



Transferring pension rights into the LGPS

In this leaflet we look at transferring previous pension rights into the Local Government Pension Scheme (LGPS).

Where pension terms are used, they appear in ***bold italic*** type. These terms are defined at the end of this leaflet.

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

- a previous LGPS Fund, or
- a previous employer's pension scheme, or
- a self-employed pension plan, or
- a 'buy-out' policy, or
- a personal pension plan, or
- a stakeholder pension scheme, or
- an Additional Voluntary Contribution (AVC) arrangement including, in some cases, from an overseas pension scheme.

You cannot transfer a pension credit into the LGPS. A pension credit is a share of an ex-spouse's or ***ex-civil partner's*** pension benefits, as awarded by a Court under a Pension Sharing Order, or by a qualifying agreement in Scotland, following a divorce or a dissolution of a ***civil partnership***.

If you have previous LGPS pension rights

If you re-join the LGPS, you can normally transfer your previous LGPS pension rights to your new membership, enabling you to enjoy benefits based upon your entire membership and linked to your final pay in your new job.

They will not be transferred automatically. You only have 12 months from re-joining the LGPS to opt to transfer your previous LGPS pension rights, unless your employer allows you longer. This is an employer ***discretion***; you can ask your employer what their policy is on this matter. However, if you have previously chosen to keep earlier LGPS pension rights which you built up in England and Wales separate, you will not normally be able to transfer them to your new job.

Transferred membership from the LGPS in England or Wales will count on a day for day basis, but transferred membership from the LGPS in Scotland or Northern Ireland may not count on a day for day basis.

If your new job is less well paid, you will need to decide whether it may be better not to join the benefits together.

If you wish to transfer your previous LGPS pension rights, you should contact Pension Services as soon as possible to find out about this and about the matters you will need to consider in making your decision.

Pension rights built up as a councillor or mayor cannot be joined with rights built up as an employee and vice versa.

If you have pension rights in a non-LGPS arrangement

If you have paid into a non-LGPS pension arrangement, you may be able to transfer your previous pension rights into the LGPS.

You have only 12 months from joining the LGPS to opt to transfer your previous pension rights, unless your employer allows you longer. This is an employer **discretion**; you can ask your employer what their policy is on this matter.

If you opt to transfer pension rights from a non-LGPS arrangement then a sum of money called a **transfer value** is offered to buy a membership credit in the LGPS. If you transfer your previous pension rights into the LGPS your retirement benefits will be based on membership including the membership bought by the transfer and, normally, your final year's pay on leaving the LGPS.

Any request you make to investigate a transfer will not be binding until you have been supplied with full details and subsequently confirm that you wish the transfer to go ahead. Transfer quotations provided by a former pension provider are guaranteed for 3 months.

Carefully consider whether to transfer or not, as a transfer may not always be advantageous. Compare the quotation of LGPS membership and the value of LGPS benefits attached to that membership against the value of the package of benefits if left with your previous pension scheme provider. 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.

Transferring your pension rights is not always an easy decision to make, and you may wish to seek the help of an independent financial adviser.

Your administering authority may decline to accept a transfer from a non-LGPS arrangement (other than from another public sector "club" scheme).

I have a personal or stakeholder pension plan. Can I continue paying into it?

If you have a personal or stakeholder pension plan you can continue to pay into it at the same time as paying into the LGPS or, alternatively, you can stop paying into it and consider transferring it into the LGPS.

You can, if you wish, pay up to 100% of your total taxable earnings in any one tax year (or £3600 if greater) into any number of concurrent pension arrangements of your choice and be eligible for tax relief on those contributions. Under HM Revenue and Customs rules there are controls on the pension savings you can have before you become subject to a tax charge - these will mainly affect some higher paid people. To find out about these controls, see the leaflet on **Tax controls and your LGPS benefits**.

I have paid Additional Voluntary Contributions (AVCs). Can I transfer them into the LGPS?

If you have paid AVCs to a scheme (other than to the LGPS in England or Wales) or you have paid Free-Standing AVC (FSAVCs) you can, if you wish, transfer them into the LGPS to buy extra LGPS membership. You have only 12 months from joining the LGPS to opt to transfer your previous AVC rights to buy extra LGPS membership, unless your employer allows you longer. This is an employer **discretion**; you can ask your employer what their policy is on this matter.

If you have paid AVCs to the LGPS in England or Wales, these can be transferred to the AVC arrangement offered by your new administering authority.

How do I transfer?

Pension Services can advise you of their process for transferring previous pension rights into the LGPS.

Remember, you have only 12 months from joining the LGPS to opt to transfer your previous pension rights, unless your employer allows you longer.

I've lost touch with my previous pension provider. Who can help?

It's easy to lose touch with your former pension schemes but, if you have, don't worry. The Pension Tracing Service can help – it holds details of almost 200,000 UK pension schemes and provides a tracing service free of charge.

You can contact them at:

The Pension Tracing Service
The Pension Service
Tyneview Park
Whitley Road
Newcastle upon Tyne
NE98 1BA

Telephone 0845 6002 537

Also, don't forget to keep your pension providers up to date with any change in your home address.

More information

For more information on the calculation of LGPS benefits and how membership counts, see the leaflet on Your LGPS retirement benefits.

For more information on transferring or if you have a problem or question about your LGPS membership or benefits, please contact:

Pension Services
Royal Borough of Kingston
Guildhall 2
Kingston upon Thames
KT1 1EU
Fax 020 8547 5611

www.kingston.gov.uk/pensions

pensions@rbk.kingston.gov.uk

You can speak to us or e-mail us as follows, according to the first letter of your surname:

1st Letter of your Surname	Pension Services Team Member	Telephone	E-mail
A to G	Gary Stephenson	020 8547 5615	Gary.Stephenson@rbk.kingston.gov.uk
H to R	Kathryn Derbyshire	020 8547 5610	Kathryn.Derbyshire@rbk.kingston.gov.uk
S to Z	Geraldine Wells	020 8547 5722	Geraldine.Wells@rbk.kingston.gov.uk

The national web site for members of the LGPS can be found at www.lgps.org.uk

You can find out about what you can do if you are not happy about a decision made about your LGPS pension position from the leaflet **Help with Pension Problems**.

Disclaimer

The information in this leaflet applies to individuals who were contributing members of the Local Government Pension Scheme on 1 April 2008 or who have since joined. The leaflet was up-to-date at the time of publication in September 2008. This leaflet is for general use and cannot cover every personal circumstance nor does it cover specific protected rights that apply to a very limited number of employees. In the event of any dispute over your pension benefits, the appropriate legislation will prevail as this leaflet does not confer any contractual or statutory rights and is provided for information purposes only.

Some terms we use:

Civil partnership

A Civil Partnership is a relationship between two people of the same sex (civil partners) which is formed when they register as civil partners of each other.

Discretion

This is the power given by the LGPS to enable your employer or your administering authority to choose how they will apply the Scheme in respect of certain provisions. Under the LGPS your employer or your administering authority are obliged to consider how to exercise their discretion and, in respect of some (but not all) of these discretionary provisions, to have a written policy on how they will apply their discretion. They have a responsibility to act with 'prudence and propriety' in formulating their policies and must keep them under review. You may ask your employer or your

administering authority what their policy is in relation to a discretion. Your administering authority is the Royal Borough of Kingston.

Transfer value

A transfer value is a cash sum representing the value of your pension rights.

Employees in England and Wales – September 2008