**Pension scheme and retirement**

OGA staff are eligible to join the Civil Service Pension Scheme which offers a range of benefits that will provide financial security both in the time up to retirement and beyond.

You will be automatically enrolled into the “alpha” scheme (a ‘career average’ scheme) but will have the option move to a partnership scheme (a ‘defined contribution’ arrangement run by Legal and General) or to opt out of the pension scheme altogether. Further information on all of the available options will be sent to you directly by MyCSP who administer the pension scheme on our behalf.

There is no formal retirement age for OGA staff.

**Details on the two schemes are as follows:**

|  |  |  |
| --- | --- | --- |
|  | **Alpha** | **Partnership** |
| **What kind of**  **scheme is it?** | Defined benefit scheme.  Offers a pension income based on your earnings over your career and your years of membership in the scheme. | Defined contribution scheme.  A type of pension where benefits are dependent on contributions and the  growth of the pension fund. |
| **How much will I**  **pay?** | You will contribute between 4.6% and 8.05% of your pensionable earnings,  depending on how much you earn. | You do not have to pay anything. You can pay as much as you like up to 100%  of your pensionable earnings. The OGA will match your contributions, up to 3%. |
| **How much will The OGA pay?** | The OGA will make a contribution as a percentage of your pensionable earnings | The OGA will make a contribution as a percentage of your pensionable earnings |
| **Will I get tax relief on my**  **contributions?** | You get tax relief on contributions, subject to HM Revenue & Customs rules. | You get tax relief on contributions, subject to HM Revenue & Customs rules. |
| **How does my pension build up?** | You build up alpha pension at a rate of 2.32% of your pensionable pay each year. | Contributions are invested in a fund of your choice by your partnership pension provider. |

**What benefits do I get?**

|  |  |  |
| --- | --- | --- |
| **Retirement pension** | This will be made up of the 2.32% of your pensionable earnings each year, adjusted  in line with prices. | Contributions are invested to build up a pension pot that can be used to fund your retirement. |
| **Lump sum** | You can choose to exchange 25% of the total value of your pension benefits for a tax-free lump sum, subject to limits set by HM Revenue & Customs. | You can choose to exchange some, or all of your pension pot for a lump sum, subject to limits set by HM Revenue & Customs. |
| **When can I take my pension?** | In alpha, you have a Normal Pension Age (NPA), which is the same as your State Pension age. You can take your pension  before your NPA, although your benefits will be reduced to take account of early payment. The minimum pension age in  alpha is age 55. | You can take your pension at any time from age 55.  You don’t have to retire to take your pension. |
| **What benefits are there for my**  **family?** | If you die with at least one year’s service, alpha provides pensions for your spouse,  civil partner or nominated partner and any dependent children.  If you die in service, alpha also provides a lump sum that can be paid to people or an organisation that you nominate. | If you die before you take your pension, your provider will pay the value of your pension to the named person on the pension application form.  If you die in service a lump sum can be paid to people or organisations that you  nominate.  On retirement, you can choose whether or not to provide a pension for your dependants as well as for yourself. |