

## WHAT HAPPENS IF I AM MADE REDUNDANT AND AM AGED UNDER 55?

If you are made redundant before age 55, your pension benefits will be deferred and will remain in the Dorset County Pension Fund (DCPF) until they are paid or transferred out to another pension provider. Different rules apply to members who are made redundant when aged 55 or over. Please note that this information is aimed at members who have left the scheme after 1 April 2014 only. If you left prior to this, please refer to the LGPS members website or the information provided to you when you were first notified of your benefit entitlement. While benefits remain deferred in the Scheme, you are still covered for death benefits, including a non-taxable death grant and pensions for any dependents.

### Deferred Benefits

Once you have left your employment you will be sent a statement providing details of your deferred benefit, together with Notes of Guidance which will set out your options and provide further information.

While deferred your pension benefits; -

- continue to increase each year in line with inflation
- can be paid early if you suffer from ill health (certain conditions must be met)
- can be transferred to a new pension provider
- provide death benefits should you die before the benefits are paid.

An Annual Benefit Statement will be sent to you each year detailing the updated value of your benefits.

**Please remember to keep us up to date with any changes to your address or marital status**

### Transferring Benefits

If you have joined or are thinking of joining another pension arrangement you may wish to consider transferring your LGPS benefits to your new scheme. You should contact your new pension provider for further information and on your instruction they may write to us for a transfer quotation.

If you are thinking of transferring your pension benefits out of the LGPS you should be aware that scammers operate in these markets. The scammers have a variety of tricks to catch you out.

They may;

- claim that you can access your pension pot before age 55
- approach you out of the blue over the phone, via text message or in person
- entice you with upfront cash
- offer a free 'pension review' or try to lure in with so-called 'one off' investment opportunities.

Dorset County Pension Fund always recommend you seek the advice of an independent registered financial advisor before making any decision to transfer your benefits from the LGPS.

If you have any concerns regarding a transfer please contact the DCPF or refer to:

<https://www.pensionwise.gov.uk/en/scams>

## Death Benefits and Family Protection

Should you die before your pension becomes payable, a death grant will be due equal to 5 times the annual pension (for members who have left after 1 April 2008 only). The Death Grant is non-taxable and can be paid to your nominated beneficiary. You can nominate who you wish to receive your death grant by completing an 'Expression of Wish' form, please remember to keep this updated with any changes in your wishes or circumstances.

A pension may also be paid to your spouse, civil partner or, subject to certain qualifying conditions, your eligible cohabiting partner, and to any eligible children.

## When can you take your deferred pension?

For members leaving after 1 April 2014, your deferred pension benefits are normally payable in full at your Normal Pension Age which is linked to your State Pension Age (but with a minimum of age 65). You do not have to take your deferred pension benefit at your Normal Pension Age, you can take it at any time between the ages of 55 and 75; it can also be paid from any age if you suffer permanent ill health.

You can draw your pension from age 55, but please be aware that your pension will be reduced if drawn before your Normal Pension Age. These reductions can be high. You can check how much your reduced pension will be by either asking the DCPF for an illustration, or by running through your own calculation through our on-line facility (see below).

At retirement, you will have the option to exchange part of your pension for a tax-free lump sum, within certain limits set by HM Revenue and Customs. For every £1 of pension you exchange, you will be provided with £12 of tax free lump sum.

Members who were in the scheme prior to April 2008 will already have some automatic lump sum provision.

Full details of your options will be provided on retirement and are also available for viewing online, as detailed below.

## Member Self Serve - MyPension Online Account

As a member of Dorset County Pension Fund, you can now calculate estimates of your personal and surviving spouse's pension, view lump sum retirement and death grant figures, amend your details, and more, with our easy to use, fully secure online portal:

1. Go to <https://mypension.dorsetcouncil.gov.uk>
2. Click 'Register to view your pensions' at the centre of the homepage
3. Agree to the terms and conditions and essential cookies
4. Enter your Surname, NI Number, Date of Birth and Email Address and method of contact
5. Create your Security Answer and Password
6. You will now be sent a one time passcode to your registered email address
7. Enter the one time passcode in the screen that appears
8. Then you are registered and ready to log in

This is a brief summary only, more information about the LGPS and its benefits to members can be found on the LGPS member's website: <https://www.lgpsmember.org/index.php>