



Part Timers

Definition Of Part Time

Part time is the term used to describe anyone who works less than full time hours. Full time hours are normally considered to be in the region of 36 hours per week over a 52 week year.

Part time therefore incorporates term time workers, variable hours workers (in most circumstances) and job sharers.

If you simultaneously have more than one job in Local Government, contributions must be made on each income – if you want both to count towards your pension.

Service Calculations For LGPS Benefits

There are a number of features of the LGPS that are triggered by certain periods of membership, for example to qualify for any pension benefit from the scheme you must have at least three months' membership. For these purposes part timers' service is not pro rata, so a member working half time hours needs to be a scheme member for three months to be eligible for a pension just like a full time member.

Contributions

Whole time equivalent salary is used to determine which contribution band a member is in. If you work on a term time or similar contract that does not cover the full 52 week year then your whole time will be the full time weekly hours (e.g. 36 hours) that are worked but instead of a 52 week year, the term time only 44 week year (or relevant period) will be used.

If you work less than the full weekly hours on either a term time or 52 week contract then you are considered part time and it's the pay you would be earning if you were whole time that is used to determine your contribution band.

Example:

Michael is a lunchtime supervisor in a school and works for 10 hours per week during the school year. His annual salary is £3,010. He works on a term time only basis therefore his whole time equivalent is based on the number of hours worked by a full time worker on a term time contract. On the assumption of a 43 week school year, Michael's whole time equivalent salary is £10,836 so he will pay in to the LGPS at the 5.5% rate (for those earning less than £12,000pa).



LOCAL GOVERNMENT PENSION SCHEME 2008

GMB Pensions Guide

www.gmb.org.uk/LGPSGuide

Pension Calculation

When it comes to calculating pension benefits on retirement the full time equivalent salary is used but your service is reduced in proportion with the number of hours worked.

Example:

Ivy is about to retire from her part time (half time hours) job in a care home aged 65 after 7 years. If she had been full time her final pensionable pay would have been £13,950. This figure is used and her service halved to take account of her part time employment.

Full time equivalent final pensionable pay = £13,950

Service (allowing for half time hours) = 3.5 years

So Ivy's pension is £813.75 ($3.5/60 * 13950$). Presuming this is her only pension saving (other than the state pension) by commuting part of her pension she could take £4,069 as a lump sum leaving her with an annual pension of £474.69