

What's the cost?

You will pay between 5.5% and 12.5% of your actual pensionable pay (depending on what you earn) and receive

- Tax Relief on contributions
- Reduced NI contributions

The contributions you pay today will provide you with the security of retirement benefits when you retire. Your pension built up during a scheme year is subject to inflation proof on an annual basis.

Also there are

- No administration costs, and
- Your employer pays a significant contribution to guarantee your benefits.

When it's time for you to retire will the State pension alone offer the security you need?

All the employers and Trade Unions in the City and County of Swansea Pension Fund support the LGPS.

If after reading this leaflet, you are satisfied that the LGPS is the best pension option for you, you have made a wise choice.

The LGPS will protect you and your family now and in the future as part of your employment package.

This leaflet gives general guidance only.

For more information please contact

**The Pension Section
City & County of Swansea
Civic Centre
Swansea SA1 3SN**

Tel: 01792 636655

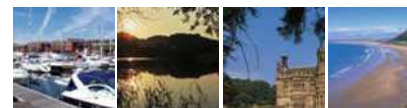
Email: pensions@swansea.gov.uk

Website:

www.swanseapensionfund.org.uk

Nothing contained in this leaflet overrides the provisions of the Local Government Pension Scheme Regulations

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The City and County of Swansea Pension Fund



**THE LOCAL GOVERNMENT
PENSION SCHEME**

- Saving for Retirement

Will you have financial security on retirement?

What will happen if you have to retire early?

What about your family's security if you die prematurely?

The Local Government Pension Scheme (LGPS) provides a wide range of retirement, family and death benefits which are linked to your pay. It is very secure because the benefits are set out in law.

What's in it for me?

Being a member of the LGPS does not just mean an income when you retire. The scheme is working for you from the moment you join, through your working life and into retirement.

From day one ...

- You have life cover equivalent to three year's pay (tax free).
- In the event of your death, there is a pension for your husband, wife, registered civil partner or eligible co-habiting partner and any eligible children.
- You may transfer previous pension rights into the Scheme (N.B. an application to transfer must be made within 12 months of joining the Scheme).

- You can increase your benefits by paying additional pension contributions (APC's) to buy extra LGPS pension, or make payments to the Scheme's Additional Voluntary Contribution (AVC) arrangement or another pension arrangement of your choice.

After two years ...

- Although normal retirement age is linked to your *State Pension Age (minimum age 65), you can voluntarily retire and receive your LGPS benefits from age 55 onwards.
* If you retire before your normal retirement age benefits will be reduced to account for them being paid for longer.
- You will accrue a pension each year that you are in the scheme based on 1/49 of your pensionable pay received. Inflation increases will be added to your pension to ensure that it keeps up with the cost of living.
- If you become too ill to work and certified evidence is provided; you will qualify for an immediate pension which may be increased.
- If you are made redundant or retired on efficiency grounds and are age 55 or over you will qualify for immediate payment of pension.
- You may choose to carry on working after normal pension age; although you have to draw your benefits by age 75. Benefits drawn after normal pension age will be increased.

On retirement ...

- You will receive a regular income for life with full inflation proofing.
- An optional tax free lump sum. You can take up to 25% of the capital value of your pension benefits inclusive of any additional contribution contracts paying into; as a lump sum and you will receive £12 lump sum for each £1 of pension given up.
- Survivor benefits.
- If you leave before benefits become payable, they may be transferred to another scheme or preserved until you reach retirement age.

Alternative Schemes:

If you are eligible to join the LGPS, you will automatically become a member; however, you may opt out of the Scheme if you wish.

You should consider carefully the benefits that you would be giving up by leaving the Scheme. Compare the benefits you receive from the LGPS with what they will cost from an alternative provider.

	LGPS	Personal & Stakeholder Pensions	SERPS
Retirement Pension	✓	✓	✓
Full inflation Proofing	✓	At extra cost	✓
Redundancy Benefits	✓	At extra cost	✗
Life Cover	✓	At extra cost	✗
Family Benefits	✓	At extra cost	✓
Ill Health Benefits	✓	At extra cost	✗