Service**

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Important notice - Nothing within this FAQ guide overrides the provisions of The Local Government Pension Scheme Regulations 2013, the Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014 and associated legislation.