

Welcome to the Royal County of Berkshire Pension Fund

Membership of the Local Government Pension Scheme (LGPS) is a very important and valuable benefit. Not only will it provide you with income during retirement, payable for life, but it also gives your loved ones financial security in the event of your death or long-term ill-health.

The LGPS is available to all employees in Local Government, or in other organisations that have chosen to participate in it.

What type of Scheme is the LGPS?

The LGPS is known as a **Defined Benefit (DB)** pension scheme. The benefits you build up are based on a **Career Average Revalued Earnings (CARE)** basis. It is a very secure scheme because the benefits are set out in law. This means that the pension you earn each year is based on your actual pensionable pay received and not on the contributions you pay.

How does it work?

Each 'Scheme Year' (from 1 April to 31 March) 1/49th of your pensionable pay is put into your pension account. At the end of the year your pension account is revalued to reflect the cost of living. The next year the same thing happens again and so on.

CARE Scheme formula = Actual Pensionable Pay X 1/49th = Annual Pension



LGPS - What are the key benefits?

- ✓ A secure pension payable for life
- ✓ Life cover from day one of your membership
- ✓ Tax relief on your contributions
- ✓ Early retirement options
- ✓ Inflation proofed in line with CPI
- ✓ Option to exchange annual pension for tax-free cash at retirement
- ✓ Option to pay more...or less

How much do I pay?

In order to belong to the LGPS you pay a monthly contribution. Your employer will decide your contribution rate based on your annual salary. The current salary bandings for 2024/2025 under the Main section of the LGPS are:

Actual Annual Salary	Percentage
up to £17,600	5.5%
£17,601 to £27,600	5.8%
£27,601 to £44,900	6.5%
£44,901 to £56,800	6.8%
£56,801 to £79,700	8.5%
£79,701 to £112,900	9.9%
£112,901 to £133,100	10.5%
£133,101 to £199,700	11.4%
£199,701 or more	12.5%

Your contribution is deducted from your gross monthly salary each month.

Did you know you can pay more?

Under the LGPS you can choose to pay Additional Pension Contributions (APCs) in order to purchase additional annual pension payable on top of your normal LGPS benefits.

You can pay APCs monthly over a number of years, or you can buy extra pension by paying a one-off lump sum. To find out the cost of purchasing additional annual pension through APCs you can use the online APC calculator at www.lgpsmember.org



...or pay less?



The LGPS offers you the flexibility to pay half your normal contribution rate and build up half your normal pension. This is called the **50/50 section**.

Under the 50/50 section your annual pension builds up based on 1/98th of your pensionable pay each year rather than 1/49th under the MAIN section.

If you elect to join the 50/50 section you still retain full life cover and you are fully protected under ill-health retirement regulations.

Protection for your family

Did you know you have life cover from day one of your LGPS membership? If you pass away as an active member of the Scheme a Death Grant equal to three times your annual salary is payable as a tax-free lump sum. You are able to state who you would like to receive this benefit in the event of your death by completing an 'Expression of Wish' form. You can choose one person, a number of people or even an organisation such as a charity. In addition to the Death Grant there are also ongoing survivor pensions payable.

Access your online account

Have you registered for 'my pension ONLINE'? 'my pension ONLINE' is an internet based application, which enables you to securely access your pension details online from the comfort of your own home or workplace using a desktop PC, laptop, smartphone or tablet - [Visit our website to register now!](#)

- Calculate your future pension benefits
- Update your address details
- View your annual benefit statements
- Update your 'Expression of Wish'
- View the latest newsletters and factsheets



Your Berkshire Pension Fund checklist

- ✓ [Register or log in](#) to 'my pension ONLINE'
- ✓ View your latest Annual Benefit Statement
- ✓ Create or update your [Expression of Wish](#)
- ✓ Contact the team if you have any questions
- ✓ Keep up to date with the latest news via our [website](#)

Where can I find out more?

Berkshire Pension Fund website

www.berkshirerpensions.org.uk

National LGPS member website

www.lgpsmember.org

MoneyHelper

<https://www.moneyhelper.org.uk/en>

Pension Wise

<https://www.moneyhelper.org.uk/en/pensions-and-retirement/pension-wise>