

**Nottinghamshire
County Council**

The New Look Local Government Pension Scheme

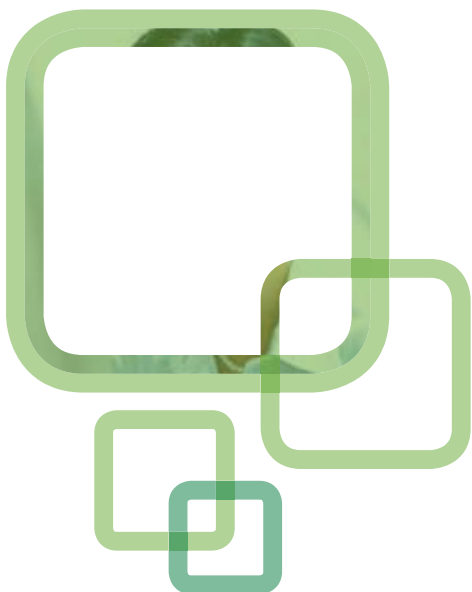
PEN 15

Frequently Asked Questions

**Nottinghamshire
Pension Funds**

lgps
ask forward with confidence





How much will I pay ?

The level of contributions you pay is dependent on your full time equivalent pensionable earnings. The lowest rate is 5.5% of your pay and the highest rate is 7.5%. However, in real terms it will be less than that because your contributions will attract tax relief.

This means your pension contributions are deducted from your salary before you pay tax. You will also pay reduced national insurance contributions.

Does my employer pay anything towards my pension ?

Yes. Your employer pays the balance of the cost of providing your benefits. Every three years the amount that they are required to pay is determined by an independent review of the scheme.

I only have a temporary contract – Is it still worth me being in the pension scheme ?

Yes it is. As long as your contract is for at least 3 months you will automatically join the scheme. The sooner you join the bigger the benefits, so if you did opt out and leave it until you're permanent you will lose out.

What benefits will I get ?

A pension payable for life that increases each year in line with the rise in the cost of living. You will also have the option to take a tax free lump sum at retirement. This would be done by reducing your pension. For every £1 of pension you gave up you would receive £12 a lump sum, up to certain limits.

What happens if I leave before retirement age ?

Provided you have been in the scheme for more than 3 months you will have the choice of either transferring your pension rights into another pension scheme arrangement, or opting for the benefit entitlement that you have earned up to your date of leaving to be retained here in the Pension Fund until they become payable to you. If you have less than 3 months scheme membership your only options would be for a refund of contributions or a transfer of pension rights.

What happens if I die before leaving service?

There is a death grant payable equivalent to three years pensionable pay. There's no medical, it's open to all and available from the day you join the pension scheme. There are pensions payable to dependants too.

Who are classed as dependants?

If you die in service as a member of the LGPS, subject to the certain qualifying conditions, pensions are paid to spouses, civil partners, nominated cohabiting partners and eligible children. To nominate a cohabiting partner you should request a form from the Pensions Office.

Will I have to pay any administration fees?

No. Unlike Personal or Stakeholder Pension policies you will not have to pay any administration costs, fees, commission etc.



Can I transfer in my previous pension rights?

In most cases you can. Any previously accrued pension rights, when transferred, will buy membership in the Local Government Pension Scheme.

What happens to my pension if I go part-time?

Your service will be recorded as the "full-time equivalent" period i.e. 2 years at ½ time = 1 year full-time. However, because we use the full-time equivalent pay in all calculations of your pension benefits, any earlier full-time service will always be protected. A leaflet containing further information is available on request.

What about the state pension? Do I get that as well?

Yes you will. Being a member of the Local Government Pension Scheme does not affect in any way your entitlement to the basic state pension. However, whilst you remain a member of the Local Government Pension Scheme, as with all pension schemes that are 'contracted out', you will not be contributing to the additional element of the State Pension known as the State Second Pension (S2P). This element used to be known as SERPS.

Can I pay more to increase my pension benefits ?

Yes you can. You can choose to purchase extra pension in the Local Government Pension Scheme by paying Additional Regular Contributions (ARCs). You could also consider making payments to the scheme's Additional Voluntary Contributions (AVCs) arrangement or even make payments to a Personal Pension, Stakeholder Pension or Free-standing AVC scheme of your own choice.



Contacting us

email lgpensions@nottsc.gov.uk

phone **0115 846 3333**

fax **0115 846 3300**

post **Employee Services Centre, Nottinghamshire County Council, c/o County Hall, West Bridgford, Nottingham NG2 7QP**

internet www.nottspf.org.uk

published **March 2008**



This information can be made available upon request in alternative formats and languages.

This short guide does not confer any contractual or statutory rights and is provided for information purposes only.