

# Leaving nuvos before pension age with less than 2 years' service

## *a brief guide*

This leaflet explains what happens to your nuvos benefits if you leave before pension age with less than 2 years' service. This leaflet does not cover every aspect. The full details are contained only in the rules, which are the legal basis of the scheme. You should note that nothing in this leaflet can override the rules, and in the event of any unintentional difference, the rules will prevail.

For more information about specific benefits, please see the booklet 'nuvos pension scheme' or contact the **Scheme Administrator (MyCSP)**.

You can also find more information about the Civil Service pension arrangements on our website [www.civilservicepensionscheme.org.uk](http://www.civilservicepensionscheme.org.uk)

### Can I have a nuvos pension?

This depends on the amount of service and whether you have brought in a **transfer value** from a previous pension arrangement.

If you are leaving before **pension age** with less than 2 years' service but you have preserved benefits from a previous period of Civil Service employment, you will be treated the same as someone who has 2 or more years' service. Instead of this leaflet, you will need to refer to the booklet 'Leaving nuvos before **pension age** with 2 or more years' service'.

If you are leaving before **pension age** with less than 2 years' service but you have had a **transfer value** paid in from a personal pension or from a retirement annuity contract, you will also be treated the same as someone who has 2 or more years' service. Instead of this leaflet, you will need to refer to the booklet 'Leaving nuvos before **pension age** with 2 or more years' service'.

If you have had a **transfer value** from an occupational scheme, then the service from that transfer will count towards your two years' service in nuvos. If you leave before **pension age** with less than 2 years' service (and do not have any preserved benefits or you have not brought in a **transfer value** as mentioned above) you have no rights to nuvos pension benefits.

### What options do I have?

If you leave within one month of joining nuvos you will automatically receive a refund through your employers payroll of any contributions you have made to the scheme. If you leave after one month but within three months of joining nuvos, and none of the above applies to you, you will receive a refund through your employers payroll of the contributions you have made to the

scheme. More details about this are given later in this leaflet. You cannot take a transfer instead of receiving a refund. If you leave after three months, **the Scheme Administrator** will write to you to ask if you want to:

- transfer the notional value of your pension benefits to another pension scheme or arrangement;
- or
- receive a refund of your contributions.

This letter will tell you how much these options are worth to you and how much time you have to make your decision. The letter will enclose a form for you to use.

Please note that the value of the two options may be considerably different. You should read the letter carefully and may wish to take financial advice before making your decision. More details about your options are given below.

### **I have more than three months' service, how can I take a transfer?**

If you want to ask for your pension benefits to be transferred, you must return your completed application form to **the Scheme Administrator** by the date given in their letter.

Please note that you will only be able to take a transfer if you join your new employer's pension scheme or set up your own personal pension.

**The Scheme Administrator** can only pay a **transfer value** to a pension scheme or arrangement that is registered by HM Revenue & Customs (HMRC), or is a **recognised overseas' pension scheme**.

If you do not reply to the letter from **the Scheme Administrator** by the date given then they will assume you want a refund of your contributions.

### **What happens if I get a refund of contributions?**

If you leave within three months and your refund is paid through your employer payroll, it will be subject to tax. If you leave after three months, unless you ask for a transfer to another pension scheme or arrangement, you will receive a refund of your contributions from **the Scheme Administrator**. The refund will have a deduction made to cover the cost of buying you benefits in the **State Second Pension (S2P)** scheme for any service prior to 6 April 2016. You will be entitled to receive S2P instead of nuvos benefits for the period of time you spent in the nuvos scheme. The refund will also be subject to tax; the letter from **the Scheme Administrator** will tell you the tax rate that applies.

### **Can I ask for a transfer later?**

No. Once you have received a refund of your contributions, you will not be able to repay the refund to take a transfer instead. Neither will you be able to repay the refund in order to increase your pension benefits if you are re-employed in the Civil Service.

### **What happens to my AVCs?**

If you have contributed to the Civil Service AVC Scheme, **the Scheme Administrator** will write to you separately about those contributions.

## What happens to my added pension?

Any added pension you have bought will be treated the same way as your nuvos benefits. If you take a transfer, the value of your added pension will be included in the **transfer value**. If you receive a refund of contributions, this will include a refund of your contributions to buy added pension.

## What if I have a complaint?

If you have a complaint about your membership of nuvos which you have been unable to sort out with **the Scheme Administrator**, please visit our website for more information about the complaint process [www.civilservicepensionscheme.org.uk/complaints](http://www.civilservicepensionscheme.org.uk/complaints)

**Note:** We have tried to use as little jargon as possible, but we have defined some terms (shown in bold) that appear in the text. Please see the Technical terms section below for an explanation.

## Technical terms

**The Scheme Administrator (MyCSP)** is the organisation that holds your pension records and administers your pension on your employer's behalf, including working out and arranging pension payments.

**Pension age** is the earliest age at which you can choose to leave and receive immediate payment of your pension without it being reduced for early payment. **Pension age** is currently age 65 in nuvos.

**Recognised overseas' pension schemes** are schemes which pension transfers can legitimately be made under HM Revenue & Customs rules.

**State Second Pension (S2P)** is the additional State pension (on top of the basic State retirement pension) that used to be called State Earnings-Related Pension (SERPS). The amount you receive depends on your National Insurance Contributions.

**Transfer value** is the amount paid as a transfer payment when a member leaves a pension scheme.