



## Pensioner Guide

A short Guide to the process that follows your Retirement from the Local Government Pension Scheme (LGPS)

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# Retirement from the LGPS

## Introduction

This guide explains in simple terms the arrangements for the payment of your pension benefits from the Local Government Pension Scheme (LGPS). It has been prepared in accordance with the Local Government Pension Scheme (LGPS) Regulations.

This guide is also applicable if you are in receipt of a survivor's pension following the death of your spouse, registered civil partner or eligible co-habiting partner, or as an eligible child.

Please note that this guide cannot cover every personal circumstance and in the event of any dispute over your pension benefits the appropriate legislation will prevail. This guide does not confer any contractual or statutory rights and is provided for information purposes only.

## Contact Us

If you have any queries regarding the payment of your pension benefits, please don't hesitate to contact us, either in writing, via telephone or by emailing: **[pensions@carmarthenshire.gov.uk](mailto:pensions@carmarthenshire.gov.uk)**

If you want to write to us, please forward to:

**Dyfed Pension Fund**  
**Building 2**  
**St. David's Park**  
**Job's Well Road**  
**Carmarthen**  
**SA31 3HB**

As well as this guide, you may also find it useful to visit our website for further information: **[www.dyfedpensionfund.org.uk](http://www.dyfedpensionfund.org.uk)**

## **How will my pension be paid?**

Your annual pension will be paid calendar monthly in arrears, on the last working day of the month. The payment dates can be found on the Dyfed Pension Fund website: [www.dyfedpensionfund.org.uk](http://www.dyfedpensionfund.org.uk)

It will be paid directly into your chosen Bank or Building Society account. The Fund will confirm your payment dates in due course. It is therefore very important that you provide an accurate Sort Code and Account Number when you retire.

Your first pension payment will cover the period from the date of your retirement to the end of that month, or the end of the following month, depending on your retirement date.

Please note that the Dyfed Pension Fund is **unable** to pay your pension directly into a **Post Office Card Account**.

## **How will my lump sum be paid?**

Your lump sum is paid directly into your chosen bank or building society account. You can choose to have your lump sum paid into a different account to that of your pension.

The payment will be made soon after your last day of employment providing you return all the necessary forms and certificates. Please note however, the transfer of an AVC fund from the in-house provider may delay this payment.

Your lump sum payment is tax free, therefore you are strongly advised to seek Independent Financial Advice to ensure that you are fully aware of the options regarding the investment of your lump sum.

### **Please Note**

You can view your pension details online via the **My Pension Online** facility. For more information, please see **page 9**.

## What about the State Pension?

Benefits payable under the LGPS are in addition to any pension paid via the State Scheme. For information on when you can expect to receive your State Pension or to receive a forecast, please contact the Department of Work & Pensions (DWP) on **0800 731 7898** or visit their website:

**[www.gov.uk/browse/working/state-pension](http://www.gov.uk/browse/working/state-pension)**

If you retire before State Pension Age, there will be **NO** deduction from your pension in respect of National Insurance (NI). It is therefore advisable to seek advice from the DWP to assess whether your NI record is sufficient to fund a full State Pension. If not, you may have to make further payments by own arrangement.

As there has been considerable change concerning the State Pension, please be advised to contact the Department for Work & Pensions (DWP) for further information (please see **page 10** for contact details).

## What is the Contracted-out Pension Equivalent (COPE) amount?

This is the estimated minimum pension that the LGPS must pay if you were a member of the scheme before 6th April 2016, as the Scheme up until this date was contracted-out of the additional State Pension (known as the State Second Pension (S2P) or previously known as the State Earnings Related Pension Scheme (SERPS)).

The DWP will include your estimated COPE amount on any State Pension statement that you may receive. However, please note that this estimated amount will be paid as part of your annual pension from the LGPS. **You will NOT receive an additional payment in respect of this amount.** If you have been a member of more than one contracted-out scheme, the estimated COPE amount given by the DWP will represent the total COPE amounts in respect of all those schemes.

For further information, please contact the Dyfed Pension Fund.

## **What is a Guaranteed Minimum Pension (GMP)?**

This forms part of the COPE amount, as it relates to the period of scheme membership between 6 April 1978 and 5 April 1997, with reference to the SERPS entitlement that you would have earned, had you not been a member of the LGPS during this period. Note that this is **NOT** an additional payment, as it is included as part of your annual pension from the LGPS.

On reaching state pension age, any increases on the part of your pension that relates to the GMP before 6 April 1988 will be paid with your State Pension. However, any increases in respect of a GMP from 6 April 1988 are paid as follows:

- the increase up to 3% is paid with your LGPS Pension
- any increase over 3% is paid with your State Pension

For further information, please contact the Dyfed Pension Fund.

## **Will tax be deducted from my pension?**

Your pension from the LGPS is taxable and the Dyfed Pension Fund must operate the tax coding issued by Her Majesty's Revenue & Customs (HMRC). Whether you pay tax when you retire depends on the value of your pension and your personal circumstances.

When you retire, you should receive a copy of your P45. Your Employer must forward the P45 directly to the Dyfed Pension Fund, where the appropriate tax code will be applied against your pension under a special temporary arrangement.

The Fund will then notify the HMRC that you are in receipt of your pension and a new tax code will be issued. If your tax code is not known immediately, a temporary code will be applied until the appropriate code is supplied.

## **Will I receive a payment advice slip every month?**

You will NOT receive a payment advice slip each month unless the value of your net pension varies by **£5.00** or more.

You will receive a payment advice slip when you first retire, but thereafter you will only receive one in April of each year, giving details of any increase in your pension benefit.

If you have registered to **My Pension Online**, you will be able to view this information as and when you wish. For further information please see **page 9**.

## **What if I decide to go and live overseas?**

If you decide to emigrate, your pension will continue to be paid into your current bank / building society account, unless you wish for it to be paid into an overseas account.

Please note that there is a small fee payable for overseas transactions, which relates to currency conversion and transmission of payment.

## **What if my details change?**

If you change your address or bank / building society account details you must notify the Dyfed Pension Fund **in writing** immediately so that your record is updated.

Changes to bank / building society account details should be conveyed before the middle of the month in which you wish the change to apply, otherwise your pension may be paid to your former account. Please note that the bank / building society account must be in your name or in joint names.

To change your address or bank / building society account details please contact the Dyfed Pension Fund to request the appropriate form or update online via the **My Pension Online** facility. Please see **page 9** for further information.

## **Will my pension be revalued during my retirement?**

Local Government Pension Scheme (LGPS) benefits are fully protected against inflation and attract revaluation by way of the Pensions (Increase) Act 1971.

Your pension will therefore be revalued annually each April in line with the appropriate cost of living index.

If you have not registered online, you will receive a statement at the end of April each year showing the revaluation of your pension benefit. Alternatively, you can view these details online via the **My Pension Online** facility (see **page 9** for further details).

## **Will I still receive a P60 each year?**

Each year the Dyfed Pension Fund will supply you with a statement known as a P60. This provides details of your LGPS earnings and the tax paid during the previous year from April to March. You will need to keep this safe as other bodies often ask for it as proof of earnings. This is also available online.

## **What happens to my pension if I become re-employed?**

Where re-employment occurs, the pension will continue unaffected and will not be subject to review unless your pension benefits have come into payment on the grounds of ill health. If this is the case, you must inform the Dyfed Pension Fund immediately in writing, so that the necessary assessment can be made.

The Dyfed Pension Fund reserves the right to reduce or suspend your pension benefit if you retired on the grounds of ill health and subsequently become re-employed.

## **What happens to my pension if I die?**

If you die while receiving your pension, your benefits will no longer be payable. Your spouse, registered civil partner, eligible co-habiting partner, next-of-kin or the person dealing with your Estate must notify the Dyfed Pension Fund immediately of your death, to avoid any overpayment of your pension.

However, a lump sum death grant is payable if you die and you are under the age of 75. The death grant payable is the amount by which the annual pension multiplied by 10 exceeds the pension paid to the date of death (i.e., 10 times the value of the pension less any pension already paid).

You should ensure that you have completed an up-to-date Death Grant Expression of Wish form, so that the Fund may consider your wish when making this payment. To obtain a Death Grant Expression of Wish form, please contact the Dyfed Pension Fund or update your details online via the **My Pension Online** facility. Please see **page 9** for further information.

If you are in receipt of a survivor's pension following the death of your spouse, registered civil partner, eligible co-habiting partner, or as an eligible child, the payment of your pension will cease upon your death.

### **Please Note**

If you became in receipt of another pension benefit from the LGPS on or before the 31 March 2008, the death grant payable is the amount by which the annual pension multiplied by 5 exceeds the pension paid to the date of death (i.e., 5 times the value of the pension less any pension already paid).

If your pension benefits became deferred on or before 31 March 2008 and subsequently came into payment on or after 1 April 2008, the death grant payable in the event of your death as a pensioner member is 5 times the value of the pension less any already paid.

## **Will my Survivor's receive anything after my death?**

As well as a possible death grant, a survivor's pension is also payable to your spouse, registered civil partner or eligible co-habiting partner. The survivor's pension is then payable for their lifetime.

A survivor's pension is based on 1/160th of your pension build up. However, if you are co-habiting with an eligible partner, the survivor's pension is based on the membership you have built from 6 April 1988, unless you have paid additional contributions to reinstate any period of membership before this date.

**For further information on the payment of a survivor's pension to your eligible co-habiting partner, please contact the Dyfed Pension Fund.**

Your eligible child / children may also be entitled to a survivor's pension, provided they are under the age of 18, or if in full time continuous education or undertaking vocational training, under the age of 23.

If you have a child that is physically or mentally incapacitated, special consideration may be given, and the pension may be paid for as long as the disability continues.

For further information please contact the Dyfed Pension Fund.

## **The Internal Dispute Resolution Procedure (IDRP)**

If you have a complaint or a dispute, either against the Dyfed Pension Fund or your former employer in relation to the payment of your pension benefits, or concerning any other matter connected to your LGPS benefits, there is a provision for its resolution known as the Internal Dispute Resolution Procedure (IDRP).

For further information or to obtain an application form, please contact the Dyfed Pension Fund.

## **Your Pension Online**

The Dyfed Pension Fund has developed its service by introducing a facility known as **My Pension Online**.

This is an internet-based application which will enable you to securely access your own pension information online via the Dyfed Pension Fund website.

By login into **My Pension Online**, you will be able to:

- update your personal details, such as your bank account details and home address
- view your pension details and monitor your payments
- access your payment dates
- view your payment advice slips, P60 history and the annual increase to your pension
- project the value of your death benefits

### **How do I register?**

If you wish to register for **My Pension Online**, please contact the Dyfed Pension Fund:

Email: [pensions@carmarthenshire.gov.uk](mailto:pensions@carmarthenshire.gov.uk)

## **Useful Contacts**

### **State Pension Enquiries**

If you have any queries concerning your State Pension, please contact the Department for Work & Pensions (DWP):

Tel: **0800 731 7898**

Website: **[www.gov.uk/browse/working/state-pension](http://www.gov.uk/browse/working/state-pension)**

### **The Pensions Tracing Service**

If you've lost details about a pension scheme and need help contacting the provider, the Pension Tracing Service may be able to help. The service has access to over 200,000 schemes and is free of charge. To find out more please contact:

Tel: **0800 731 0193**

Website: **[www.gov.uk/find-pension-contact-details](http://www.gov.uk/find-pension-contact-details)**

### **Income Tax Enquiries**

If you have any question about your tax you should contact the tax office, quoting your National Insurance number and the Dyfed Pension Fund reference number: **615/D6065C**.

Tel: **0300 200 3300**

Website: **[www.hmrc.gov.uk](http://www.hmrc.gov.uk)**

## **Data Protection**

Carmarthenshire County Council is the administering authority of the Dyfed Pension Fund and we use your personal data in accordance with Data Protection legislation to provide you with pension administration service. For more information about how we use your data, who we share it with and what rights you have in relation to your information, please visit the Privacy Notice on the Pension Fund website: **[www.dyfedpensionfund.org.uk](http://www.dyfedpensionfund.org.uk)**

## **National Fraud Initiative**

Please note that as a pensioner, key payroll data may be provided to bodies responsible for auditing and administering public funds for the purpose of preventing and detecting fraud. For more details, please refer to the Wales Audit Office website: **[www.wao.gov.uk](http://www.wao.gov.uk)** or contact Martin Morgan, Deputy Pensions Manager by telephoning 01267 224 452 or via email on [MMorgan@carmarthenshire.gov.uk](mailto:MMorgan@carmarthenshire.gov.uk). Alternatively, you can write to the Dyfed Pension Fund, Building 2, St. David's Park, Carmarthen, SA31 3HB.