

Aggregation: Member's guide Feb 2020



If you rejoin the LGPS and you have a previous deferred refund in the LGPS, this will automatically be aggregated with your current service. You do not need to do anything.

If you have a previous deferred benefit in the LGPS, this will either be **automatically** linked to your current service, or you may have to **elect** to link.

You may also have the choice of linking benefits accrued prior to 1 April 2015 to the final pay in your new job or of purchasing an amount of pension in the LGPS.

If you do not provide us with any instructions, there are LGPS rules concerning these deferred benefits / refunds that we have to apply. This may not be to your advantage, as:

- You could **lose the chance** to have your deferred benefits based on your higher final pay in your new job
- You could be **forced** to have your deferred benefits based on your lower final pay in your new job
- Your previous rights in the LGPS could be linked to a new LGPS employment that **you would prefer not to** link them to if you have more than one new employment
- You could **lose** the flexibility of having your previous rights kept separate from your active rights.
- Your normal pension age for your deferred benefits may be set at a higher age, meaning that if we linked your service and you retired from 55 **you may have your deferred benefits reduced by more** than you would have been the case if you had kept them separate
- Changes in inflation may differ from future changes in your pay resulting in **you losing out**
- On redundancy or ill health, **your deferred benefits may not be able to be paid out** at the same time as your active benefits

Your options depend on when you previously left an LGPS employment, whether you have been out of a public service pension scheme for 5 years, and whether you have deferred benefits or a deferred refund.

1. Deferred refunds

These must be joined with your new active pension account if they relate to service before 1 April 2015 and you were not an active member on 1 April 2015. **Where you have more than one active pension account in the LGPS you can elect which account to aggregate with.**

If your deferred refund relates to service after 31 March 2015 and if you subsequently have a break of more than 5 years in active membership of the LGPS in Scotland, you must take a refund of contributions.

If you were a member of the LGPS at both the 31 March 2015 and 1 April 2015 and you do **NOT** have a break of more than 5 years in active membership of the LGPS in Scotland, your deferred refund will automatically be joined with your new pension account (or, where the deferred refund arose from the cessation of a concurrent job, automatically be joined with the pension account from the ongoing employment). **If you have more than one pension account you can choose which one the deferred refund is to be added to.** The membership you built up before 1 April 2015 will be calculated on your final pay when you leave the active employment.

2. Deferred benefits earned after 31 March 2015

You have 12 months from rejoining to elect to keep your deferred benefits separate from your new pensions account.

If you choose to keep your deferred benefits separate, these will increase to keep up with the cost of living.

Otherwise these deferred benefits are automatically joined with your new pension account that will also keep up with the cost of living.

Where you have more than one employment and therefore more than one pension account in the LGPS you can elect which account to aggregate your deferred benefits with.

3. Deferred benefits if you were a member on both 31 March 2015 and 1 April 2015 and if you have **NOT** had a continuous break of more than 5 years in active membership of any public service pension scheme

Your deferred benefits will automatically be joined with your new active pension account (or, where the deferred benefits arose from the cessation of a concurrent job, automatically be joined with the pension account from the ongoing employment) **unless you elect within 12 months of rejoining to keep your deferred benefits separate.**

If you have more than one pension account, you will need to choose which account the deferred benefits are to be added to.

Unless you choose to keep your deferred benefits separate, the membership you built up before 1 April 2015 will be calculated using your final pay when you leave your active employment.

If you choose to keep your deferred benefits separate, these will increase to keep up with the cost of living.

4. Deferred benefits if you were a member on both 31 March 2015 and 1 April 2015 and if you have had a continuous break of more than 5 years in active membership of any public service pension scheme

Your deferred benefits will automatically be joined with your new active pension account (or, where the deferred benefits arose from the cessation of a concurrent job, automatically be joined

with the pension account from the ongoing employment) **unless you elect within 12 months of rejoining to keep your deferred benefits separate.**

If you have more than one pension account, you will need to choose which account the deferred benefits are to be added to.

Unless you choose to keep your deferred benefits separate, the membership you built up before 1 April 2015 will purchase an amount of pension under the rules of the LGPS at the time of the transfer and this will be added to your active pension account.

If you choose to keep your deferred benefits separate, these will increase to keep up with the cost of living.

5. Deferred benefits if you were a member before 1 April 2015 and left before 1 April 2015 and if you have **NOT** had a continuous break of more than 5 years in active membership of any public service pension scheme

You can elect, within 12 months of rejoining to choose which new active pension account your deferred benefits are to be added to and have the membership you built up before 1 April 2015 calculated using your final pay when you leave your active employment.

You can also elect for the membership you have built up to purchase an amount of pension in the LGPS.

If you do not make such an election you will retain separate deferred benefits.

6. Deferred benefits if you were a member before 1 April 2015 and left before 1 April 2015 and if you have had a continuous break of more than 5 years in active membership of any public service pension scheme

You can elect for these deferred benefits to be transferred to your new active pension account.

If you do not make such an election you will retain separate deferred benefits. These will increase to keep up with the cost of living.

If you were a member of the LGPS (Scotland) before 6th April 2006, you may have protection under the 'rule of 85' provisions. If so, you should review our 'Rule of 85' / combining benefits guide, [here](#).