

LG PEN 11

Re-employment Fact Sheet

**The Nottinghamshire
Local Government Pension Scheme**

administered by

 **Nottinghamshire
County Council**

for you, for now, for the future
lgps

The effect of re-employment within Local Government after being made redundant or retired through the interests of efficiency of the service

Redundancy Payment

The redundant employee may well not be entitled to a payment if a new job is offered with the same employer, or an associated employer or a successor employer who takes over the business, provided the new job is offered before the old contract expires, and starts within four weeks.

In such cases the employee can put off the decision whether to accept the new job for a four-week trial period, or the trial period may be extended beyond four weeks by written agreement between the parties where retraining is necessary. If at the end of the period the employee is still in the job, he or she will be regarded as having accepted it.

If the employee rejects the new job before the end of the trial period, because it turns out not to be a suitable alternative to the old job, or for good personal reasons, he or she will be considered redundant from the date the original employment ended. But if a redundant employee unreasonably refuses a suitable offer of alternative employment, no redundancy payment will be due.

Monthly Pension

Applicable if you retired before 1 April 2007 and received compulsory added years through the Compensation Regulations.

If you are in receipt of a pension in respect of your previous local government service, there will be a reduction in that pension if the total remuneration of your current pay added to your pension payments exceeds the amount that you were earning immediately before your pension came into payment (after allowing for increases in the retail prices index). The reduction (if any) would be the difference between the two amounts, but will not exceed the amount of the enhanced element of your pension. If you did not receive any enhancement to your pensionable service, then there will be no reduction.

Furthermore, there will be a reduction in the enhanced years element of your first pension if the total service in both employments, including the added years, exceeds the service you could have achieved by age 65 had you remained in your first employment.

The reduction will be calculated on the excess service and will apply if you are eligible to become a member of the pension scheme in your new job, whether or not you choose to join the scheme.

In brief, the regulations are designed so that you should not accrue more pension benefits than if you had remained in your original employment (from which you were retired) until age 65.

July 2014

This fact sheet is provided to assist and inform employees. It should not be treated as a definitive statement of the law and nothing in it can override the terms of the relevant Regulations.

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Notts LG Pensions Office, Business Services Centre, Nottinghamshire County Council
County Hall, West Bridgford, Nottingham NG2 7QP
0115 977 2727 • nottspf.org.uk • lgpensions@nottsc.gov.uk