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Are you having difficulty contacting the Fund?



Immediately following the issue of deferred benefits statements, we receive a significantly increased volume of telephone calls. We have a number of lines available to take your calls, but if you cannot get through first time, please try again later. You can also contact us in a number of other ways which are shown at the bottom of the page.

Data protection

To protect any personal information held on computer, Wolverhampton City Council is registered under the Data Protection Act 1998. This allows members to check that their details held are accurate.

The Fund may, if it chooses, pass certain details to a third party, if the third party is carrying out an administrative function of the Fund – for example, the Fund's AVC provider. Members who wish to apply to access their data on Data Protection Act grounds should contact the Council's Data Protection Officer on (01902) 554498, or via e-mail at dataprotection@wolverhampton.gov.uk. This authority is under a duty to protect the public funds it administers, and to this end, may use information for the prevention and detection of fraud. It may also share this information with other bodies administering public funds solely for these purposes.

Spouses' benefits

Some members have contacted us to say that the spouses' benefit that we have shown on the statement does not reflect their marital status despite being informed of this previously.

You may have written to inform us of a change in your marital status and your records will have been updated to reflect this, but the details on this statement may not. This is because of the period of time that may elapse between you leaving the LGPS and your benefits coming into payment. Circumstances do, and can, change several times in this period. Rest assured that we will revise the marital status that we hold, as and when your benefits come into payment. In calculating a transfer out, your benefits will be calculated using the marital status at the relevant date of transfer.

Civil partnerships

The Civil Partnership Act came into force on 5 December 2005 allowing same sex couples to gain legal recognition for their relationship, affording the same benefits as married couples. If you want to know more, contact the Fund.

Contact details

Write to us at:
West Midlands Pension Fund
PO Box 3948
Wolverhampton
WV1 1XP

Telephone our Helpdesk on:
0300 111 1665

Fax us on:
0845 230 1565

Minicom/Typetalk:
01902 554607

Visit our website at: wmpfonline.com
Email us on:
PensionFundEnquiries@wolverhampton.gov.uk

Send us a text on:
Text WMPF + your message to 60066.
Standard short code network charges apply.

Lines are open during the following times:
8:30am to 5.00pm Monday-Thursday
8:30am to 4.30pm Friday

Calls may be monitored for training purposes

Braille, community languages and large print

Information produced by the Fund can be made available in several formats including large sight text, Braille and several community languages. If you have any special requirements or would like to speak face to face with a member of staff, please contact us to arrange how we may best meet your needs.

Please remember that special requirements may take a little longer than normal to organise, but you have our assurance that we will do our best to ensure you receive the information in the most appropriate and efficient manner possible.

Rejoining the LGPS



If you rejoin the LGPS, with a different Fund, you should inform your new employer about your deferred benefits.

Your Deferred Benefits Statement 2008

WEST MIDLANDS



PENSION FUND



Although the changes mentioned in last year's statement have now come into effect, if you left the LGPS prior to the 31 March 2008, your benefits will remain unaltered and will be 'banked' in their current form.

As you may be aware, Mike Woodall has now retired from the Fund. As Director of Pensions, I will be overseeing the daily management of the Fund going forward. In this, the first annual statement since the introduction of the latest regulations, we look at the benefits built up to date and the changes introduced from 1 April 2008.

These changes are, in the majority, only applicable to existing contributors of the Local Government Pension Scheme (LGPS), we are required under disclosure of information requirements to make you aware of the changes to the Scheme rules. As there has been a significant update to our understanding of the changes, we have repeated details of the changes for your reference.

As a deferred member of the LGPS, your benefits will remain unaltered. However, if you rejoin the LGPS at a later date (or have already rejoined, but elected to retain your benefits in respect of the membership shown on the enclosed statement separately), the scale of benefits that will build up in any new period of LGPS membership may differ to that previously attained. This is because current LGPS members

now accrue benefits on a 1/60th basis. At some point in the future, should you wish to transfer your accrued benefits into future LGPS employment and you commenced this after 1 April 2008, you should seek further clarification from the Fund to which you belong at that point.

If you do not re-enter the LGPS and simply leave your benefits within the LGPS as they are currently, then the benefits will remain unaltered but will continue to attract pension increases in line with the appropriate legislation.

As previously mentioned, details of the intended changes are enclosed. However, these will not affect the value of benefits that you have already built up within the LGPS as a deferred member.

You'll notice that we have included some information in respect of service attained after 1 April, pensions for nominated cohabiting partners – for example, this is because we get many requests for information from deferred members who have rejoined the LGPS at a later date, although the new Fund will presumably also be covering these issues we have provided some information where relevant.

As with any important document, we would suggest that you check the details we hold for you. If they do appear to be incorrect, please use the enclosed update form to tell us of any changes that may be required. You can also use this to tell us of any 'changes of name' that we may be unaware of – remember to include the relevant original certificates when sending the form to us (certificates will be returned immediately after registration in our records).

As in previous years, we have included details in connection with combined benefits statements. It is the Fund's intention to issue combined benefits statements, including details of your state pension, at some point in the future. As in previous years, you have the ability to opt out of this facility by completing the relevant section on the update form.

Brian Bailey
Director for Pensions
West Midlands Pension Fund

IMPORTANT This statement contains personal information – KEEP IT SAFE!

In view of the length of time which may elapse before your deferred benefits are brought into payment, you should notify us of any change of address or marital status.

Deferred Benefits Statement (as at 7 April 2008)

This statement is an illustration of the value of your benefits. It should not be relied upon without establishing the accuracy of the information contained therein.

If any of the information we hold for you on our records is incorrect, please let us know by completing the enclosed update form.

Date of issue:

Pension reference number:
Please quote in any correspondence.

Date of birth:
This is the date shown on our records.

National Insurance number:
This is the number shown on our records.

Nomination form received
(in respect of death grant payable):

Current value of deferred benefits

Deferred benefits are increased each year to protect their value as prices rise. The figures shown below take into account all increases awarded up to and including 7 April 2008.

	Value of benefits at date of leaving (£)	Value of increases (£) In some cases of early payment, increases are only payable from age 55	Current value of benefits (£)
Annual pension:	<input type="text"/>	+ <input type="text"/>	= <input type="text"/>
Tax-free cash lump-sum:	<input type="text"/>	+ <input type="text"/>	= <input type="text"/>
Spouse's/civil partner's pension provision (payable after death):	<input type="text"/>	+ <input type="text"/>	= <input type="text"/>

Your deferred benefits will normally become payable unreduced on (however, you can defer payment until two days prior to age 75):

To date, the value of your deferred benefits has increased overall by:

Detach along line

Update Form 2008

IMPORTANT: You do not have to return this form if you do not wish to make any amendments

NOTE: PHOTOCOPIES OF THIS FORM WILL NOT BE ACCEPTED

DATA PROTECTION: The City Council takes its obligations under the Data Protection Act 1998 seriously and has appropriate procedures in place to ensure that your rights under the Act are protected. The information provided on this form will be used by the City Council for the purpose of administering your pension (e.g. calculating the benefits due from the Fund). In the course of processing this information for this purpose, the City Council may disclose your personal data to legal advisers it has appointed. By completing this form and submitting it to the Fund, you consent to the use of your personal data for the purposes set out above.

If you want us to update your records, please provide the relevant information in the space below and return it to us in the enclosed envelope.

Your pension reference number is:

Surname:

If a change of name is due to a change in circumstances, please provide the relevant original certificates.

First name(s):

Title:

Address:

Please note:
The Fund uses the postal address file (PAF) standard.

This is the standard format maintained by the Royal Mail.

Post code:

Date of birth: / / Please provide original certificate.

N.I. number:

Tel. number. Work: 0

Home: 0

Mobile: 0 7

Email:

I WISH TO REGISTER THE FOLLOWING PASSWORD:
This will enable you to amend personal details via the telephone once security checks have been made.

Maximum ten characters.

I do not want the West Midlands Pension Fund to give me a combined pension forecast of my Local Government Pension Scheme and state pension entitlement. **Tick this box only if you don't want us to send information to the DWP and return it to us.**

Signed: Date: / /

Do not write in this box (for office use only)

This form should be returned to West Midlands Pension Fund, PO Box 3948, WOLVERHAMPTON, WV1 1XP using the envelope provided.



Nomination form

Do I need to complete a nomination?

You are strongly advised to complete one if you haven't done so previously, in order that, in the event of your death, the Fund can make a payment to your nominated person(s) as quickly as possible. Without a nomination form, your wishes (that may have been expressed in the form of a will), will take time to process, particularly if instructions that have been left require probate or other formal processes. Completing a nomination form avoids any unnecessary delays at what can be a stressful time. A lump-sum equal to the tax-free cash lump-sum is payable if you die before your deferred benefits are payable.



We decide who to pay this amount to, but we will always take your wishes into account. If you have previously completed a nomination form, this will stand until such a time that another form is received. If you have previously completed a form, but cannot remember who you nominated, complete another form and this will automatically replace the previous form.

Remember to let the appropriate fund know of a change in your circumstances which could affect the nomination, or if you wish to cancel it.

If you left the LGPS **after** 1 April 2008, you may wish to complete a nominated cohabiting partner form which is available from the Fund or online at wmpfonline.com

The credit crunch and the Icelandic banks

Over recent weeks, a number of members have contacted us about the credit crunch and the Icelandic banks issue. In response to these issues, the Fund has made a full statement available on the Fund's website: wmpfonline.com

The following is a summary of the information provided in that statement.

No Fund assets in Icelandic banks

The Fund has no funds deposited in any of the Icelandic banks that have been subject of the recent turmoil within the region. Recent news coverage has been dominated by reports of councils across the country having money in failed Icelandic banks, following the collapse of the country's economy. Members can be assured that this is not the case for the West Midlands Pension Fund.

Has the bank crash affected our pensions?

The question asked of many pension funds recently, in view of the recent turbulence within the financial markets and the huge fall in share values, is: "Does this have any bearing on pensions already in payment or those that are due to come into payment in future years?"

The simple answer is no; benefits remain unaffected. The benefits that you, as members of the Local Government Pension Scheme (LGPS), receive are determined nationally by regulation and so a reduction in Scheme assets in the form of a reduction in the value of assets held would not affect any payments made by the Fund.

It should be remembered that the Fund, as part of its approach to risk

management, has a well-diversified investment strategy, holding many other asset classes in addition to equities (shares). Although the equity markets have experienced significant losses, these events are not unique and share prices are expected to recover over the long-term.

The Fund does not expect any long-term effects other than possibly new regulations or codes of conduct for some City institutions to ensure they act more responsibly, which should only be of benefit to the pensions industry.

It is also important for members of the Fund to remember that pensions paid by virtue of LGPS membership are ultimately guaranteed by Government, regardless of market movements.

Notes 1

The Fund aims to provide a service of the highest quality to all of its members.

New LGPS online video



Over the past months, Fund officers have been working in association with the Local Government Employers (LGE) organisation, to produce a Scheme video. The video covers the main benefits of the Scheme and how the Scheme will operate from 1 April 2008 (these topics also form the basis of this newsletter, so you do not need to see the video to be brought up to date with the developments of the Scheme).

The video has three main parts:

- Why the Scheme is changing.
- An overview of the main changes.
- Questions and answers for existing members.

The Fund has made this video available, via download, on its website wmpfonline.com, as well as providing copies to employers to post on intranet sites.



National insurance modification

Prior to 1 April 1980, the amount of contributions that Scheme members paid into the LGPS and the benefits they received from the Scheme on attaining state pension age were reduced by a small amount known as 'modification'. A deferred benefit awarded in respect of membership, which ceased prior to 1 April 1998, and which included some membership prior to 1 April 1980, will be subject to the national insurance modification at state pension age.

Pre-1972 membership?



Married men (or men who had been married) with service before 1 April 1972 who had elected* to pay additional contributions and were still making this payment to provide a full lump-sum when they left the LGPS, will have been credited with the proportion purchased.

Subject to membership on or after 1 April 1998 when you left the LGPS any outstanding pre-1 April 1972 membership that you have not purchased, or elected to purchase, would be converted to 89% of its length and would then count towards the lump-sum at this reduced rate.

*if members were able to count more than 40 years' membership at age 60, you may not have elected to purchase all the pre-1972 membership.

Disclaimer

The information contained in this statement and accompanying information is based on the Local Government Pension Scheme Regulations 1997 (effective from 1 April 1998) and other relevant legislation, such as The Local Government Pension Scheme (Administration) Regulations 2008 and the Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007 as well as overriding HMRC provisions.

It is for general use and cannot cover every personal circumstance – nor does it cover specific protected rights that apply to a very limited number of employees. In the event of any dispute over your pension benefits, the appropriate legislation will prevail as this statement does not confer any statutory rights and is provided for information purposes only. If you feel that your own personal circumstances are not covered, you should contact the Fund at the first available opportunity to discuss this further.

This statement has been issued by the West Midlands Pension Fund – 'the Fund' whose contact details appear on page 8 of this publication.

The administering authority for this Fund is Wolverhampton City Council.

The New Look LGPS

(applies to any LGPS service after 1 April 2008)

The new Scheme benefits have now been laid before Parliament and became effective on the 1 April 2008.

Much has been written on the subject of these changes to the LGPS. However, the LGPS remains a high quality, final salary pension scheme, to which employers make a substantial contribution.

The accrual rate (the way in which pension builds up) has been changed to a 60th.

Here's a summary of the improvements which have been made to the LGPS:

- Pension now based on 1/60th for membership from 1 April 2008 (any membership before 1 April 2008 is guaranteed in value and remains at 1/80th pension and 3/80ths lump-sum).
- Pensions for nominated cohabiting partners introduced (based on post-6 April 1988 membership). To qualify, a member must have been a contributing member on or after 1 April 2008.
- Death in service benefits increased to three times pay.
- Tiered ill-health benefits, with members incapable of any work before age 65 being awarded membership to age 65.
- Revised contribution rates to reflect better value benefits for the lower paid.
- Membership available after age 65, up to a maximum of age 75, for those people who remain in local government employment.

- Flexible retirement provisions improved (subject to a reduction in hours worked and/or rate of pay and employer agreement). The normal retirement age (NRA) for the LGPS is 65. Members still have the option to choose to retire from age 60, although benefits may be subject to reduction unless:
 - You joined the Scheme before 1 October 2006 and have full or partial protection against reduction because of the 85-year rule.
 - Your employer decides to waive any reduction.
 - You are retired on grounds of ill-health, redundancy or efficiency.

From 1 April 2008, for members joining the new look Scheme, the minimum age will increase to 55. For members who joined the Scheme before 1 April 2008, the minimum age will increase to 55 from 1 April 2010.

Additional voluntary contributions (AVCs)

AVCs still form a very attractive proposition for those LGPS members

wishing to increase their retirement benefits with funds accumulating a lump-sum, and subject to certain limits, this can be taken as 100% tax-free cash at retirement.

LGPS members are currently able to contribute up to 50% of their pay in any tax year to an AVC, while also benefiting from tax relief on these contributions.

Contracts of three months or less

From 1 April, LGPS membership will be available, provided employees do not have a contract of employment of less than three months, but do have a 'mutuality of obligation'. This means that if an employer offers work, and the employee is obliged to take it, a 'mutuality of obligation' exists.

Cost sharing and the LGPS

The 1 April 2008 Regulations also introduces the idea of cost sharing to the LGPS, with action required by March 2009. Cost sharing is a way in which future increases or decreases to the cost of the LGPS can be shared between the members and the employers.

Members are, as ever, encouraged to comment on this and any further consultation exercises run by the CLG in connection with the LGPS.

Details of which are available on the CLG website:
<http://www.xoq83.dial.pipex.com>

Nomination Form 2008 – Payment of Lump-Sum Death Benefits

IMPORTANT: THIS FORM IS NOT A WILL. Although the Scheme administrators would want to comply with your wishes, they have absolute discretion in deciding where, or to whom, any payment is to be directed.

Payment of death benefits

As a **deferred member** of the LGPS you can complete this form in order to 'nominate' a dependant or beneficiary who you would like to benefit from any lump-sum payment under the Scheme regulations as a result of your death. Please complete this form only if you wish to nominate a beneficiary to whom any payments due may be directed following your death. The purpose of making a nomination is to assist Wolverhampton City Council ('the Scheme administrators') in deciding to whom any payments may be made. Although the nominated beneficiary would normally be your next of kin, you may nominate any person or organisation of your choice and such requests would be considered by the Scheme administrators.

The main advantage in making a nomination is that the payment could be made direct to your chosen beneficiary without forming part of your estate (i.e. the payment does not count for Inland Revenue purposes). You can amend/update your nomination at any time by completing another nomination form.

To The Scheme administrators

In the event of my death it is my wish that any lump-sum death benefit available under the appropriate LGPS regulations may be paid as follows (please use BLOCK CAPITALS):

Full name:	Full name:
Address:	Address:
Relationship or dependency:	Relationship or dependency:
Proportion of benefits: (i.e. full/half/third)	Proportion of benefits: (i.e. full/half/third)
Full name:	Full name:
Address:	Address:
Relationship or dependency:	Relationship or dependency:
Proportion of benefits: (i.e. full/half/third)	Proportion of benefits: (i.e. full/half/third)

Signed: _____ Date: / /

Personal details

DATA PROTECTION: The City Council takes its obligations under the Data Protection Act 1998 seriously and has appropriate procedures in place to ensure that your rights under the Act are protected. The information provided on this form will be used by the City Council for the purpose of administering your pension (e.g. calculating the benefits due from the Fund). In the course of processing this information for this purpose, the City Council may disclose your personal data to legal advisers it has appointed. By completing this form and submitting it to the Fund, you consent to the use of your personal data for the purposes set out above.

This form should be returned to West Midlands Pension Fund, PO Box 3948, WOLVERHAMPTON, WV1 1XP using the envelope provided.