

# Your Annual Benefit Statement Explained

## Section 1

### Your personal and employment information as at 31 March 2019

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Full name	▶ John Doe	DOB	▶ 01/10/1966
Partnership status	▶ Married	Employer	▶ County Council
Section of LGPS	▶ MAIN	Job Ref	▶ 12345678



**Section 1** of your statement will show your full name, date of birth and marital status.

*(If your marital status is incorrect, this will not affect your pension benefits.)*

It also shows who your employer is and the job reference this statement relates to.

If you have more than one job, you will get more than one statement, so make sure you are looking at the correct statement for each job.

**Section 1** also shows you if you are in the main scheme or the 50/50 scheme.

Remember, these details are as of the 31<sup>st</sup> March 2019. If you have had a change after this date, this will not be show on this statement.

## Section 2

### Your summary of total benefits as at 31 March 2019

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#### Standard benefit option

Yearly Pension ▶ £ 5288.76

Lump Sum Retirement Grant ▶ £ 349.68  
For membership before 01/04/2008

OR

#### Maximum lump sum option

Reduced Yearly Pension ▶ £ 3418.65

Increased Lump Sum Retirement Grant ▶ £ 22791.00

**These figures DO NOT include any reductions that would apply if your benefits are paid before your Normal Pension Age (NPA).**



**Section 2** shows you a summary of your benefits as of the 31 March 2019.

That is, the value of your pension if you left the LGPS on the 31<sup>st</sup> March 2019 and then took your benefits at your Normal Pension Age.

*(Your Normal Pension Age is shown later in the statement.)*

The figures on the left of this section show you the total value of your pension.

The figures on the right, show you the value of your pension if you choose to give up some of your standard pension to increase your lump sum payment.

This is an option that will be available at retirement and full details will be given to you at that time.

## Section 3

Your total benefits as at 31 March 2019 are made up of:

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### Your Final Salary (FS) Pension Benefits

For membership to 31/03/2008 of 00/134 *	£	116.56
For membership from 01/04/2008 of 06/000 *	£	2540.00
<b>Total FS yearly pension *</b>	<b>£</b>	<b>2656.56</b>
Lump Sum Retirement Grant * based on membership to 31/03/2008	£	349.68

### Your total CARE account

per year

Opening balance at 01/04/2018	£	2050.39
Adjustment for cost of living at 01/04/2018	£	61.51
2018/19 build up	£	520.30
<b>Total CARE closing balance *</b>	<b>£</b>	<b>2632.20</b>

+

\* If you were over your Normal Pension Age on 31/03/2019, then these figures include the late retirement increase as at that date



Section 3 shows you the total amount of pension that was show in section 2, broken down into your final salary pension on the left and CARE pension on the right.

The LGPS is now a Career Average Pension Scheme (or CARE scheme) and has been since 1 April 2014.

Before the 1 April 2014, the LGPS was a final salary pension scheme.

The final salary pension is calculated by taking the pensionable pay you have received in the last 365 days to 31 March 2019, then multiplying this by the membership you have accrued and then dividing the total by the accrual rate.

Different accrual rates applied for benefits to 31/03/2008 and from 01/04/2008 and these are shown in the two lines on the left of section 2. The total of these two lines is shown in the Total FS yearly pension.

If you had membership before 1 April 2008, you would have accrued an automatic lump sum amount, based upon your final pay and membership, and divided by an accrual rate. This will show in the Lump Sum Retirement Grant line.

If you were working part time or term time only before 1 April 2014, your LGPS membership would have been reduced to allow for the fact that you were not working full time. This is because we use your full time equivalent pay in the calculation of your pension. That is, the pay you would have received if you worked in your post but on full time hours.

If you did not join the LGPS until the 1 April 2014 or afterwards, you would not have any Final Salary benefits, so these figures will be 0.

## Section 3

Your total benefits as at 31 March 2019 are made up of:

3



### Your Final Salary (FS) Pension Benefits

For membership to 31/03/2008 of 00/134 \* > £ 116.56

For membership from 01/04/2008 of 06/000 \* > £ 2540.00

**Total FS yearly pension \* > £ 2656.56**

Lump Sum Retirement Grant \* based on membership to 31/03/2008 > £ 349.68

### Your total CARE account

per year

Opening balance at 01/04/2018 > £ 2050.39

Adjustment for cost of living at 01/04/2018 > £ 61.51

2018/19 build up > £ 520.30

**Total CARE closing balance \* > £ 2632.20**



\* If you were over your Normal Pension Age on 31/03/2019, then these figures include the late retirement increase as at that date



The CARE benefits are calculated in a different way to the Final Salary Benefits.

From 1 April 2014, for every scheme year you are a member of the LGPS, the pensionable pay you have earned for that year is divided by 49 if you are in the main scheme or divided by 98 if you are in the 50/50 scheme, to give the amount of pension you have earned for that year.

On the 1<sup>st</sup> April each year, a cost of living adjustment is applied to your benefits and the resulting figure is then used as the opening balance for the next year.

On your benefit statement, if you were a member before 1 April 2018, then the revalued pension you earned in the previous scheme years, together with the pension you earned in the 2017/18 scheme year, will be shown as your opening balance.

The next line shows the cost of living adjustment that was applied on the 1 April 2018 which was a 3% increase.

The next line shows you the CARE benefits you have accrued in the 2018/2019 scheme year.

The Total CARE closing balance gives a total of the three lines above.

## Section 3

Underneath the **Total Care** closing balance is a breakdown of the 2018/19 build-up line.

This shows you the pension you have accrued in the **main scheme** and the **50/50 scheme**. If you have only been a member of one of these sections, then the other figure will show as 0.

If you have purchased any additional pension in the 2018/19 scheme year, using the APC scheme for example, then that figure will show in **the additional pension purchased** line.

If you have transferred any benefits into the LGPS then these will show in the **Transfers in** line.

If your transfer is in progress and was not completed before the 31 March 2019, then it will show in your next annual benefit statement.



**Your total CARE '2018/19 build-up' is made up of:**

**Scheme year April 2018 to March 2019**

**per year**






	<b>Your CARE Pensionable Pay Main Section / 49</b>	➤	£	520.30
<b>+</b>	<b>Your CARE Pensionable Pay 50/50 Section / 98**</b>	➤	£	0.00
<b>+</b>	<b>Additional Pension Purchased**</b>	➤	£	0.00
<b>+</b>	<b>Transfers in**</b>	➤	£	0.00

\*\* If applicable

If you have other pension benefits and are interested in transferring them into the LGPS, or have previous LGPS benefits elsewhere and haven't let us know, then please see the Pension Fund website for details of how to do this.

Please note that there is a time limit from when you join the LGPS, to transfer in benefits from other pension schemes.

## Section 4

Projections if you remain in the scheme until your Normal Pension Age (NPA)			4	
Your Normal Pension Age (NPA)			67/000	
Total Projected Yearly Pension at NPA		£	12833.82	pa
Total Projected Lump Sum Retirement Grant		£	349.68	
Total Projected Survivor's Yearly Pension at NPA (in the event of your death)		£	4127.57	pa

**PLEASE NOTE:** The projected figures in this section will show as zero if you were over your NPA on 31 March 2019.



Section 4 shows you your **Normal Pension Age** in years and days. This is the date that you can take your pension without any reductions being applied.

The **Total Projected Yearly Pension at Normal Pensionable Age** shows you what your pension is likely to be if you remained in the LGPS, earning the same salary as you do now, until your retirement date.

For some people, their Normal Pension Age will be several years away, therefore **this calculation is only a rough estimate** and cannot take account of any change in your working circumstances or the future increases that may be applied to your pension.

If you were a member of the scheme prior to 1 April 2008, you would have accrued an automatic lump sum and the next line shows the estimate of this to your Normal Pension Age.

Don't forget that at your retirement, you will get the option to give up some of your pension to make a larger lump sum, as you were shown in **Section 2**.

The final line in this section shows the estimated survivor's pension to your Normal Pension Age. This will be payable to your spouse, civil partner or an eligible cohabiting partner in the event of your death.

Please note that if you were already over your Normal Pension Age on 31 March 2019, the figures in this section will show as 0.

## Section 5

### Value of death in service benefits as at 31 March 2019

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Yearly Survivor's Pension	➤ £	4127.57
Death in Service Lump Sum	➤ £	76484.37

You can check who you have nominated to receive any death grant that may become payable by visiting the *Nominations* section of the *My Pension* online facility. You should also select the *Nominations* section if you want to create a new nomination or change an existing one.



**Section 5** is showing you in the Yearly Survivors Pension line how much would have been payable to your spouse, civil partner or an eligible cohabiting partner if you had died on the 31 March 2019, as an active member of the LGPS.

If you die in service, a death grant of 3 times your assumed pensionable pay may be payable to your nominated person or persons, or to your personal representatives if you have not nominated anyone.

Please check that the Nomination we hold for you is up to date by visiting the Nominations section of the 'My Pension' site.

## Section 6

### Tax and your pension

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There are tax limits that apply to pension savings. The **Lifetime Allowance (LTA)** is a limit on the total value of pension benefits you can draw at retirement without incurring a tax charge and was £1.03 million on 31 March 2019. The LTA increased to £1.055 million from 6 April 2019.

<b>The estimated percentage of the Lifetime Allowance (£1.03 million) used by the value of your standard LGPS benefits on 31 March 2019</b>	➤	10.30 %
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**Section 6** shows you how much your pension benefits have used up of your Lifetime Allowance (LTA.) The limit of the Lifetime Allowance on 31 March 2019 was £1.03 million.

Most people are not affected by the LTA as the total of all of their pension benefits, including their LGPS benefits, will be valued below this figure.

If the percentage of LTA shown on your statement is approaching or greater than 100%, you may have to pay tax on the excess over the LTA when you take your benefits.

Remember that this statement only shows your LGPS benefits, so if you have any benefits elsewhere or pay Additional Voluntary Contributions, they will not be included in the LTA figure.

You can get further advice on the LTA on the Pension Fund website or on the Governments website which is GOV.uk.

## Section 7

### How your LGPS benefits are calculated

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**Please note:** The estimated benefits in this statement are based on the pay figures below, which have been supplied by your employer. It is important that you check these figures and contact your employer if you think that any of these pay figures for the year ending 31 March 2019 are wrong.

<b>Your Final Salary Pensionable Pay</b> (Full time equivalent)	➤ £	25400.00
<b>Your CARE Pensionable Pay Main Section</b>	➤ £	25494.79
<b>Your CARE Pensionable Pay 50/50 Section</b>	➤ £	0.00



**Section 7** shows you the salary figures that we used to calculate your Annual Benefit Statement, which have been provided to us by your employer.

If you were in the LGPS before 1 April 2014, then you would have a **Final Salary Pensionable Pay** figure shown in the top line.

This figure is the pensionable pay you have earned in the last 365 days before 31 March 2019, so it may not be the same figure as the salary you are currently receiving now.

As mentioned before, your Final Salary Pension is calculated using your full time equivalent pay. So, if you are working part time, then this figure will show what you would have earned in your job if you were working as a full time employee.

The next two lines show the **CARE** pensionable pay you earned in the 2018/19 scheme year, both in the main scheme and the 50/50 scheme.

If you were a member of the main scheme only, then the 50/50 scheme line will show as 0 and vice versa.

If you think that any of these figures are incorrect, then you will need to contact your **employer** as we do not have access to your pay details.

Guidance notes which provide further information about the contents of your Benefit Statement 2019 can be found on **My Pension** online.

If you are paying extra contributions, or if your LGPS benefits are subject to a pension sharing order following divorce or dissolution of a civil partnership then please refer to the notes to find out how the figures in this statement are affected by these adjustments.

#### How to contact us



Your helpdesk email



Your helpdesk telephone number



Your Pension Fund website

### IMPORTANT – YOUR PERSONAL DATA

The (Your) Pension Fund is a Data Controller under the General Data Protection Regulations. This means we store, hold and manage your personal data in line with statutory requirements to enable us to provide you with pension administration services. To enable us to carry out our statutory duty, we are required to share your information with certain bodies, but will only do so in limited circumstances. For more information about how we hold your data, who we share it with and what rights you have to request information from the Fund, please visit (Your Fund's Privacy Notice.)



The final part of your benefit statement will show the contacts details that are specific to your employer.

If you have any other questions that have not been covered in this guide, then please refer to the Guidance notes on **My Pension online**.

Also, there is a Frequently Asked Questions list that may be helpful to you.

If you cannot find the answer to your question and need to contact us, then please call us using the telephone number shown on the bottom of **your** Annual Benefit Statement and we will always be happy to help you.