



THE LGPS IS CHANGING FROM 1 APRIL 2015

If you are paying into the Local Government Pension Scheme (LGPS), you'll automatically be in the **new scheme from 1 April 2015**. If you've retired or left before then, there's no change to your pension.

Here is how the new scheme works

There's no change around when you can leave and take your pension

From April 2015 you can choose to leave and draw your pension anytime from **age 60** – but the **longer** you work the **more** your pension will be.

Your pension will be **reduced** if you choose to retire **before your normal pension age** and **increased** if you retire **later**.

Normal pension age for your new scheme pension won't be fixed at 65 as in the current scheme. Instead, it will be the same as your state pension age – with 65 as the earliest age.

If **your** state pension age increases, so will **your** LGPS pension age. To find out **your** state pension age – have a look at www.gov.uk/calculate-state-pension.

Your pension builds up in a new way from April 2015

For each year in the new scheme you build up a pension based on your **pay in that year**.

Every year you get a pension that's equal to a **49th** of your **pay** added into your **pension account**

PLUS

Inflation increases, so your pension account **keeps up with the cost of living**.

And it could cost less for part time members

Whilst the cost for employees will still be calculated in the same way for full time members, if you are part time it could cost you less - your contribution rate will be based on your part time pay instead of, as now, the full time equivalent.

If you're worried you can't afford it – think again

If you pay tax you get **tax relief on your contributions**.

And for tax year 2015 / 2016 you **pay lower national insurance**.

The new scheme gives you more **flexibility** – it has a new **50/50** option.

For times when things are difficult, you can choose to pay half contributions and, during that time, add half pension into your account. But you still keep the full value of your life and ill health cover.

Remember

A pension isn't only about your future.

As a member of the LGPS you still get **valuable life cover**, with a lump sum of 3 years pay if you die in service, **cover for your family**, with pensions for your dependants if you die, and **ill health cover for you**.

And you can still pay more to **buy extra pension**.

It's important you know that all of your benefits built up in the scheme to 31 March 2015 are protected. They will still be based on your final salary on leaving and the normal pension age of 65 in the current scheme.

To find out more

There are four further Member Briefings in this series:

- Paying into the LGPS before April 2015?
- Member contributions and the flexibility to pay more or less
- How is my pension worked out?
- When can I take my pension?

For more information on the new scheme and to view a video explaining the new scheme and to try out the modeller showing how a pension account works and the contribution cost calculator please visit <http://www.scotlgps2015.org>

Disclaimer

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