

Redundancy can be a very unsettling time but your Local Government Pension Scheme (LGPS) benefits are protected whatever happens.

This guide explains what happens to your LGPS benefits if you are made redundant.

Redundancy is a strict legal term and different provisions may apply to your LGPS benefits if your employment ends for any other reason.

**If you are under age 55 with 2 or more years' service, your benefits will be held in the scheme as a deferred benefit.**

- Deferred benefits are the value of your pension benefit up to your last day of membership. They are increased each year in line with the cost of living and are payable from your normal pension age but you do have the option to take them as early as age 55 subject to early payment reduction.
- Norfolk Pension Fund will send you full details of your deferred benefit shortly after your last day of service then we will send you an annual benefit statement showing the current value of your deferred benefits each year. Please remember to keep us informed of any change to your address so we can keep in touch.
- If you become ill so that you cannot do the job you did before being made redundant, your deferred benefit might be able to be paid early.
- If you die before your deferred benefit becomes payable, there may be a lump sum payable to your family or estate plus a pension for your widow/er and any eligible children.
- If you re-join the LGPS your deferred benefits may be added to your new pension account.
- Alternatively, you can transfer your deferred benefits to another pension scheme at any time before the benefits become payable.

**If you are over age 55 with 2 or more years' service, your pension benefit would become payable immediately.**

- There is no reduction to the benefits for being paid early. This is because your employer meets the cost of paying your benefits before your normal retirement age.
- You may want to take an additional tax-free lump sum by taking less pension (we would send you an option form explaining this further). You can get an idea of the amount payable from the 'Current Value of Benefits' section of your latest Annual Benefit Statement.
- The pension would be increased in line with the cost of living each year and would be paid monthly in arrears on the last banking day of the month.

- Any earnings from a new job would not affect your pension and you could re-join the LGPS to earn additional benefits if you took up another job within Local Government.
- If you were to die within 10 years of retirement, a lump sum may be payable to your family or estate. There may also be a pension payable to a widow/er or any eligible children.

### **If you have less than 2 years' service you may be entitled to a refund.**

If this applies to you, Norfolk Pension Fund will send you an option form to complete.

Alternatively, you could transfer your pension rights to another pension scheme. Transfers can be made to most pension arrangements.

### **What if I have more questions?**

Your employer or HR Officer can tell you about the redundancy process. They will also be able to explain about any Redundancy Payment that may be due to you.

If you have questions about the LGPS please contact us at:

**Norfolk Pension Fund  
Lawrence House  
5 St Andrews Hill  
Norwich NR2 1AD**

**[www.norfolkpensionfund.org](http://www.norfolkpensionfund.org)**

**Pensions Administration  
Enquiries: 01603 495923  
Fax: 01603 495795  
Email: [pensions@norfolk.gov.uk](mailto:pensions@norfolk.gov.uk)**

**We have facilities for meetings would be very pleased to see you at any time. Please contact us first to make sure we'll be available.**

#### **Disclaimer**

This guide is based on the current provisions of the Local Government Pension Scheme Regulations 2013 as amended and other relevant legislation. The guide is provided for information only and does not give you any legal rights. In the event of any dispute, nothing in it can over-ride the scheme legislation.