

## Annual Benefit Statement 2016/17 – Additional information

The LGPS was amended as of 1 April 2014, and this year's statement includes your pension benefits built up in the Career Average arrangement, as well as any benefits built up before the scheme changed (which are still linked to your annual salary).

Deferred members benefits who left before 31 March 2014 are not affected by these changes and their benefits remain payable under the previous scheme rules.

### **Pensionable Pay**

Your Annual Benefit Statement is based on your contributions paid into the scheme from 1 April 2016 to 31 March 2017, however the regulations create a different approach to the calculation of pay used in the final salary scheme and the CARE scheme.

### **Can I expect more than one statement?**

You will receive a separate statement for each job you have, even if they are for the same employer. It is possible you may not receive these at the same time.

### **Why have I not received a statement?**

You will not receive a statement if you joined the LGPS after the 31 March 2017. If this is the case, your first statement will be issued during 2018.

If you have not received a statement we may have an outstanding question with your employer about the information they have provided us with. Once this has been resolved we will issue a statement.

### **Why is my transfer not shown on this statement?**

Your pension transfer may not have been fully completed at the time your statement was produced. It should be included on your statement next year. When a transfer is complete a "Statutory Notification" document will be sent to you to confirm the transfer has taken place.

### **Pension sharing order**

If your benefits are subject to a pension sharing order relating to a divorce settlement or dissolution of a civil partnership, your statement does not take this into account. We will write to you separately on this issue.

### **Annual Allowance scheme pays election**

The Annual Allowance is the maximum amount you can build up each year in pension savings that benefit from tax relief. If you have been subject to an Annual Allowance tax charge and have elected to use the scheme pays option, your statement does not include the deduction in respect of this election. We will write to you separately on this issue.

### **How are my full-time benefits calculated?**

#### For service pre 1 April 2008

Your annual pension is calculated by using a simple calculation:

"Your final pay  $\div$  80 x the number of years membership pre 1 April 2008"

The automatic lump sum is calculated as:

"Your final pay  $\div$  80 x the number of years membership pre 1 April 2008 x 3"

#### For service between 1 April 2008 and 31 March 2014

Your annual pension is calculated by using a simple calculation:

"Your final pay  $\div$  60 x the number of years membership post 1 April 2008"

There is no longer an automatic lump sum for service accrued after 1 April 2008, but you can choose to convert some of your pension into a lump sum at a rate of £1 pension to £12 of lump sum.

For service from 1 April 2014

Your annual Pension is calculated on an annual basis based on your pensionable pay received in that year

**How are my part-time benefits calculated?**

If you work part-time or term-time your benefits are calculated in the same way as for a full-time worker but your Total Membership, within the Final salary section, is reduced to its whole time equivalent length, while your Pensionable Pay is increased to its whole time annual equivalent.

**How are my survivor's benefits calculated?**

A survivor's pension payable to a widow, widower or civil partner is equal to 1/160ths of your final pay times the total membership that your pension is based on. However, if you married/entered into a civil partnership since leaving the employment your pension is based on, then the survivor's benefits would be less. For a widow, their pension is based on your service from 6 April 1978. For a widower, survivor of a same sex marriage or civil partnership their pension is based on your service from 6 April 1988.

A survivor's pension payable to a co-habiting partner is equal to 1/160<sup>th</sup> of your final pay times your membership in the scheme from 6 April 1988, plus any of your membership before 6 April 1988 that you have paid additional contributions

**Added Years contracts payable on death in service**

If you are in the process of purchasing added years (removed from the scheme in 2008) any remaining element of the added years you have not yet purchased would be deemed as complete in the event of your death. This balance of the contract has not been taken into account in your statement.