

Frequently Asked Questions for Members of The Local Government Pension Scheme (LGPS)

Please find below a list of frequently asked questions concerning your membership in the LGPS. Clicking on the links below will take you to their respective answer.

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Contact details for writing to the Dorset County Pension Fund (DCPF)

Email

pensionshelpline@dorsetcouncil.gov.uk

Postal Address

Dorset County Pension Fund
County Hall
Colliton Park
Dorchester
Dorset
DT1 1XJ

1. How do I inform you of a change of address?

To inform Dorset County Pension Fund that you have changed address, please submit the information in writing to the [details given on the front page of this guide](#).

Alternatively you can do this via [Member Self Serve](#)

Please note that we cannot accept a change of address over the telephone. It is also unlikely that your employer will inform us of a change of address, so please ensure that you let us know as soon as possible to avoid missing any important correspondence from us. If we are not kept up to date with your address, we will be unable to make payment of your pension.

2. How do I inform you of a marital status change?

To inform Dorset County Pension Fund of a change in your marital status, please submit the information to the [details given on the front page of this guide](#).

Please ensure you enclose a **photocopy or scanned copy** of the relevant document (e.g Marriage Certificate) if posting, or a scanned copy if by email. If you are married / in a civil partnership we will need to see the relevant document before any spouse's pension can be paid upon your death.

3. How do I inform you of a change of name?

To inform Dorset County Pension Fund of a change of name please submit the information to the [details given on the front page of this guide](#).

You must provide a copy of a relevant document (e.g. Marriage Certificate, Deed Poll). If sending in the post **please do not send an original**.

4. How do I update my beneficiary in the event of my death?

To update your beneficiary, due to receive any applicable death grant, you will need to complete an 'Expression of Wish form' obtainable either on our [website](#) or we can send one to you for completion and return. To request a form you can call us on 01305 224845, or please submit the request to the [details given on the front page of this guide](#).

Alternatively you can do this via [Member Self Serve](#) - instructions for this can be found *here*.

Please note that while in almost all cases we will adhere to your nomination, Dorset County Pension Fund has absolute discretion regarding who any final death grant is payable to. It is recommended to make a separate declaration on your Will to correlate with your Expression of Wish.

5. What if I can no longer afford to pay into The Local Government Pension Scheme?

If you are experiencing financial hardship you can choose to opt out of the LGPS, but in doing so you will lose valuable benefits, such as death in service cover, a spouse and children's pension, and a guaranteed income for your retirement.

An alternative option would be to enter the **50/50** section, in which you pay half of your standard contributions, and in return earn half of the standard growth to your pension for the period you're in this section. Further information can be found on the form itself, which is available on our [website](#) or we can send you a copy in the post if you request one via telephone on 01305 224845 or by submitting the request to the [details given on the front page of this guide](#).

If you decide you would like to opt out of the scheme, you can also request a form for this using the details above.

6. Can I pay more to increase my Pension benefits?

If you would like to increase the amount you will retire with you can pay extra contributions. You can do this through Additional Pension Contributions (APCs) directly with the LGPS through the Dorset County Pension Fund, or through Additional Voluntary Contributions (AVCs) with our in-house AVC provider, Prudential.

Further information and contact details can be found on our [website](#), and our dedicated [factsheet](#) which explains the two options in further detail.

7. Can I 'cash in' my pension?

As the LGPS is a 'defined benefit' pension scheme, there is no option to cash in part of your pension savings prior to taking your pension with us. You will have the option upon retirement to take up to 25% of your total pension value as a tax free lump sum, which will be detailed when we write to offer you your pension. There is also a function in the scheme to take 'Trivial Commutation', which means that you can take your entire pension value as a lump sum upon retirement. This is only available if your total pension value is under a certain amount, and you have no other pension entitlements in Local Government. As standard, Dorset County Pension Fund do not automatically offer this option, so if you would like us to investigate this for you, please submit the request to the [details given on the front page of this guide](#).

8. Can I receive a refund of the pension contributions I have made?

If you have been a member of the LGPS in Dorset for less than 2 years, have not transferred in any previous pension rights, and have not got previous Local Government Pension Scheme service elsewhere, you can choose to receive a refund of your pension contributions. A refund of contributions will have a deduction for tax and any applicable National Insurance deductions. No refund can be made if you rejoin the Scheme in England or Wales within a month and a day of leaving, or rejoin before the refund has been paid, or continue to hold another job in which you are a member of the LGPS.

9. How do I obtain an estimate of my pension benefits?

To request an estimate of your pension benefits, please submit the request to the [details given on the front page of this guide](#).

When writing to us, please state a date that you would like the estimate calculated for (please note the earliest you can request an estimate for is age 55). Dorset County Pension Fund can only provide one estimate per year free of charge. Further requests will attract a charge of £50 (+VAT) as specified in our [administration strategy](#).

You can also calculate your own estimates on [Member Self Serve](#)

10. How do I obtain a cash equivalent transfer value for moving my pension to another scheme?

If you would like to investigate transferring your pension into another Scheme or Fund, you will need to contact your new administrators and ask them to contact us. We will then provide a transfer value, which they will use to calculate how much this value will purchase you in their scheme. If your request is for the purposes of financial advice, you will need to contact us directly. We will send a cash equivalent transfer value to your home address, which you can use to take to your advisors. To request directly from us please write to the [details given on the front page of this guide](#).

11. How do I obtain a cash equivalent transfer value for divorce purposes?

To request a CETV for Divorce proceedings, you will need to write to us using the address given on the front of this guide, and provide a signature to sign off your request. We cannot accept requests for CETVs for divorce if we do not receive a signature, therefore emailed requests are not possible, unless attaching a signed letter. Alternatively you could complete a PS02 form, which we can send to you. For further information and instructions please contact us using the [details given on the front page of this guide](#).

12. Is my pension secure?

The LGPS is a secure, defined benefit scheme which is based on your pensionable earnings and revalued every year in line with the cost of living. Your LGPS benefits are not based on stock market changes or performance of investments, so your pension is a fully secure and guaranteed income for you at retirement.

13. How much of my pension can I take as a tax-free lump sum?

You can elect to take up to 25% of your pension account as a tax-free lump sum upon retirement. Members who paid into the LGPS before the 1st of April 2008 will have accrued a standard lump sum which is payable at retirement. If you began paying in after this date, you will have the option to convert some of your pension to lump sum. Doing so would reduce your annual pension, on a 12:1 conversion rate. This means that for every £1 of annual pension you convert, you receive £12 as a lump sum.

14. How much do I pay, and how much does my employer pay?

LGPS members pay in a contribution based on how much they earn. The current bandings are below:

If your actual pensionable pay is:	You pay a contribution rate of:
Up to £14,600	5.5%
£14,601 to £22,900	5.8%
£22,901 to £37,200	6.5%
£37,201 to £47,100	6.8%
£47,101 to £65,900	8.5%
£65,901 to £93,400	9.9%
£93,401 to £110,000	10.5%
£110,001 to £165,000	11.4%
£165,001 or more	12.5%

Typically, employers make a contribution of roughly three times what you pay. However, contributions themselves have no bearing on your eventual pension figures. Contributions are used to ensure the scheme remains funded. Your actual pension figures are calculated using your pensionable pay and length of service in the scheme, as detailed in the following section; [‘How is my pension calculated?’](#)

15. How is my pension calculated?

Paying in before 1st April 2014:

For membership built up to 31 March 2008, you receive a pension of 1/80th of your final pay plus an automatic tax-free lump sum of 3 times your pension.

For membership built up from 1 April 2008 to 31 March 2014, you receive a pension of 1/60th of your final pay. There is no automatic lump sum for membership built up after March 2008, but you do have the option to exchange some of your pension for a tax-free lump sum.

Paying after 1st April 2014:

Every year, you will build up a pension at a rate of 1/49th of the amount of pensionable pay you received in that scheme year (or half this rate for any period you have elected to be in the 50/50 section of the scheme). The amount of pension built up during the scheme year is then added to your pension account and revalued at the end of each scheme year so your pension keeps up with the cost of living. Simply this means that for every £49 that you earn and pay contributions on you'll get £1 of pension added to your pension account each year.

16. What happens in the event of my death?

The LGPS provides valuable life cover and financial protection for your family, as detailed [here](#).

If you die your spouse, civil partner, eligible cohabiting partner, next-of-kin or person dealing with your estate should inform the Dorset County Pension Fund of your date of death as soon as possible to avoid your pension being overpaid.

Depending on whether you're an active, deferred, or pensioner member of the scheme, and how long you have been paying into the scheme, different rules will apply to the level of death grant / survivor's pension that will be payable in the event of your death. To obtain a quotation of what these figures might be, please write to us using the contact [details given on the front of this guide](#). You can also log on to [Member Self Serve](#) to see illustrated figures for yourself.

17. Can I take a break from paying my pension for a while and join again at a later date?

You can opt out of the pension scheme if you wish to stop paying contributions for a short time, and then elect to rejoin at any time in the future. However, you should be aware that in doing so you will not only be losing out on high value benefits such as death in service cover, you will also not be able to combine your pension records together when you decide to pay back in. This means that if you are made redundant in your post, only your active record will receive the early payment of benefits with no reduction. Your previous record will be treated as ceased, and fall under the relevant rules at the time of opting out.

18. When will I be eligible to take my pension?

If you are actively paying into the LGPS, you can elect to leave your job and take your pension from any time on or after your 55th birthday. If you have previously left your job and now have a deferred pension, you can also elect to receive your deferred benefits from age 55. Please note that you have to have actually left your employment before your pension is payable, and that taking them before your Normal Pension Age will cause a reduction to be applied, and could result in the loss of protections.

19. Can I go back to work after taking my pension?

You can go back to work after claiming your pension, either in another employment which subscribes to LGPS, or in a different job elsewhere. Your pension will not normally be affected by your new employment, but Dorset County Pension Fund will be in touch with you if we need to make any adjustments to account for your new wage. If you go to work in a completely different field, for instance working in the Private Sector, your LGPS pension will not be affected. If you are worried at all about the impact having a new job after your retirement may have on your pension, you should contact us using the [details given at the front of this guide](#).

This document is based on the LGPS Regulations as they stand in April 2019. The information contained within the answers given cannot overrule any future changes to the LGPS, and Dorset County Pension Fund will accept no responsibility for any direct or consequential loss, financial or otherwise, incurred by readers relying on the information contained herein.

Please contact us: Dorset County Pension Fund, County Hall, Dorchester, Dorset. DT1 1XJ

Telephone: 01305 224845

Website: www.yourpension.org.uk/Dorset

Email: pensionshelpline@dorsetcouncil.gov.uk

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