

Redundancy fact sheet

If you are made redundant by your employer by reason of voluntary or compulsory redundancy or efficiency of service your Local Government Pension Scheme (LGPS) can help. Provided you are aged 55* or over and have at least two years' qualifying service in the LGPS, you will be entitled to the immediate payment of your benefits. Your benefits are calculated to your date of redundancy and paid to you without any early retirement reductions.

However, if you have bought any Additional Pension Contributions or Additional Regular Contributions, this will be reduced because of early payment.

If you paid Additional Voluntary Contributions (AVCs), you have some choice about how to use that fund. We will send you those details once we know your AVC fund value.



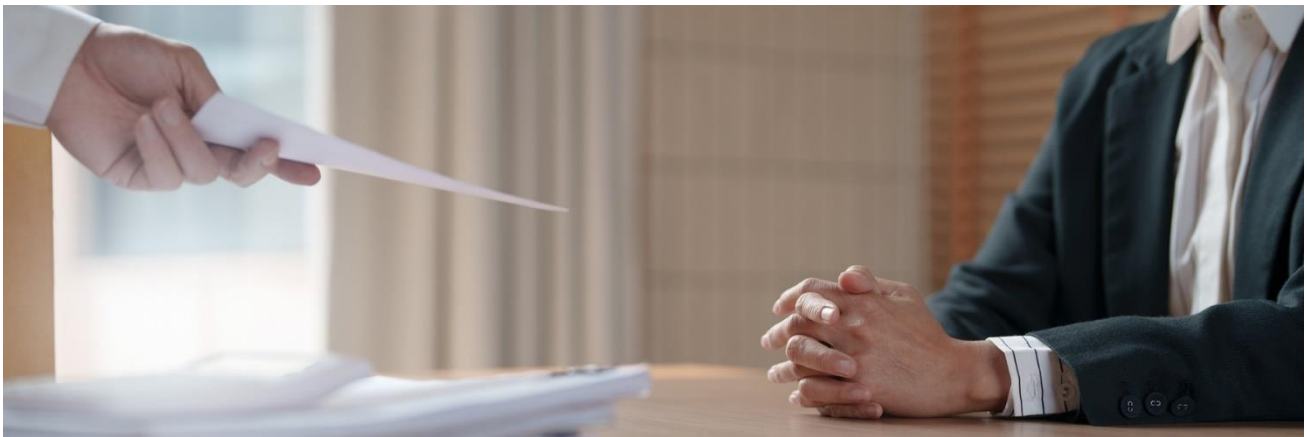
Your retirement benefits will not be automatically enhanced to your Normal Pension Age.

If you are aged 55 or more, East Sussex Pension Fund must pay your pension at the point you become redundant, so it cannot be taken later. Your redundancy pension will be payable from the day after your employment ceases. Your pension is then payable for your lifetime, normally on the last working day of every month. If you become re-employed your pension will still continue to be paid.

If you have built up membership prior to 1 April 2008 you are entitled to an automatic tax-free lump sum payment paid at the same time as your pension. If you joined the LGPS after 1 April 2008 you will not be entitled to an automatic lump sum, however, you will have the option of exchanging some of your annual pension into tax-free cash.

You can exchange £1 of annual pension for an additional £12 tax-free cash up to a maximum of 25% of the capital value of your total 'pension pot'. You will be given details of how this option applies to you before your retirement benefits come into payment, as you will need to decide if you wish to convert any part of your pension into tax-free cash before that time.

Your employer's payroll department will contact us directly with confirmation of your leaving details. Once received, we will calculate your pension entitlement and contact you to arrange payment of your retirement benefits (if aged 55+). If you would like an estimate of your pension entitlement assuming you were made redundant, please contact your employer directly (we cannot provide this directly to you).



If you are under age 55*, with at two years' qualifying service in the LGPS, you will not receive payment of immediate benefits. Instead, you will be awarded deferred benefits. Your deferred pension will increase each April in line with the cost of living. You have the option to take these benefits from age 55*. An actuarial reduction is applied if you take benefits before your Normal Pension Age (NPA).

*The Government has announced the earliest age that you can take your pension will increase from age 55 to 57 from 6 April 2028.

Contact us

Email: pensions@eastsussex.gov.uk

Call: 0300 200 1022 (9am till 4pm, Monday to Friday)

Write: East Sussex Pension Fund, County Hall, St Anne's Crescent, Lewes, East Sussex, BN7 1UE