

Essex Pension Fund

Key facts about Local Government Pension Scheme (LGPS)

Your Local Government Pension Scheme is a defined benefit pension scheme

What does that mean?

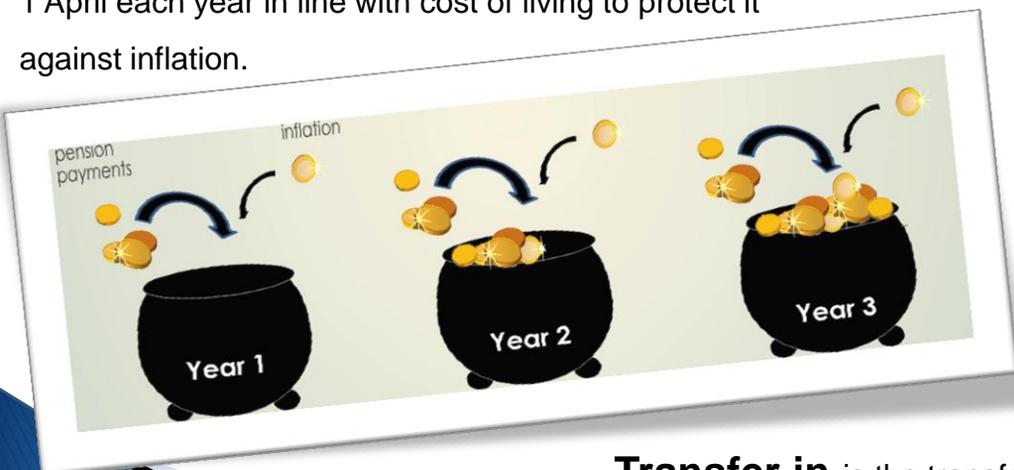
A defined benefit pension scheme means that your pension is calculated using a set formula based on career average pay.

The amount you will pay is based on how much you earn.

How is it calculated?

For each year you are paying in to the scheme, you will build up a pension equal to a $\frac{1}{49}$ th of your pensionable pay which will be added to your pension account.

For every job you have you will have a separate pension account, with all of your accounts adjusted on 1 April each year in line with cost of living to protect it against inflation.



Transfer in is the transfer of previous pension rights from another pension scheme into your new pension account.

50 / 50

A temporary arrangement to pay half the contributions to build up a pension at half the main section rate.

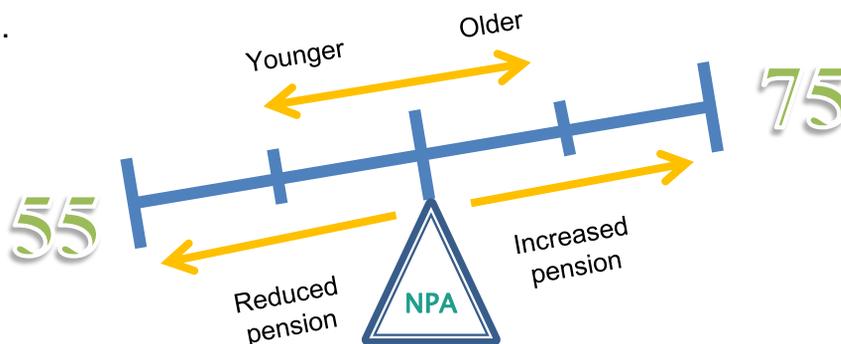
- The accrual rate is $\frac{1}{98}$ th of pensionable pay
- You need to **elect** to switch into the 50/50 section
- You can choose to move back into the main section at any time

Aggregation is when your previous LGPS benefits are added to your new pension account.

Normal Pension age within the LGPS is linked to your State Pension Age or age 65, whichever is later. To find out your State Pension Age, have a look at:

www.gov.uk/calculate-state-pension

However, the LGPS is designed to be **flexible** and allows for you to voluntarily retire from age 55 (with a reduction to your benefits if taken before your normal retirement age).



Death benefits gives you life cover that means a death grant is payable if you die whilst in service. Plus excellent survivor and children's benefits.

Contact us:

Email:
pensionenquiries@essex.gov.uk

Telephone:
01245 431912

For more information and election forms visit
www.essexpensionfund.co.uk

You can enhance your pension further with:

Additional Pension Contributions (APC)

You are able to purchase additional pension up to a maximum of £6,755. You can choose to pay for this additional pension by either monthly deductions (from your salary) or lump sum.

Additional Voluntary Contributions (AVC)

You can set up a separate arrangement which is invested on your behalf by either Standard Life or Prudential.

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