

Hampshire Pension Fund
administered by



Hampshire
County Council

LGPS Starter information

Booklet and forms

Confirming your details

Combining previous LGPS pensions

Please complete forms A and B. Please send Form A to us now to ensure we hold your correct details. Form B must normally be returned within 1 year of joining the LGPS.

This booklet is for general use so cannot cover every circumstance. It does not give you any rights under contract or statute law. LGPS rules will apply if there is any dispute over your pension.

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Starter Information in the Local Government Pension Scheme (LGPS)

This is for use once your employer has opted you into the LGPS pension scheme. For most employees this happens automatically, however if you are not a member and are eligible, then you should contact your employer to arrange membership first.

This booklet:

- Introduces the LGPS (page 3)
- Lets you know how to opt out and what will happen if you do (page 4)
- Informs you of what to consider if you have other LGPS pensions (pages 5-9)
- Includes Form A – for you to confirm your details (page 10 -11)
- Includes Form B – for you to confirm whether previous membership should be combined (pages 12-13)

What do you need to do?

- ✓ Read through the information contained in this booklet
- ✓ Complete Form A and return to Pension Services as soon as possible
- ✓ Complete Form B within 1 year of joining the scheme to confirm how you wish any previous LGPS membership to be treated
- ✓ Complete and return a 'Death Grant Expression of Wish' Form which can be found on the Pension Services website
- ✓ If you have non LGPS pensions that you may wish to transfer in to your new LGPS membership, read the 'Transfer Booklet' available on the Pension Services website.

(please note you must opt to transfer within one year of joining the LGPS)

If you have any questions please contact Pension Services:

Phone: 01962 845588

email: pensions@hants.gov.uk

Website: www.hants.gov.uk/pensions

About the Local Government Pension Scheme (LGPS)

- The LGPS is a statutory pension scheme. Its benefits are set out in law and guaranteed, so it is very secure. Pension built up after 1 April 2014 will be based on your career average pay.

Who can join?

- The LGPS is open to most employees in Local Government and to some employees in other organisations.
- You can join at any age up to two days before your 75th birthday.
- You can carry on contributing towards other pensions such as a personal pension or a stakeholder pension scheme.

What does it cost?

- You pay towards your pension – your contribution rate is between 5.5% and 12.5% of your earnings. You do not pay tax on what you pay into the LGPS. Your employer pays around two times what you pay.

What are the benefits?

- A guaranteed pension that will increase with the cost of living when in payment.
- Choice to take part of your pension as a tax free lump sum on retirement.
- Your normal pension age in the LGPS is the later of your State Pension age or age 65.
- You can choose to retire from age 55, although your pension will be reduced for early payment. You must take your pension by age 75.
- If you pay into the LGPS for at least two years and then become permanently unable to work you could receive an ill health pension, whatever your age.
- A death grant will be paid if you die before retirement, or after retirement if within guarantee period. If you die having paid into the LGPS for at least two years, your husband, wife, civil partner or cohabiting partner, and any eligible children will receive a pension.

What if you do not want to join?

You can opt out by completing an opt-out form and sending it to your employer's payroll department. You cannot opt out before your employer has enrolled you into the LGPS.

You could join the 50/50 section of the LGPS instead of opting out – you would pay half the contributions and build up half the pension, but the death grant and partner's pension would not be affected. You can find the opt out form and the 50/50 section form on Pension Services website.

What happens if you opt out?

If you opt out of the LGPS less than three months after joining, your employer will refund your contributions with your pay.

If you opt out of the LGPS more than three months but less than two years after joining, what will happen depends on your circumstances.

- If you have no other LGPS accounts Pension Services can refund your contributions, less a charge for tax
- If you are eligible for a refund of contributions, you could instead choose to transfer the LGPS benefits to another pension scheme or leave them in case you join the LGPS again later. You must take a refund if you do not make a decision within five years.
- If you are paying into another LGPS account, the accounts will be combined – you cannot have a refund.
- If you have transferred other pensions into your LGPS account, your membership may come to more than two years. If it does, your pension will become deferred.
- If you opt out after 11 April 2015 and subsequently re-join the LGPS, your previous pension benefits will remain separate and cannot be joined to any future period of membership in the LGPS unless your membership as at the date of opt out is less than two years in total

If you opt out of the LGPS two or more years after joining your pension will become deferred, meaning that it will be held and index linked until you claim it between ages 55 and 75, unless you transfer it to another LGPS pension account or another pension scheme before then.

Do you have other LGPS pension accounts?

Deferred LGPS pension account

You must normally make a decision about your deferred LGPS accounts within a year of starting to pay into your new account, and whilst still paying into it.

Deferred Pension account - membership before April 2014

Your LGPS accounts will stay separate. **If you want to combine them you must elect to do so, using Form B.**

If you elect to combine them and you haven't had a continuous break of more than five years, you will retain the final salary link to all of your benefits built up before 1 April 2014. If you have had a break of more than five years, your previous LGPS membership will purchase an amount of pension in your new pension account.

The employer responsible for your new LGPS account can extend the one year limit for making a decision if their policy allows.

Deferred Pension account – membership ended after April 2014.

Your LGPS accounts will automatically be combined after 12 months. **If you want to keep them separate or combine them sooner you must elect to do so, using Form B.**

The final salary link will be retained in respect of any pre April 2014 membership, where there has not been a break of more than 5 years since the account was deferred.

The employer responsible for your new LGPS account can extend the one year limit for making a decision if their policy allows.

LGPS frozen refund accounts

You will have a frozen refund if you previously paid into the LGPS but stopped before you had built up any pension, and if you have not yet received a refund of contributions or transferred the benefits to another pension. Your frozen refund account will be added to your new LGPS account automatically, there is no option to defer.

Other active LGPS accounts

If you are paying into more than one LGPS account at a time, they must stay separate. If you stop paying into one of the accounts you will have to decide whether the accounts should be combined or left separate.

What key differences are there if I elect to keep my deferred benefit separate?

	Combined Benefits	Separate Benefits
Redundancy/Efficiency	<p>Benefits paid early because of redundancy or efficiency would include the value of earlier deferred benefits that have been transferred.</p> <p>If you are made redundant or lose your job for business reasons when aged 55 or over then your benefits would be paid immediately and would include the value of the pension that transferred from your deferred benefit.</p>	<p>Benefits paid early because of redundancy or efficiency in your on-going employment would not include the value of earlier deferred benefits.</p> <p>If in your ongoing employment, you are made redundant or lose your job for business efficiency reasons which aged 55 or over then your benefits from that employment would be payable immediately but would not include the value of your deferred benefit (because you had elected to retain that as a separate benefit)</p>
Ill Health	<p>Any benefits payable early because of ill health would include the value of earlier deferred benefits that have been transferred.</p> <p>Your benefits will become payable immediately if your employer decides, based on the opinion of an independent doctor, that you are permanently unable to perform the duties of your employment due to ill health and you are not capable of</p>	<p>Benefits paid early because of ill health in your on-going employment would not include the value of earlier deferred benefits.</p> <p>Your benefits from your ongoing employment will become payable immediately if your employer decides, based on the opinion of an independent doctor, that you are permanently unable to perform the duties of your employment due to ill health and</p>

	<p>undertaking other gainful employment.</p>	<p>you are not capable of undertaking other gainful employment.</p> <p>Your separate deferred benefit may become payable but that would only be if your former employer decided in light of the view from an independent doctor that you are permanently incapable of the job you were working in when you left the employment in respect of which the deferred benefits were awarded, and that you are not likely to be capable of undertaking other gainful employment before your Normal Pension Age.</p>
<p>Early Payment of Benefits</p>	<p>You can voluntarily choose to draw the combined benefits from as early as age 55 (at normally, a reduced rate to account for early payment).</p> <p>However the combined benefits would be payable at the same time (i.e. cannot be paid at different times) and cannot be paid until you have ceased your ongoing employment.</p>	<p>You may voluntarily choose to draw:</p> <ul style="list-style-type: none"> a) Your deferred benefits from as early as age 55 (at, normally a reduced rate for early payment) and b) The pension you build up in your pension account in your new employment from as early as age 55 (at, normally a reduced rate to account for early payment) <p>The deferred benefits do not</p>

		<p>have to be drawn at the same time as the benefits from your on-going employment. They can be drawn later than or at the same time, but if the deferred benefits relate to a period of membership that ended before 1 April 1998 they can only be taken reduced at age 55 only,</p>
<p>Cost of living increases</p>	<p>The combined benefits will be subject to revaluation each year in accordance with HM Treasury Orders. The revaluation is currently in line with the rise in the Consumer Prices Index. However, in times of negative inflation, the revaluation under a HM Treasury Order could be negative.</p>	<p>The benefits in the active pension account for your new employment will be subject to revaluation each year in accordance with HM Treasury Orders. The revaluation is currently in line with the rise in the Consumer Price Index. However in times of negative inflation, the revaluation under a HM Treasury Order could be negative.</p> <p>The benefits in the deferred pension account will be subject to revaluation each year under the Pensions (Increase) Act 1971. The revaluation is currently in line with the rise in the Consumer Prices Index (see glossary for more information). In times of negative inflation, the revaluation under the Pensions (Increase) Act 1971 would be 0% (i.e. it cannot be a negative amount).</p>

Are there any other key areas to consider?

Death in Service lump sum

As a member of the LGPS if you die in service a lump sum of three times your annual pensionable pay would be payable. If you have a deferred pension, and die before it is paid, a lump sum equal to 5 times the deferred pension is paid. However, only one amount for lump sum life cover is payable from the LGPS so, even if you keep your deferred benefits separate from your active pension account, only the greater of the lump sum life cover for your deferred benefit or for your active pension account would be payable.

Transferring the value of your deferred benefit to another pension scheme

Please note that even if you choose not to combine your benefits you will not be able to transfer the value of your deferred benefits to another pension scheme whilst you are contributing to the LGPS or if you have less than one year to go before reaching your Normal Pension Age.



FORM A: Confirming your details

This is for use once your employer has opted you into the LGPS pension scheme. Please complete **all** sections and send it to Pension Services. If you have joined the LGPS in more than one employment, please complete a separate form for each one.

1 Personal details

Please send a photocopy of your birth certificate or passport with this form. If you no longer use the name on your birth certificate or passport, please also send something to prove your current name, such as your change of name deed or marriage certificate.

Title	First name(s)	Surname
Address		
Postcode		
National Insurance number		
Date of birth	/	/
Email address	Daytime telephone	

2 Partnership status

Please select your current partnership status and send copies of any documentation to verify this.

<input type="checkbox"/> Married	<input type="checkbox"/> Civil partner	<input type="checkbox"/> Cohabiting partner
<input type="checkbox"/> Single	<input type="checkbox"/> Divorced	<input type="checkbox"/> Civil partnership dissolved
Date effective from:	/	/

3 Current employment

Tell us about the employment that this pension membership relates to, including your personnel or pay reference if you know it. Please complete as much information as known.

Name of employer		
Post or job title		
Date joined LGPS	/	/
	Payroll number	

4 Previous LGPS/public service scheme membership

Please let us know if you have previously been a member of the LGPS or any public service pension scheme. This is for information only and is NOT an election to transfer benefits.

Please complete Form B to confirm if you wish to combine or keep separate any previous LGPS membership within one year of joining the scheme.

Please complete the Transfer Booklet if you wish to investigate the transfer of any non LGPS pensions.

Employer's name	Pension fund's name and address	Dates paid in	
		From	To

Declaration and authority

Please sign and date the form to confirm that the information you have given is correct and you consent to us contacting any other pension funds you have listed and sharing necessary information with them.

We can only accept forms that are signed and dated on or after the date your employer enrolled you into the LGPS.

The details in this form are correct to the best of my knowledge.

I have included a clear photocopy of the documents as requested in sections 1 and 2.

Signature _____

Date _____

Date cannot be earlier than the date you joined the LGPS in this employment

Please return the completed form to:

Hampshire Pension Services, The Castle, Winchester, SO23 8UB.

Privacy Notice

The Hampshire Pension Fund is a Data Controller under the General Data Protection Regulations. This means we store, hold and manage your personal data in line with statutory requirements to enable us to provide you with pension administration services. To enable us to carry out our statutory duty, we are required to share your information with certain bodies, but will only do so in limited circumstances. For more information about how we hold your data, who we share it with and what rights you have to request information from the Fund, please visit <http://www3.hants.gov.uk/pensions/lgps/disclaimer-page.htm>

FORM B: Combining previous LGPS pensions

Please use this form to confirm whether your previous LGPS accounts should be combined or left separate from your new account. You must return this form to Pension Services within a year of starting this current period of LGPS membership, unless the employer liable for the LGPS account has a policy to allow longer. Please refer to page 5 of this booklet for further guidance on combining membership.

I Personal details

Title	First name(s)	Surname										
Address												
Postcode												
National Insurance number	<table border="1"> <tr> <td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> </tr> </table>											
Date of birth	/	/										
Email address	Daytime telephone											
Employer	Payroll number											

2 Your previous LGPS pensions (please refer to notes pages 5 – 8)

Pension 1 - About your previous LGPS pension

Previous LGPS Scheme Name & Address	Date membership started	Date membership ended	Status at leaving (deferred/pensioner/transfer)

Your decision: I have read this booklet and scheme guide and have made the following decision:

- Please keep this pension separate from my new LGPS pension account
- Please combine this pension with my new LGPS pension account

Pension 2 - About your previous LGPS pension

Previous LGPS Scheme Name & Address	Membership of scheme from	Membership of scheme to	Status at leaving (deferred/pensioner/transfer)

Your decision: I have read this booklet and scheme guide and have made the following decision:

- Please keep this pension separate from my new LGPS pension account
- Please combine this pension with my new LGPS pension account

3. Declaration and authority

Please sign and date this form to confirm that information you have given is correct and that:

- you have read this booklet and the scheme guide before making your decision
- you have listed all your previous LGPS pensions and made a decision about them
- you consent to us contacting the other pension funds you have listed
- I understand that I cannot change the decision I have made once Pensions Services has received and processed the form.

Signature

Date

Please return the completed form to:

Hampshire Pension Services, The Castle, Winchester, SO23 8UB.

Privacy Notice

The Hampshire Pension Fund is a Data Controller under the General Data Protection Regulations. This means we store, hold and manage your personal data in line with statutory requirements to enable us to provide you with pension administration services. To enable us to carry out our statutory duty, we are required to share your information with certain bodies, but will only do so in limited circumstances. For more information about how we hold your data, who we share it with and what rights you have to request information from the Fund, please visit <http://www3.hants.gov.uk/pensions/lgps/disclaimer-page.htm>