

Factsheet 5 transfers in



Can I transfer pension rights into my current LGPS Fund from a previous pension scheme?

You may be able to transfer pension rights into the LGPS from:

- a previous LGPS Fund
- a previous employer's pension scheme (including an overseas occupational pension scheme)
- a self-employed pension plan
- a 'buy-out' policy
- a personal pension plan
- a stakeholder pension scheme

You are not able to transfer benefits into the LGPS which are derived from a Pension Credit or from previous membership in the LGPS as a councillor or mayor. A Pension Credit refers to benefits granted to a spouse or civil partner by a Court under a Pension Sharing Order.

What if my previous pension was also LGPS?

If you wish to transfer pension rights to your current LGPS Fund from a previous employment where you were also a member of the LGPS you must opt to do so within 12 months of rejoining the Scheme or such longer period as your employer allows. This is an employer discretion; you can ask your employer what their policy is on this matter. The transferred membership will count on a day for day basis. However, if you are receiving a lower full time equivalent salary than in your previous employment you should seek information from your administering authority before opting to transfer.

What if my previous pension was not LGPS?

If you opt to transfer pension rights from a non-LGPS arrangement then a sum of money is offered to buy a membership credit in the LGPS. Such a transfer may not always be advantageous. Transfers from public sector schemes usually give broadly equivalent benefits in the LGPS, provided you apply for the transfer within 12 months of joining the LGPS.

Any decision to transfer cannot be made immediately. Any request you make to investigate a transfer will not be binding until you have been supplied with further details and subsequently confirm that you wish the transfer to go ahead. An option to transfer must be made within 12 months of joining the LGPS or such longer period as your employer allows. This is an employer discretion; you can ask your employer what their policy is on this matter.

How do I start the process of transferring my benefits?

On commencing employment or on notification of membership of the LGPS you will be provided with a form to complete in respect of any deferred or 'frozen' pension benefits. If you wish us to investigate the possibility of transferring those benefits to combine with your current LGPS membership you should complete that form and return it to us.

If I ask you to investigate a transfer, do I have to transfer my previous benefits?

No - we will write to your previous scheme and ask for a transfer quote. Once we receive this we will calculate the amount of membership and the resulting benefits which would be purchased in the LGPS. When you receive this information from us you can decide if you wish to proceed with a transfer.

What does that Period of Membership provide?

Based on your current salary we can show you the amount of pension and other benefits your additional period of membership will give you in the LGPS. You should then be able to compare these to any deferred benefits offered by your previous pension provider, which should help you decide whether to transfer.

Please make sure that you are comparing 'like for like' benefits. Some pension providers may only show the fund value of your benefits and you may need to ask them for a further illustration showing the actual amounts of benefits available.

Remember that the amounts of benefits we quote are based on your current pay. They do not take into account any future pay increases. The figures supplied by your previous pension provider may estimate future values, so please take care when making comparisons.

Should I transfer my benefits

Once you receive your transfer quote you should seek independent advice as to the relative benefits of proceeding with the transfer or not.

What if I do wish to transfer

You should let us know as soon as possible as not only are there time limits to consider but in some cases a delayed response would result in a recalculation of the transfer value which may result in a reduction in the service and therefore benefits purchased in the LGPS.

Summary

You may in most cases and at your discretion transfer previous pension benefits into the LGPS, normally within 12 months of commencing in the scheme.

Please note: this fact sheet is intended as a broad guide to your benefits in the Local Government Pension Scheme. It does not seek to cater for every different circumstance and no decisions should be taken based on its contents. You are strongly advised to consult our website and/or contact us for more detailed and individual information before taking any action in relation to your pension. Nothing in this fact sheet overrides the regulations which govern the LGPS and which are subject to amendment from time to time.