



factsheet 9

Transferring your Previous Pension Benefits



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Transferring Your Previous Pension Rights

If you have recently joined the Local Government Pension Scheme (LGPS) and you have previous pension rights, you are able to transfer these rights into the Pension Fund provided a request is made within 12 months of joining the scheme, although your employer has the discretion to extend this period.

The LGPS is able to accept transfers from other Local Authorities, from non-LGPS Employers' schemes and from Personal Pension arrangements.

What is a Transfer Value?

A transfer value is the amount of money paid by your former scheme or pension provider to buy you additional pension rights in the LGPS.

Once a transfer value has been paid you will normally have no further claim to rights from your former scheme or plan.

What will it buy?

The transfer value in respect of your previous pension rights is used to purchase additional membership in the LGPS, therefore you will receive a higher level of benefits when you retire.

Interfund (LGPS to LGPS)

If you have previously contributed to the LGPS in England and Wales, you may wish to elect to transfer your accrued pension rights to your new employer. An election should be made within 12 months of re-entering the scheme. Membership is transferred on a day-to-day basis so there will be no adjustment to your membership.

Alternatively, you may wish to retain your deferred benefit entitlement with your former employer.

Club Transfers

The LGPS is a member of the Transfer Club, which is a network of public sector pension schemes generally providing membership credits of equivalent lengths when a member transfers between them. Such schemes include the NHS, Teachers, Civil Service, Police and Fire.

Non-Club Transfers

Private employer schemes and Personal Pension Plans are treated as 'Non-Club' transfers. The membership credits provided by non-club transfers are rarely of an equivalent length and can vary greatly from scheme to scheme.



Transferring Additional Voluntary Contributions (AVC) or a Free Standing AVC (FSAVC)

If you have paid either AVC's or FSAVC's you can purchase extra membership by transferring these to the LGPS, but you must apply to do so within 12 months of joining. Some employers will allow a longer period at their discretion, so you will need to ask your new employer what their policy is on this matter.

If you have previously paid in-house AVC's to any LGPS employer in England or Wales, these can be transferred to the AVC arrangement offered by your new Pension Fund administrator.

Transferring Additional Years of Membership

If you have left an LGPS employer in England or Wales before the completion of a contract to purchase Additional Years of Membership, you may be able to continue paying the additional contributions with your new LGPS employer.

You should contact your new LGPS Pension Fund administrator immediately to avoid missed contributions.

What are the Procedures?

Transfers usually take some time to complete, as all individual schemes have complicated transfer rules and regulations, as well as having to adhere to Her Majesty's Revenues & Customs (HMRC) legislation.

Once we receive all the relevant information from your pension scheme or provider and where necessary, HMRC, we will send you an estimate of the membership credit that your transfer value

could buy.

It is important that you return all the requested documents to us as quickly as possible because it is the date that we receive the transfer payment that determines how your membership credit is calculated not the date you agreed to the transfer.

You may wish to seek Independent Financial Advice before undertaking a transfer of your previous pension rights.

Please Note that this factsheet is provided to assist and inform members. It should not be treated as a definitive statement of the law and nothing in it can override the terms of the relevant Regulations.

This leaflet gives general guidance only, for more
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