

LGPS information sheet and opt-in form

You could start saving for your future now with the LGPS

Did you know:

- The LGPS is an **important** part of your employment package and provides an excellent range of benefits
- The Scheme is **flexible** - you can choose to pay less or more, and you can take your benefits anytime from age 55 to 75
- The **benefits** you get include a pension when you retire as well as immediate life cover and ill-health protection
- There are also benefits for your **loved ones** with pensions for dependants if you die.

Let's look at the detail:

Cost to you

The amount you pay depends on how much you are paid. The rates vary from 5.5% to 12.5%, and your contribution rate depends on the band you fall into in the table below.

Banding	Annual Salary Range	MAIN Section
1	£0 - £14,600	5.5%
2	£14,601 - £22,800	5.8%
3	£22,801 - £37,100	6.5%
4	£37,101 - £46,900	6.8%
5	£46,901 - £65,600	8.5%
6	£65,601 - £93,000	9.9%
7	£93,001 - £109,500	10.5%
8	£109,501 - £164,200	11.4%
9	£164,201 or more	12.5%

When you join, and every April afterwards, your employer will decide your appropriate contribution rate from the contribution table. If your pay changes throughout the year your employer may decide to review your contribution rate. The contribution rates and / or pay bands in this table will be reviewed periodically and may change in the future.



Example – Jennifer

Jennifer is a part-time receptionist

Actual pensionable pay	£18,000
Contribution rate	5.8%
Her contribution each month	£87 (before tax relief)

Remember, if you earn enough to pay tax you receive **tax relief on your pension contributions** as your contributions are deducted from your pay before you pay tax.

You have flexibility to pay more - you can boost your pension by paying more contributions which you would get tax relief on. Options include Additional Pension Contributions (APCs) and Additional Voluntary Contributions (AVCs).

You also have flexibility to pay less - with the option to pay half your normal contributions in return for half your normal pension, known as **50/50**. This is designed to help members stay in the Scheme when times are financially tough.

Benefits at retirement

The LGPS is a great way to save for your future. You build up a pension from the day you join the Scheme and once you've been paying in for 2 years your benefits include:

A secure pension - every Scheme year (1 April to 31 March) an amount equal to a 49th of your pay in that year is added to your pension account. At the end of every Scheme year the total pension in your account is adjusted to take into account the cost of living (as currently measured by the Consumer Prices Index (CPI)).

Tax-free cash - you have the option, when you take your pension, to exchange part of it for some tax-free cash.

The freedom to choose when to take your pension - your Normal Pension Age is linked to your State Pension Age but you do not need to have reached your Normal Pension Age in order to take your pension.

You can choose to retire and take your pension at any time between **age 55 and 75**. Your Normal Pension Age is simply the age you can retire and take the pension you've built up in full. If you choose to take your pension before your Normal Pension Age it will normally be reduced, as it's being paid earlier. If you take it later than your Normal Pension Age it's increased because it's being paid later.

To find out your State Pension Age please visit www.gov.uk/calculate-state-pension

A tiered ill-health retirement package - if you have to leave work at any age due to permanent ill health the Scheme provides you with a pension, paid straight away, which could be paid at an increased rate if you are unlikely to be capable of gainful employment within 3 years of leaving.

Early payment of your benefits - if you are made redundant or retired on business efficiency grounds and you are aged 55 or over.

Flexible retirement - available from age 55 if you reduce your hours or move to a less senior position. Provided your employer agrees, you can take some or all of your benefits, helping you ease into your retirement.

Protection against inflation when you've taken your pension - you can look forward to a pension for life that increases with the cost of living.

How do I join?

If you start a job in which you are eligible for membership of the LGPS you will be brought into the Scheme if your contract of employment is for 3 months or more. If it is for less than 3 months and you are, or during that period become, an Eligible Jobholder you will be brought into the Scheme from the automatic enrolment date (unless your employer issues you with a postponement notice to delay bringing you into the Scheme for a maximum of 3 months) or if your contract is extended to be for 3 months or more or you opt to join by completing an application form, you will be brought into the Scheme from the beginning of the pay period after the one in which your contract is extended or you opt to join.

Check your pays lip deductions to make sure you are in the scheme

Where can I find out more?

For more information on membership of the LGPS, please visit our website at www.berkshirepensions.org.uk

Alternatively, you can contact the Pensions Team on **01628 796 668**.

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APPLICATION FORM FOR ENTRY INTO THE LOCAL GOVERNMENT PENSION SCHEME 2014

Please complete this form using black ink

This application form should only be completed by a scheme member who wishes to opt into the Local Government Pension Scheme in respect of employment with an employer participating in the Royal County of Berkshire Pension Fund.

Your Details			
Surname		Title	
Forenames			
Date of Birth		NI Number	
Home Address			
		Postcode	
Employer Name			
Job Title			
Pay Reference			
Date employment commenced			
<p><i>Once completed please return this form as soon as possible to your PAYROLL DEPARTMENT and contributions will commence from the next available pay date.</i></p> <p>DECLARATION</p> <ul style="list-style-type: none"> • I WISH to become a member of the Local Government Pension Scheme. • I UNDERSTAND that as the application has been made after I started work, I will be admitted to the scheme from the pay period following the date of election. • I ALSO UNDERSTAND that once I have been a member of the scheme for 2 years, or if I transfer pension rights from a previous pension scheme or arrangement into the LGPS, I will be entitled to pension benefits and not to a refund of contributions. • I UNDERSTAND that I may opt out of the Scheme at any time. 			
Signed		Date	
<p>Please return your completed form to your PAYROLL DEPARTMENT</p>			