

Transferring your pension

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Pensions Made Simple: Transferring your pension

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Your LGPS (NI) pension is a secure Defined Benefit pension

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that will look after you and your family in later life.

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However if you're thinking of transferring your pension into a Defined Contribution scheme,

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there are some things to think about.

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A defined contribution pension is different to your LGPS pension.

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It's a pot of money that is invested so that it grows over time.

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As the value of investments can go up and down,

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you could be left with less income in retirement.

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Your LGPS pension on the other hand will give you a guaranteed income for life

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that is adjusted every year to keep up with the cost of living.

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You'll be giving this guarantee up if you transfer.

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Unfortunately, pension scams are a real danger.

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Criminals target pensions by contacting you out of the blue

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promising unrealistic investment returns if you transfer,

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often in unusual investments.

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They apply pressure so that you make a hasty decision to transfer -

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usually to a fake scheme.

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Your pension then disappears, never to be seen again.

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So please be careful.

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Always check the Financial Conduct Authority register

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to see if you are dealing with a legitimate business.

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It's always a good idea to discuss your options with an Independent Financial Adviser.

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If your transfer value is over £30,000,

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by law you'll need to show that you have taken professional advice.

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The Financial Conduct Authority and The Pension Regulator

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believe it is in most people's best interests to keep their defined benefit pension,

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such as your LGPS pension.

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Make sure you understand the full risks so that you can make an informed choice.

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And remember, if you transfer your LGPS pension, you cannot change your decision.

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If you decide to transfer, you'll need to leave the scheme completely

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and transfer all of your pension.

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You must do this more than a year before your Normal Pension Age.

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If you have an Additional Voluntary Contributions pot, you can leave it with LGPS.

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Visit the LGPS website to find out about your Normal Pension Age

On screen: lgpsmember.org.uk, search Normal Pension Age and Transfer Process

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and for more information about the transfer process.

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You can also watch more of our 'Pensions Made Simple' videos.

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LGPS. For you. For now. For the future.

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