



Annual Benefit Statement Notes of Guidance (2025)

August 2025

Contents

Introduction

Section 1

Personal Details

Date Joined LGPS in this Employment

Section of the LGPS as at 31/03/2025

Section 2

CARE Pensionable Pay as at 31/03/2025

Section 3

Value of any Scheme Debits as at 31/03/2025

Section 4

Annual Allowance (AA) as at 05/04/2025

Am I likely to be affected by the Annual Allowance?

How is the Annual Allowance calculated?

What is meant by the term Carry Forward?

Changes to the Annual Allowance (AA) Annual

Allowance 'Flexible Benefit' access How

would I pay an AA tax charge?

Will I be affected?

Section 4

Summary of Total Value of LGPS Benefits as at 31/03/2025

Section 5

Death in Service Benefits as at 31/03/2025

Lump Sum Death Grant

Section 6

Projection of LGPS Benefits to your NPA

Revaluation to your CARE Pension Account

Frequently Asked Questions

When do I qualify for scheme benefits?

Does my statement take account of any early retirement reduction?

Does my statement include a late retirement increase?

What if I contribute to the LGPS under another employment?

What if I also have a deferred benefit under the LGPS?

Can I pay more to increase my benefits?

Why is my Annual Allowance (Pension Input Amount) shown as 'zero'?

What happens if I am unable to work because of an illness?

How will the McCloud Judgement affect the LGPS?

Where can I get guidance about my Pension?

Data Protection

Introduction

This booklet has been designed to supplement your Local Government Pension Scheme (LGPS) **Annual Benefit Statement (ABS) 2025**, which has been published to your **My Pension Online (MPO)** account. It contains the necessary notes of guidance to explain the various sections of the statement. It has been prepared in accordance with the requirements of the Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 2013 and the relevant Scheme regulations. These notes cannot cover every personal circumstance and in the event of any dispute over your statement, the appropriate legislation will prevail. They do **NOT** confer any contractual or statutory rights and are provided for information purposes only. **Please refer to these notes whilst carefully reading your statement.**

Section 1

Personal Details

Please check that the details shown are correct. If not, please email [**pensions@carmarthenshire.gov.uk**](mailto:pensions@carmarthenshire.gov.uk) to report any inaccuracies.

Date Joined LGPS in this Employment

Please check that the date shown is correct. Note that this is the date that you have joined the Scheme. If incorrect, please email [**pensions@carmarthenshire.gov.uk**](mailto:pensions@carmarthenshire.gov.uk) to report any inaccuracies.

Section of the LGPS as at 31/03/2025

There are two Sections to the LGPS 2014. Your section is shown here. Most members contribute to the **Main** section and build **full benefits**, but you have

the option to reduce your contribution rate to 50% to then build up half the level of CARE pension during this period. However, full ill health and death cover is maintained whilst contributing to the 50/50 section.

If you have elected to do so, you will contribute to the **50/50** section of the scheme and as a result, your CARE pension will have been calculated as 1/98th of your CARE pensionable pay for this period (as opposed to the higher 1/49th of your CARE pensionable pay if in the Main section). If in the 50/50 section as at 31 March 2025, the projection to your Normal Pension Age (NPA), as shown under **Section 7**, has been calculated at 1/98th.

Your Employer will re-enrol you into the Main section of the scheme on their re-enrolment date, providing you have not re-joined the Main section in the meantime. Your Employer's re-enrolment date is the third anniversary of their staging date under Automatic Enrolment.

Section 2

CARE Pensionable Pay as at 31/03/2025

Please note that **YOU MUST CHECK** your CARE Pensionable Pay is correct, otherwise your CARE benefits may have been calculated incorrectly. If you believe your CARE Pensionable Pay to be incorrect, please email [**pensions@carmarthenshire.gov.uk**](mailto:pensions@carmarthenshire.gov.uk) to raise your enquiry. **Note that you will lose the right of appeal should you fail to identify any inaccuracy within 6 years.**

Your Career Average Revalued Earnings (CARE) benefits are based on the **actual pensionable pay** that you have received during the Scheme Year (from 1 April to 31 March), referred to as your **CARE Pensionable Pay**. Under the 2014 Scheme definition of pay, all overtime and additional hours are included in your CARE Pensionable Pay.

If you have received reduced or nil pay during the scheme year, due to sickness / injury, child-related leave or reserve forces service leave, your pay will have been based on your Assumed Pensionable Pay (APP), which is an average of the pensionable pay received during the **3 complete months** (or 12-week period if weekly paid) before you entered the reduced / nil pay period.

To calculate your CARE pension against the appropriate rate (the higher 1/49th if in the Main section and lower 1/98th if in the 50/50 section), your CARE Pensionable Pay has been proportionately split (Main Section and / or 50/50 Section) if you have contributed to both **sections** of the scheme during the Scheme Year.

Section 3

Value of any Scheme Debits as at 31/03/2025

This section shows the value of any Scheme Debits (as at 31 March 2025) to your annual pension, automatic lump sum (if relevant) and survivor's pensions.

If a Pension Sharing Order (PSO) from a divorce or dissolution of a civil partnership, or a Scheme Pays debit as a result of an Annual Allowance breach, has been imposed on your pension benefits, the total value of LGPS benefits as at 31 March 2025 (Section 5) will have been **reduced** by the values shown under this section. If a PSO debit is shown, your projection of LGPS benefits to your Normal Pension Age (NPA) (Section 7) will then have been **reduced** by the value of the debit, as increased in line with guidance published by the Government Actuary's Department (GAD).

Please note that a debit because of a PSO will be revalued each April in line with HM Treasury Revaluation Orders. Currently, the rate of revaluation is the Consumer Price Index (CPI) figure published in the preceding October for the September. Any annual allowance Scheme Pays debit is revalued at the point of retirement, but **NO** assumptions have been made for future revaluation to your NPA.

Section 4

Annual Allowance (AA) as at 05/04/2025

The Annual Allowance (AA) is the maximum amount that your pension benefits can increase during the period from 1 April to 31 March without incurring an excess tax charge. The limit for 2024/2025 financial year is **£60,000**. Should your **Pension Input Amount (PIA)** exceed this value, an excess tax charge may be levied.

However, any carry forward from the previous **3 years** can be used to offset this increase. You should also consider any other pension benefit that you may have when assessing your PIA, including any Additional Voluntary Contributions (AVC).

Please note that any in-house AVC that you have paid from 1 April to 31 March **HAS** been included when calculating the AA you have used up to **5 April 2025** on your LGPS benefits. Benefits arising from added years, transfers received in a previous pension input period (PIP) and pension debits ordered in a previous PIP are also included. If you believe that you are going to be affected by the AA limit, please contact the Pension Fund.

Am I likely to be affected by the Annual Allowance?

Most people will not be affected by the AA tax charge because the value of their pension saving will not increase in a year by more than £60,000, or, if it does, they are likely to have carry forward from previous years. You are most likely to be affected if:

- you have a lot of scheme membership and you receive a significant pay increase, and/or;
- you pay a high level of additional contributions, and/or;
- you are a higher earner, and/or;
- you transfer pension rights into the LGPS from a previous public sector pension scheme under the preferential club transfer rules and your salary

- (full time equivalent) upon joining the LGPS is somewhat higher than the salary you earned when you left the previous scheme, and/or;
- you combine a previous LGPS pension benefit that was built up in the final salary section of the LGPS with your current pension account and your salary (full time equivalent) has increased significantly since leaving and rejoining the scheme, and/or;
 - you have accessed flexible benefits on or after 6 April 2015.

How is the Annual Allowance calculated?

The increase in the value of your pension savings in the LGPS in a year is calculated by working out the value of your benefits immediately before the start of the PIP, increasing the value by inflation and then comparing it with the value of your benefits at the end of the PIP. The PIP is the period over which your pension growth is measured. (From 6 April 2016, PIPs for all pension schemes were aligned with the tax year - 6 April to 5 April. Prior to the 2016/17 the PIP for the LGPS was 1 April to 31 March, except for 2015/16, where special transitional rules apply).

Your Pension Input Amount (PIA) is then calculated by multiplying the amount of your LGPS annual pension by 16 and adding any lump sum you are automatically entitled to, plus any AVCs you have paid during the year.

PLEASE NOTE that your PIA as at 5 April 2025 has been calculated with reference to your pensionable pay as at 31 March 2025.

If the difference in the value of pension benefits at the end of the PIP less the value of your pension benefits immediately before the start of PIP (adjusted for inflation) i.e., the PIA, is more than the AA limit then you may be liable to pay a tax charge. It is important to note that the assessment for the AA covers any pension benefits you may have where you have been an active member during the year, not just benefits in the LGPS.

For example, if the increase in the value of your LGPS benefits was calculated as £50,000 in 2024/25 when the AA limit was £60,000, but you also had an

increase in the value of other pension benefits of £15,000 in the same year, that would mean you had a total increase in pension benefits of £65,000.

If you did not have any carry forward, you would be liable for a tax charge for the amount you exceeded the AA limit by, even though at face value you did not breach your AA limit in either scheme.

What is meant by the term Carry Forward?

You would only be subject to an AA tax charge if the value of your total pension savings for a year increase by more than the AA limit for that year. However, a 3 year carry forward rule allows you to carry forward unused AA from the previous three years. This means that even if the value of your pension savings increase by more than the AA limit in a year you may not be liable to the AA tax charge.

For example, if the value of your pension savings in 2024/25 increased by £70,000 (i.e., by £10,000 more than the AA limit) but in the 3 previous years had increased by £25,000, £28,000, and £30,000, then the amount by which each of these previous years fell short of the AA limit for those 3 years would more than offset the £10,000 excess pension saving in the current year. There would be no AA tax charge to pay in this case. To carry forward unused AA from an earlier year you must have been a member of a tax registered pension scheme in that year.

Changes to the Annual Allowance (AA)

The Finance (No 2) Act 2015 introduced two important changes to the AA with effect from 6 April 2016.

1. An annual allowance taper for high earners from 6 April 2016.
2. To adjust the PIP during 2015/16 so that it becomes aligned with the tax year from 6 April 2016.

From the tax year 2016/17, the AA was tapered for members who had a 'Threshold Income' of more than £110,000, and 'Adjusted Income' of more

than £150,000. For every £2 that your Adjusted Income exceeded £150,000, the AA limit was tapered down by £1 (to a minimum of £10,000). However, these limits have changed from 6 April 2020. The Threshold Income is now £200,000 and the Adjusted Income is £240,000, with the minimum AA being £4,000.

Threshold income can be broadly defined as your taxable income after the deduction of your pension contributions (including AVCs deducted under the net pay arrangement). Threshold income also includes all sources of income that are taxable e.g., property income, savings income, dividend income, pension income, social security income (where taxable), state pension income etc. Whereas your adjusted income will be your threshold income plus pensions savings built up over the tax year. However, please note that you are not allowed to deduct from taxable income any amount of employment income given up for pension provision because of any salary sacrifice made on or after 9 July 2015.

The PIP is the period over which your pension growth is measured. Up until 2014/15, the PIP in the LGPS ran from 1 April to 31 March and special transitional rules applied for 2015/16. From 6 April 2016, PIPs for all pension schemes will be aligned with the tax year (6 April to 5 April).

For further information on how this ‘taper’ will work, please contact the Pension Fund.

Annual Allowance ‘Flexible Benefit’ access

If you have any benefits in a money purchase (defined contribution) pension arrangement which you have flexibly accessed on or after 6 April 2015 then the Money Purchase Annual Allowance (MPAA) rules may apply. However, the MPAA will only apply if your total contributions to a money purchase arrangement in a PIP exceed £4,000.

Generally, if your contributions to a money purchase scheme exceed £4,000 your defined benefit pension (LGPS) savings will be tested against a reduced AA of **£36,000** and you will pay a tax charge in respect of your money purchase saving more than £4,000.

If you access flexible benefits, you will be provided with a flexible access statement; you should provide the Pension Fund with a copy of this statement.

Flexible access means taking a cash amount over the tax-free lump sum from a flexi-access drawdown account, taking an uncrystallised funds pension lump sum (UFPLS), purchasing a flexible annuity, taking a scheme pension from a defined contribution scheme with fewer than 12 pensioner members or taking a stand-alone lump sum if you have primary but not enhanced protection.

How would I pay an AA tax charge?

If you exceed the AA limit in any year you are responsible for reporting this to HMRC on your self-assessment tax return.

The Pension Fund is obliged to notify you if your LGPS benefits (plus the amount of any Additional Voluntary Contributions (AVCs) you may have paid) exceed the AA limit in a year by no later than 6 October of the following tax year.

If your pension savings in the LGPS alone have increased in the year by more than the AA limit, you may be able to opt for the LGPS to pay some or all of the tax charge on your behalf. The tax charge would then be recovered from your pension benefits.

If you want the LGPS to pay some or all of an AA tax charge on your behalf, you must notify the Pension Fund no later than 31 July in the year following the end of the year to which the AA charge relates. However, if you are retiring (and draw all of your benefits from the LGPS) and you want the LGPS to pay some or all of the tax charge on your behalf from your benefits, you must tell the Fund before you become entitled to those benefits.

Will I be affected?

If you think you are affected by the AA, further information is available on the Government's website:

<https://www.gov.uk/tax-on-your-private-pension/annual-allowance>

Please note that the AA information within these notes of guidance booklet provide an overview of the AA rules. This information should **NOT** be treated as a complete and authoritative statement of the law. The rules governing AA can be complex and are subject to change. If you are unsure how to proceed, you are advised to obtain Independent Financial Advice.

For help in choosing an Independent Financial Advisor, please visit the **MoneyHelper** service: **www.moneyhelper.org.uk**

Section 5

Summary of Total Value of LGPS Benefits as at 31/03/2025

If you became a member of the LGPS on or before 31 March 2014, the total value of your benefits as at 31 March 2025 will be made up of your **CARE benefits (A)** (for membership from 1 April 2014) and your **Final Salary benefits (B)** (for membership to 31 March 2014). **(C) The McCloud Underpin** if applicable, please find more information on this in the notes.

Option 1; your **Standard Benefits**, consists of the total combined value of your annual pension **(A + B + C)** and any automatic tax-free lump sum entitlement you may have in respect of your final salary membership to 31 March 2008.

Option 2; your **Maximum Lump Sum** as at 31 March 2025 shows your maximum tax-free lump sum and remaining annual pension.

When you retire, you will have the option to convert some of your annual pension to gain tax-free cash, which is in addition to any automatic lump sum entitlement you may have. For every £1 of pension, you give up, you will receive £12 of tax-free cash in return, subject to a Capital Value limit set by Her Majesty's Revenue & Customs (HMRC). Please note that the maximum lump sum shown does **NOT** include your in-house AVC fund (if applicable). A statement showing your AVC fund value as at 31 March 2025 is issued separately by your chosen in-house provider.

A) Value of CARE Pension Account as at 31 March 2025

The **CARE pension** credited to your pension account for the Scheme Year from 1 April 2024 to 31 March 2025 has been based on your CARE pensionable pay (as explained under **Section 2**) and the appropriate rate of pension build up, calculated as follows.

Main Section:

1/49th x CARE pensionable pay received whilst contributing to the Main Section of the Scheme during the period from 1/4/2024 to 31/3/2025.

50/50 Section:

1/98th x CARE pensionable pay received whilst contributing to the 50/50 Section of the Scheme during the period from 1/4/2024 to 31/3/2025.

Any additional pension that you may have purchased during the Scheme Year under an Additional Pension Contribution (APC) or Shared-Cost APC arrangement has also been included in your CARE Pension as at 31 March 2025, as has any additional pension purchased from a transfer of previous pension rights into the LGPS. Your CARE Pension Account will be revalued on **1 April 2025** and every April thereafter in line with HM Treasury Revaluation Orders, so that its value keeps pace with the cost of living.

B) Value of Final Salary Benefits as at 31 March 2025

If you became a member of the LGPS on or before 31 March 2014, your Final Salary benefits are based on your membership to 31 March 2014 (inclusive of any membership awarded from a transfer of previous pension rights into the LGPS and any 'added years' of membership purchased) and your **Final Salary Pay** shown under **Section 4**, which is your full time equivalent pay as at 31 March 2025 under the 2008 Scheme definition of pay (excluding noncontractual overtime and ignoring any reduction in pay due to sickness / injury, child-related leave or reserve forces service leave).

Your membership as at 31 March 2014 is measured in Years and Days and is only applicable to the calculation of your **Final Salary benefits**. The figure shown has been calculated in accordance with your working hours to this date, and if part time, your membership has been proportioned according to your part time working hours. Please note, if you are or have been employed on a casual basis, the benefits shown on the statement may not be an accurate reflection of the benefits paid at retirement. This is because, at your date of leaving, the average of the total number of hours that you have worked during each year to 31 March 2014 will be confirmed by your Employer, and your membership will be proportioned accordingly.

Any break in your membership to 31 March 2014 will **NOT** count towards the calculation of your Final Salary benefits. If contributing to an Additional Regular Contribution (ARC) contract, the proportionate amount of additional pension purchased as at 31 March 2025 has been added to the annual pension shown.

The value of your final salary benefits as at 31 March 2025 are calculated as follows.

Annual Pension:

- $\frac{1}{80\text{th}}$ x membership to 31/03/2008 x Final Salary pay; PLUS
- $\frac{1}{60\text{th}}$ x membership from 01/04/2008 to 31/03/2014 x Final Salary pay.

Automatic tax-free Lump Sum:

- $\frac{3}{80\text{th}}$ x membership to 31/03/2008 x Final Salary pay.

- **NO** automatic tax-free lump sum payable from 01/04/2008.

If you joined the LGPS on or after 1 April 2014, the Final Salary Benefits on your statement has been intentionally left blank.

(C) The McCloud Underpin if applicable, please find more information on this in the notes.

Estimated Final Guarantee Amount

If Your pension is protected by the underpin under the McCloud remedy and your estimated final guarantee amount is more than £0 it is included in the annual pension figure and is shown in the statement. This figure has been included in the calculations under sections 4 and 6 of your Annual Benefit Statement.

If your estimated final guarantee amount has been calculated as £0, this is because your career average pension has increased by more than the pension you would have built up if you had remained in the final salary scheme.

This estimated figure is calculated and assessed each year and may vary from one year to the next. When you retire, we will accurately calculate a Final Guarantee Amount and include it in your pension if it is applicable

Some members will have been informed that our records indicate you are not currently eligible for final salary pension protection under the McCloud Remedy. You may be eligible for the McCloud Remedy protection if the following are true:

- You were a member of a Public Service Pension Scheme on or before 31 April 2012,
- have continued to be a member of a Public Service Pension Scheme
- and have a gap of no more than 5 years between leaving another Public Service Pension Scheme and joining the Local Government Pension Scheme.

In order for us to update your records to reflect your eligibility for the protection, you will need to provide evidence of your other Public Service Scheme membership. Please inform us by completing the following form: <https://www.dyfedpensionfund.org.uk/media/x3ddrsk1/previous-lgps-public-sector-pensions-1.pdf>

Section 6

Death in Service Benefits as at 31/03/2025

Lump Sum Death Grant

In the event of your death as an active member, a tax-free lump sum death grant of **three times** your Assumed Pensionable Pay (APP) (an average of the pensionable pay received during the 3 complete months or 12-week period if weekly paid, before your date of death) may become payable to your proposed beneficiaries.

Please review or make your **death grant expression of wish** by referring the **Death Grant Nomination Details** section of your My Pension Online (MPO) account. If you have **NOT** made an Expression of Wish, the payment of the lump sum death grant may be delayed. Please note that the administering authority holds absolute discretion as to whom this payment is to be made.

If you also have a **deferred pension, suspended Tier 3 ill health pension or a pension in payment from an earlier period of LGPS membership in England or Wales**, the lump sum death grant payable if you were to die as an active member is the greater of that in respect of your active period of membership (as shown) **OR** the lump sum death grant due from any of your earlier benefits. If your active lump sum death grant is greater, no lump sum death grant will be payable in respect of the earlier benefits. However, if the lump sum death grant from one of the earlier benefits is greater, **NO** lump sum death grant will be paid in respect of your current period of membership.

Please Note

A lump sum death grant is **NOT** automatically payable to your next of kin. The Lump Sum Death Grant and Annual Survivor Pension are **two separate benefits**.

In addition to the payment of a lump sum death grant, an **Annual Survivor Pension** is payable automatically to your spouse / registered civil partner or subject to certain qualifying conditions, to your eligible co-habiting partner, which is then payable for their lifetime. Co-habiting means that you are **NOT** married or in a registered civil partnership. Previously you were required to nominate a co-habiting partner to receive a survivor's pension, but this is no longer necessary from 1 April 2014.

For an annual survivor pension to become payable to your **eligible co-habiting partner** ALL the following conditions must have applied for a continuous period of at least **2 years** before your death:

- Both free to marry or enter a civil partnership with each other.
- You must have been living together as if you were husband and wife or civil partners
- Neither of you have been living with someone else as if you / they were husband and wife or civil partner.
- You are financially dependent or interdependent on each other.

A survivor's pension may also become payable to an eligible child, providing they are your child, or an adopted child, a stepchild or a child accepted as a member of the family. A child's pension will be paid until at least age 18, or thereafter if in full time continuous education or undertaking an approved training course for at least 2 years, until a maximum age of 23. Special consideration is given if the child since before age 18, is physically or mentally disabled. If so, a child's pension is payable for as long as the disability continues.

The annual survivor pension has been based on the Final Salary survivor benefits accrued to 31 March 2014 (if applicable), inclusive of any 'added years' of membership being purchased or from any Additional Regular Contributions (ARC) being made that include a survivor's benefit, and the survivor benefits due under the CARE scheme from 1 April 2014 (if you remain

an active member until your NPA and that your CARE pensionable pay remains constant until then).

The **Annual Survivor Pension** will include the **CARE enhancement**:

- APP x 1/160th x membership from 1 April 2014 to your NPA.

The survivor benefits payable to your surviving spouse or civil partner is based on your entire period of scheme membership; however, the survivor benefits payable to:

- an eligible co-habiting partner will **NOT** include any pre-6 April 1988 membership (unless you have elected prior to 1 April 2014 to pay for some or all of that membership to count).
- widow of a post leaving marriage will **NOT** include any pre 6 April 1978 membership.
- a widower of a post leaving marriage, a survivor of a same sex post leaving marriage or a civil partner of a post leaving civil partnership will **NOT** include any pre 6 April 1988 membership.

Section 7

Projection of LGPS Benefits to your NPA

Your Normal Pension Age (NPA) shown under this section is linked to your **State Pension Age (SPA)** and may therefore change in the future. However, you can retire voluntarily from age 55, but your benefits may be reduced if paid before your NPA. **This is NOT reflected in your statement.** You can remain in the scheme until 2 days before your 75th birthday, but your benefits must be paid before age 75. If you were over your NPA as at 31 March 2025, **the late retirement increase has been included in your statement.**

The projection to your NPA has been based on your CARE Pensionable Pay and Final Salary Pay as at **31 March 2025** (if applicable) and does **NOT** provide for any future changes in your pensionable pay. It has been assumed that you will

continue to contribute to the same section of the LGPS until your NPA and that your CARE Pensionable Pay / Final Salary Pay will remain constant.

(Note that when you leave, your pre 2014 Final Salary benefits will be based on your full-time equivalent pay at that time, under the 2008 Scheme definition of pay, which does **NOT** include non-contractual overtime or additional hours).

This section shows your **Projected Standard Benefits**, shown as **Option 1**, and **Option 2** shows your **Projected Maximum Lump Sum**. Your projected Standard Benefits is the total of your projected CARE Annual Pension and your projected Final Salary pension **(C)**.

If you became a member on or before 31 March 2014, an increase has been added to your Standard Benefits to reflect the difference between your old 2008 Scheme NPA and your current 2014 Scheme NPA (if different). This increase has been based on factors provided by the Government Actuary's Department (GAD), **which may change in the future**.

If contributing towards an APC / SCAPC or 'added years' / ARC arrangement, the full value of your contract has been included in your projection.

To show a projected annual survivor pension (D) under this section, your partnership status has been assumed as **Married / in a Civil Partnership**. If **Single**, an annual survivor pension will **NOT** become payable in the event of your death.

Your **Projected Annual Survivor Pension (D)** has been based on the Final Salary survivor benefits accrued to 31 March 2014 (if applicable) and the survivor benefits due under the CARE scheme from 1 April 2014, if you remain to be an active member until your NPA.

The annual survivor pension payable to your surviving spouse or civil partner is based on all your scheme membership, however, the pension payable to an **Eligible Co-habiting Partner** would **NOT** include any pre-6 April 1988 membership (unless you have made an election prior to 1 April 2014 to buy back some or all of your membership, so that it counts towards this calculation).

Revaluation to your CARE Pension Account

In accordance with HM Treasury Revaluation Orders, a revaluation of **6.7%** has been applied to your CARE pension account as at **1 April 2024**. This was the Consumer Price Index (CPI) figure published in October 2023 in respect of September 2023. However, please note that **NO** assumption has been made for inflation under HM Treasury Revaluation Orders for future build up in respect of your CARE benefits.

Frequently Asked Questions

When do I qualify for scheme benefits?

If you joined the LGPS on or after 1 April 2014, with no earlier period of LGPS membership in England or Wales and having not transferred any previous pension rights into the LGPS, you **MUST** attain 2 years scheme membership to qualify for benefits. The projections made on your statement therefore assume that you will **continue to contribute to the LGPS until your NPA**.

Does my statement take account of any early retirement reduction?

If you were over age 55 as at 31 March 2025, your benefits do **NOT** include any early retirement reduction applicable if you were to retire before your NPA.

Does my statement include a late retirement increase?

If you have gone past your NPA as at 31 March 2025, the total value of your benefits as at 31 March 2025 includes any late retirement increase due in accordance with **current** actuarial factors, which may change in the future. Also, **Section 6** i.e., a projection to your NPA, has been intentionally left blank.

What if I contribute to the LGPS under another employment?

You will receive a separate statement in respect of each of your pensionable employments.

What if I also have a deferred benefit under the LGPS?

You will receive a separate statement for any deferred benefit you may have from an earlier period of LGPS membership.

Can I pay more to increase my benefits?

There are two in-house options available to you. You can either make Additional Voluntary Contributions (AVC) or you can elect to purchase additional pension by making Additional Pension Contributions (APC). For further information, please contact the Pension Fund.

Why is my Annual Allowance (Pension Input Amount) shown as 'zero'?

When assessed in line with HMRC regulations, the increase in the value of your benefits as at 5 April 2024 (as revalued in line with the appropriate cost of living index) is greater than the calculation undertaken as at 5 April 2025.

What happens if I am unable to work because of an illness?

If you have been absent from work because of an illness and you have received reduced or nil pay as a result, there will be **NO** affect to your pension build up. If your employment is then terminated on the grounds of permanent ill health, your retirement benefits will become payable immediately at an unreduced rate upon certification from an Independent Registered Medical Practitioner (IRMP) appointed by either your Employer or the Pension Fund. For further information on the ill health process, please contact your **Employer**.

How will the McCloud Judgement affect the LGPS?

When public service pension schemes changed from final salary schemes to career average schemes in 2014 and 2015, older members were protected from the changes.

In 2018, the Courts found that younger members had been discriminated against because the protection did not apply to them. Changes made to the LGPS from 1 October 2023 removes the discrimination found in the court case. These changes are called the McCloud remedy.

Not all LGPS members are affected by the changes. You can find more information on the national LGPS website, including a short video. Please visit www.lgpsmember.org/mccloud-remedy/

If you are affected, you do not need to write into the pension fund or make any decisions. If you are contacted by a third-party organisation selling a service to help you claim additional pension, you should not engage with them.

As a member of the LGPS, you do not need to take any action to claim your protection under the McCloud remedy. If you qualify, the Pension Fund will automatically apply the protection when you take your LGPS pension

Where can I get guidance about my Pension?

Further information about the LGPS can be found on the Fund's website but the Pension Fund is unable to provide you with any financial advice. However, you can refer to the new **MoneyHelper** service, which has recently been established by the Money and Pensions Service (MaPS). The MoneyHelper service has now taken over from the Money Advice Service, The Pensions Advisory Service and Pension Wise.

For more information about the MoneyHelper service, please visit their website: **www.moneyhelper.org.uk**

Data Protection

Carmarthenshire County Council, as the administering authority of the Local Government Pension Scheme (LGPS) for the Dyfed Pension Fund and administrator of the Police and Firefighters' Pension Schemes, is a data controller under the General Data Protection Regulations.

This means we store, hold and manage your personal information in line with Government requirements to help us manage your pension rights. To do this, we sometimes must share your information with certain people or organisations but will only do so in limited circumstances.

For more information about how we hold your information, who we share it with and what rights you must request information from us, please visit the Privacy Notice on the Pension Fund website: **www.dyfedpensionfund.org.uk**