

Combining pension records or deciding to keep them separate

Note, these options are only available where you have left employment on one of the posts on which you pay pension contributions and usually within 12 months of commencing your new post.

Scenario	Combined Benefits	Separate Benefits
Redundancy/ Efficiency	<p>Benefit paid early because of redundancy or efficiency would include the value of earlier deferred benefits that have been transferred/combined</p> <p>If you are made redundant or lose your job for efficiency reasons when aged 55 or over then your benefits would be payable immediately and would include the value of the pension that transferred/combined from your deferred benefit.</p>	<p>Benefits paid early because of redundancy or efficiency in your ongoing 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 efficiency reasons when 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> <p>Subject to the information in the boxes below, the separate deferred benefits would be payable at your Normal Pension Age.</p>
Ill – Health Retirement	<p>Any benefits paid early because of ill-health would include the value or 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 undertaking other gainful employment. Your pension would be paid at an increased level if you are unlikely to be capable of undertaking other gainful employment within 3 years of leaving. The payment would include the value of your pension that transferred from your deferred benefit.</p>	<p>Benefits paid early because of ill-health in your ongoing employment would <u>not</u> 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 you are not capable of undertaking gainful employment. Your pension would be paid at an increased level if you are unlikely to be capable of undertaking other gainful employment within 3 years of leaving. The payment would not include the value of your deferred benefit (because you elected to retain that as a separate deferred benefit).</p> <p>Your separate deferred benefit may become payable but 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 benefit were awarded.</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 the 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 can voluntarily choose to draw benefits from as early as age 55 (at, normally, a reduced rate to account for the early payment).</p> <p>However, the deferred benefits do not have to be drawn at the same time as the benefits from your ongoing employment. The deferred benefits can be drawn later than, at the same time as, or earlier than the benefits from your ongoing employment (even if you are still in your ongoing employment at the time you wish to draw the deferred benefits).</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 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 deferred pension account will be subject to revaluation each year under the Pension (Increase) Act 1971. The revaluation is currently in line with the Consumer Prices Index. In times of negative inflation, the revaluation under the Pension (Increase) Act 1971 would be 0% (i.e. it cannot be a negative amount).</p>
<p>Re-joiners: Rule of 85</p>	<p>If your previous benefits are combined with your new employment and you have rule of 85 protections these protections will transfer to your new active pension account. However, the date you met the rule of 85 may move closer to your Normal Pension Age because the break in service between your previous period of membership and your new period of membership will not count towards the rule of 85.</p>	<p>If you decide not to combine your previous benefits with your new active pension account and you have rule of 85 protections then these continue to apply to your deferred benefits only.</p>
<p>Re-joiners: Pay upon which pre 1st April 2014 benefits are calculated, where final salary link is retained.</p>	<p>If your previous benefits are combined with your new employment the pre 1st April 2014 element of your benefits will continue to be final salary benefits. They will be calculated using your whole time equivalent final pay in the new employment when you cease membership of the LGPS in that employment.</p> <p>You will need to consider this point carefully if your whole-time equivalent pay in the new employment is less than the whole-time equivalent pay on which your deferred benefit was awarded (as increased in line with the cost of living).</p>	<p>If you decide not to combine your previous benefits with your new active pension account, the pre 1st April 2014 element of your deferred benefit will have been calculated on your whole-time equivalent final pay in the employment that gave rise to the deferred benefits.</p>