

WEST MIDLANDS



PENSION FUND

West Midlands Pension Fund

All about the payment of your deferred benefits



(Post-1 April 1998 to 31 March 2008 leavers)

This booklet applies to members who left the Local Government Pension Scheme (LGPS) prior to 1 April 2008 with an entitlement to deferred benefits



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Retirement

When can I retire?

Your deferred benefits are payable if:

- you are age 65 (unless you opt to defer payment beyond that date);
- you are aged 60 or over, and you have requested payment of your benefits. Your benefits may be reduced if you do not meet the 85-year rule (see page 10);
- you become permanently ill and your former employer agrees to your application for early payment of benefits;
- you can apply to your former employing authority or body anytime after attaining age 50 for early payment of your benefits.

However, payment prior to age 60 requires your former employer's consent as they will incur considerable costs for agreeing to early payment and, therefore, payment prior to age 60 is likely to be agreed only in exceptional circumstances.

What are my retirement benefits?

When you retire, you will receive a pension and a tax-free lump-sum from the Local Government Pension Scheme (LGPS). At state pension age you will also receive the basic flat-rate state pension, if you have paid sufficient national insurance contributions during your working life.

You can look forward to enjoying a guaranteed package of benefits when you retire.



How will my retirement grant be paid?

Your lump-sum retirement grant will be paid by direct credit to your nominated bank or building society account. You may wish to ask your bank/building society manager to notify you when your account has been credited.

How will my pension be paid?

Your pension will normally be paid on the 25th of each month by direct credit to your nominated bank, building society or post office account. Your payslip will be sent to your home address. Consequently, you should inform us immediately (using the back of your payslip) if you change your banking details or your address. Alternatively, contact the helpdesk on **0300 111 1665**.

If the 25th falls during a weekend or bank holiday, your pension will be credited on the previous working day.

Your first payment of pension may be for a part of or for more than one month.

If you are planning to live abroad, and wish your pension to be paid to your foreign bank account, your pension will be paid to you on a quarterly basis each March, June, September and December.

There are three methods of payment:

- 1 To a bank or building society in the UK.
- 2 Direct into a foreign bank account via the transcontinental automated payment system (TAPS).
- 3 If you live in Jamaica, there is an alternative to TAPS. Please contact us if you require details of this option.

TAPS application forms, together with details of the costs of this service, are available from the Fund. For small pensions, one payment is made per year, in March. You are advised to check that your pension has credited your account before making any withdrawals.

Please note: We cannot accept liability for delays in either the banking or postal system.

Can I give up some of my pension to increase my lump-sum?

On retirement, you will be able to exchange some of your pension to receive a bigger tax-free lump-sum. This would be achieved by exchanging part of your annual pension for a one-off tax-free cash payment – for each £1 annual pension given up you will receive £12 lump-sum.

You may not reduce your pension to below your guaranteed minimum pension (GMP).

You will be able to take up to a maximum of 25% of the capital value of your pension benefits as a tax-free lump-sum or, if lower, 25% of the lifetime allowance less an adjustment for the value of any other pension benefits you are already drawing.

The Fund will provide you with the details about this option.

Your pension will be reduced in accordance with any election you make to receive a lump-sum. Any subsequent pension for your husband, wife, civil partner or children will not be affected if you decide to exchange part of your pension for a lump-sum.

You may also elect to take up to 100% of the accumulated fund in your in-house AVC as a tax-free lump-sum, if you draw it at the same time as your LGPS pension benefits, provided that when added to the LGPS lump-sum, it does not exceed 25% of the overall value of your LGPS benefits including your AVC fund.



Will my pension increase?

The law says that all LGPS pensions in payment must be fully increased in line with the RPI which measures price inflation, so that they maintain their purchasing power. These increases are paid by us up until your state pension age, at which time the state then becomes jointly responsible for pensions increase.

Please note: LGPS pensions paid following retirement before age 55, except in the case of ill-health retirement, are not increased until age 55.

When you reach state pension age, the law says that the part of your pension which relates to your GMP must be increased overall in line with RPI. As mentioned, the responsibility for increasing the part of your LGPS pension that relates to your GMP is then shared between us and the state. Therefore, responsibility for pensions increase (from state pension age) will be as follows:

(i) for that part of your GMP that relates to employment from 6 April 1978 to 5 April 1988, the increases will be made entirely by the state,

(ii) for that part of your GMP that relates to employment from 6 April 1988 to 5 April 1997, the increases will be made by us up to a maximum of 3% a year - the state pays anything above 3%, and

(iii) for that part of your LGPS pension, in excess of your GMP, the increases will be made entirely by us in line with RPI - these increases are not limited to a 5% maximum as in many other schemes.

Please note: Pensions increase, paid by the state, is paid in addition to your basic state pension. However, special conditions apply if you live abroad in certain countries.

Guaranteed minimum pension (GMP)

If your membership in the LGPS includes a GMP, at state pension age your LGPS pension will be compared with your GMP and increased to the rate of your GMP should this be higher. In most cases, your LGPS pension is higher than your GMP.

HM Revenue and Customs (HMRC) controls and your LGPS benefits

There are HMRC controls on the pension savings you can have before you become subject to a tax charge (over and above any tax due under the PAYE system on a pension in payment).

The lifetime allowance is the total capital value of all your pension arrangements which you can build up without paying extra tax.

If the value of your benefits when you draw them (not including any state retirement pension, state pension credit or any spouse's, civil partner's or dependant's pension you may be entitled to) exceed your lifetime allowance a tax charge will be made against the excess.

The lifetime allowance for 2009/2010 is £1.75 million. Most Scheme members' pension savings will be significantly less than the lifetime allowance.

There are protections for benefits earned up to 5 April 2006 in respect of those high earners affected by the introduction of the lifetime allowance from 6 April 2006.

We will let you know the value of your LGPS benefits on retirement and ask you about any other pensions you may have in payment, so we can work out whether we need to deduct a recovery tax charge. If you do not provide this information promptly it could delay the payment of your pension.

Also, under HMRC rules, if the LGPS makes an unauthorised payment or if you pay some or all of your LGPS lump-sum back into a pension arrangement, there will be a tax charge.





Ill-health retirement

What happens if I want to retire early due to permanent ill-health?

To qualify for ill-health benefits, your employer, based on an opinion from an independent specially qualified doctor, must be satisfied that you will be permanently unable to do your own job and that you are permanently incapable, because of ill-health, of discharging efficiently the duties of your former employment which gave rise to the deferred benefit in the LGPS.

Ill-health benefits can be paid at any age and are not reduced on account of early payment.

Can I retire early?

You can elect to claim your LGPS benefits from age 60.

Are there any penalties for retiring early and drawing immediate benefits?

If you retire before age 65, your LGPS benefits will be reduced to take account of their early payment and the fact that your pension will be payable for longer.

If you were in the LGPS on 30 September 2006, some or all of your benefits paid early could be protected from the reduction under what is called the 85-year rule.

The 85-year rule is satisfied if your age at the date you draw your benefits and your Scheme membership (each in whole years) add up to 85 or more.

If you are part-time, your membership counts towards the rule of 85 at its full calendar length.

Not all membership may count towards working out whether you meet the 85-year rule.

Working out how you are affected by the 85-year rule can be quite complex, but this should help you work out your general position.

- If you would not satisfy the 85-year rule by the time you are 65, then all your benefits are reduced if you choose to retire before 65. The reduction will be based on how many years before 65 you draw your benefits.
- If you will be age 60 or over by 31 March 2016 and choose to retire before age 65, then, provided you satisfy the 85-year rule when you start to draw your pension, the benefits you build up to 31 March 2016 will not be reduced.
- If you will be under age 60 by 31 March 2016 and choose to retire before age 65, then, provided you satisfy the 85-year rule when you

start to draw your pension, the benefits you build up to 31 March 2008 will not be reduced. Also, if you will be aged 60 between 1 April 2016 and 31 March 2020 and meet the 85-year rule by 31 March 2020, some or all of the benefits you build up between 1 April 2008 and 31 March 2020 will not have a full reduction.

The early retirement reduction is calculated in accordance with guidance issued by the Government Actuary's Department from time to time. Further reductions apply where the number of years paid early is between 6 and 15.

Your employer can agree not to make these reductions on compassionate grounds. This is an employer discretion. You can ask them what their policy on this is.

| No. of years paid early | Pensions reduction | | Lump-sum reduction |
|-------------------------|--------------------|-------|--------------------|
| | Men | Women | |
| 0 | 0% | 0% | 0% |
| 1 | 6% | 5% | 2% |
| 2 | 11% | 10% | 5% |
| 3 | 16% | 15% | 7% |
| 4 | 20% | 19% | 9% |
| 5 | 24% | 23% | 12% |

You can reduce or avoid the reductions by not taking immediate payment of your benefits on retirement (i.e. by delaying payment until a later date). If you decide not to draw immediate benefits, the benefits would normally become payable at age 65, but you can defer payment beyond that age, although benefits must be paid by age 75. If benefits are deferred beyond age 65 they will be increased accordingly to reflect late payment. If you are a woman and you defer payment after your state pension age, we have to pay you the GMP element (if any) of your pension from your retirement date or state pension age if later.

Generally, if you were a member of the Scheme before 6 April 1997, your pension must not be reduced lower than a minimum level.

This will equal 1/80th of your final pay for each year of your total membership in contracted-out employment on and between:

- 6 April 1978 and 30 April 1995 if you are female, and
- 17 May 1990 and 30 April 1995 if you are male.

In addition, once you have attained state pension age, the LGPS must guarantee to pay your pension at least at the level of your GMP.

A female Scheme member who chooses to receive her benefits before her normal retirement date in circumstances where her pension is reduced to less than the level of her GMP, will have her pension increased immediately to the level of her GMP on attaining state pension age.

A male Scheme member will receive a reduced pension until age 65, when it will be increased to match his GMP if greater.

If a female Scheme member leaves her employment, but defers payment of her benefits after state pension age, then her GMP is payable from the later of state pension age or her date of leaving.

If employment continues for more than five years beyond state pension age, payment of the GMP cannot be delayed beyond five years unless the Scheme member agrees to the postponement.

If your employer gives consent to your early voluntary retirement on or after age 55 and before age 60, your pension will be increased each year in line with the RPI.



Your state retirement benefits

The state pension age is 65 for men and 60 for women. However, from the year 2020, the Government will have equalised the state pension age for both men and women at 65.

The increase in the state pension age for women will be phased in gradually from the year 2010 as shown below.

| Date of birth | State pension age |
|-----------------------------|-------------------|
| Before 6 April 1950 | 60 |
| 6 April 1950 - 5 April 1951 | Between 60 & 61 |
| 6 April 1951 - 5 April 1952 | Between 61 & 62 |
| 6 April 1952 - 5 April 1953 | Between 62 & 63 |
| 6 April 1953 - 5 April 1954 | Between 63 & 64 |
| 6 April 1954 - 5 April 1955 | Between 64 & 65 |
| After 5 April 1955 | 65 |

Your New Income Tax Office

Please note that the income tax office responsible for dealing with your pension is:

HM Revenue & Customs
Birmingham Solihull Area Service
City Centre House
30 Union Street
Birmingham
B2 4AE

Tax reference: 068/W105
Tel: 0845 302 1437

In accordance with tax office instructions, you will be taxed on month 1 basis until further instructions are received from them.



If parts 2 and 3 of your P45 are not received by us, your pension will be taxed using BR code until further instructions are received from the tax office. You should retain part 1a of your P45.

A BR code shows that the basic rate of income tax (20% as at April 2008; 22% as at April 2006) is to be applied and that no 'free pay' allowance or lower rate relief is given.

If you are moving overseas, any application for exemption from UK income tax should be sent to:

HM Revenue & Customs Centre for Non-Residents
Fitzroy House
PO Box 46
Nottingham
NG2 1BD

Tel: (from within UK) 0845 070 0040
(from outside UK) +44 151 210 2222

Contact us:
Emails can be sent via the website:
www.hmrc.gov.uk/cnr

How Your Pension Will Be Paid

Your payslip explained

- 1 Your name and address:**
If you move house, please write to us to let us know your new address (the reverse side of your payslip has a cut-off section for this purpose). Alternatively, you can contact us by telephone.
- 2 Our address:**
Where to address all correspondence
- 3 Personal reference number:**
This number helps us to identify you quickly. Please quote this number when you telephone or write to us.
- 4 Contact details:**
Telephone, fax, email and website contact details.
- 5 Our location:**
Where our offices are located.
- 6 Messages:**
Space for periodic messages giving useful information.
- 7 National insurance number:**
Always quote this number when raising queries with the tax office.
- 8 Method of payment:**
How your pension is paid.
- 9 Gross pension/other payments:**
Total pension/other payments this pay date.
- 10 Income tax:**
Tax this pay date. When a tax refund is payable the amount shown will be followed by the letter 'R'.
- 11 Other deductions:**
Details of other deductions.
- 12 Total deductions:**
Total deductions made this pay date.
- 13 Net pension:**
This is the amount of your payment.
- 14 Tax queries:**
This is the address and telephone number of the tax office responsible for dealing with your pension.
- 15 P45 gross pay and tax:**
Figures notified to us by the tax office.
- 16 Tax paid to date:**
Total amount of tax paid - since April of the current financial year.
- 17 Gross pension to date:**
Total pension - before tax - since April of the current financial year.
- 18 Pension date:**
This is the date of payment.
- 19 Tax period:**
Tax period of the current year.
- 20 Tax code/basis:**
Your personal tax code as notified by the tax office.
- 21 Notification of change of address and/or banking details:**
The reverse side of your payslip has a cut-off section which you should complete and return to us following any change to your address or bank/building society details. Alternatively, if you have registered a password, you can contact us by telephone.

PENSION ADVICE

West Midlands Pension Fund
... a can do, will do organisation



1

Please don't forget to notify us of any change to your address or banking details - see overleaf

Your Personal Reference Number: 3

Our Address:
West Midlands Pension Fund
PO BOX 3948
WOLVERHAMPTON WV1 1XP 2

Help Desk: 0300 111 1665
Payroll: (01902) 554601, 554602,
554615, 554619

Fax: (01902) 554673

Website: wmpfonline.com

E-mail: PensionFundEnquiries@wolverhampton.gov.uk 4

Personal Visits: Our offices are located at 5th Floor, Mander House, Wolverhampton 5

Messages: 6

| Pension Date | Tax Period | Tax Code/Basis | National Insurance Number | Method of Payment |
|--------------|------------|----------------|---------------------------|-------------------|
| 18 | 19 | 20 | 7 | 8 |

Gross Pension To Date 17

Tax Paid To Date 16

P45 Gross Pay 15

P45 Tax

Gross Pension
Other Payments 9

Total

Income Tax (R=Refund) 10

11

Total Deductions 12

Net Pension 13

Your tax queries should be directed to:
HM Revenue & Customs
Birmingham Solihull Area Office
City Centre House
30 Union Street
Birmingham B2 4AE 14
Tel: 0845 302 1437
(8am-8pm Mon-Fri, 8am-5pm Saturday)
(Please quote tax reference: 068/W105)



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The West Midlands Pension Fund
is administered by
Wolverhampton City Council



Protection For Your Family

What benefits will be paid if I die after retiring on pension?

If you die after retiring on pension, your benefits will no longer be payable.

Your husband, wife, civil partner, cohabiting partner, next-of-kin or person dealing with your estate must immediately inform the Fund of your date of death as otherwise an overpayment could occur. Contact details appear on the back page of this booklet.

The following benefits may then be payable on your death:

A lump-sum death grant will be payable if the death occurs in the first five years on pension and is the amount by which the annual pension multiplied by five exceeds the pension paid to the date of death.

A survivor's pension: a pension will be paid to your husband, wife or registered civil partner. This pension is payable immediately after your death for the rest of their life and will increase every year in line with the cost of living.

For your husband or wife: the pension payable is equal to 1/160th of your final pay times the membership your pension is based on, unless you marry after retirement, in which case it could be less. If you marry after retiring:

- your husband's pension is based on your membership after 5 April 1988, (excluding, unless you were married to your husband at some time while you paid into the LGPS, additional membership purchased by you or granted to you by your employer or the Scheme),
- your wife's pension is based on your contracted-out membership after 5 April 1978.
- your membership of the LGPS includes a GMP, your wife's pension must not be less than half your GMP. Your husband's or civil partner's pension must not be less than half your GMP built up after 5 April 1988.

For your civil partner: the pension payable is equal to 1/160th of your final pay times your membership in the Scheme after 5 April 1988.

- Widow's, widower's and civil partner's pensions are increased each year in line with the RPI, regardless of age.
 - Since 1 April 1998, widow's, widower's and civil partner's pensions are payable for life even if your widow, widower or civil partner remarries, enters into a new civil partnership or cohabits.
-

This applies where you are a contributing member of the LGPS on or after 1 April 1998 and your widow or widower or civil partner remarries, enters into a new civil partnership or cohabits after 1 April 1998. Your administering authority has the discretion to allow widow's, widower's and civil partner's pensions to continue in payment where the remarriage, civil partnership or cohabitation commenced after 31 March 1998, but you ceased to be a contributing member of the Scheme earlier. This is an administering authority discretion; you can ask your administering authority what their policy is on this matter.

Children's pension: these are payable to eligible children and increase every year in line with the cost of living.

The amount of pension depends on the number of eligible children you have:

- If a survivor's pension is being paid to your husband, wife or civil partner, one child would receive 1/320th of your final pay times the membership your pension is based on, while two or more children would receive 1/160th shared equally between them.
 - If there is no husband's, wife's or civil partner's pension being paid, one child would receive 1/240th of your final pay times the membership your pension is based on, while two or more children would receive 1/120th shared equally between them.
-

If you paid additional contributions to buy extra LGPS pension and you opted to pay for dependant's benefits when you took out your original contract, then extra benefits will be payable to your husband, wife, registered civil partner or eligible children.

How do I know if my children are classed as eligible children?

Eligible children are your children.

They must, at the date of your death:

- be under 18 and be wholly or mainly dependant on you, or
- be aged 18 or over and under 23, be dependent on you, and be in full-time education or undertaking vocational training (although a dependant child who commences full-time education or vocational training after the date of your death may be treated as an eligible child up to age 23), or
- in some cases, a dependent child of any age who is disabled may be classed as an eligible child.

In all cases, the children must have been born before or within a year of your death.

Who is the lump-sum death grant paid to?

The LGPS allows you to say who you would like any death grant to be paid to by completing a nomination form.

The Fund has absolute discretion over who receives any lump-sum death grant – they can pay it to your nominee or personal representatives or to any person who appears, at any time, to have been your relative or dependant. If any part of the death grant has not been paid by the second anniversary of your death, it must be paid to your personal representatives, i.e. to your estate.

If you have not already made your wishes known, or you wish to change a previous nomination, a form is available from the Fund.

Remember to complete a new form if your wishes change.

If you have not previously completed a nomination form, or wish to revise your nomination, please contact the helpdesk on **0300 111 1665** who will arrange for a form to be sent to you.

Your personal representatives will have to determine whether, with the lump-sum death grant, the capital value of your overall pension benefits (not including any spouse's, civil partner's or dependant's pensions) exceeds the HMRC allowance. Under HMRC rules, any excess will be subject to a recovery tax charge. Most Scheme members' pension savings will be significantly less than the allowance. You can find more information on this from the Fund.

What happens if I marry after retirement?

If you marry after retirement, a widow's pension based on your contracted-out membership after 5 April 1978, or a widower's pension based on your membership after 5 April 1988, (excluding additional membership purchased by you or granted to you by your employer or the Scheme), will be payable. If you enter into a civil partnership after retirement, a civil partner's pension based on your total membership after 5 April 1988 will be payable.

Pension sharing order

If your pension benefits are subject to a pension sharing order issued by the court following a divorce or annulment of marriage or the making of an order for the dissolution or nullity of a civil partnership, or are subject to a qualifying agreement in Scotland, your benefits will be reduced in accordance with the court order or agreement. In consequence, if you remarry or enter into a new civil partnership, any spouse's pension or civil partner's pension payable following your death will also be reduced. Benefits payable to eligible children will not, however, be reduced because of a pension share.



Pensions Administration Service

Customer charter

- To deal with you promptly, fairly and efficiently at all times and to give you the best possible service in accordance with the standards.

 - To give you the standard of service you want.

 - To consult you wherever possible and to take account of your views before we make any changes.

 - To be accountable to you for what we do by monitoring the quality of our service and reporting on how well we've lived up to our standards.
-

Standards of service

Our standards of service are set out on the following pages. They specify the maximum turnround times in which we aim to take the action indicated. Better turnround times may be achieved in practice. In any event, the stated times will be reviewed at regular intervals. The target days stated are working days.



Our commitment to our pensioners

Changes in personal particulars

We will acknowledge receipt of a pensioner's written notification of a change in name, address, bank or building society details and make the appropriate amendments to the pensioner's payroll record within **three days** of receiving the written notification.

Deaths of pensioners

We will acknowledge receipt of a notification of the death of a pensioner and start action to put into payment any dependants' benefits within **five days** of receiving the notification.

Change of tax code

We will update a pensioner's payroll record with a revised tax code, within **two days** of receiving notice of the change from HMRC.

Superlink – our pensioners' newsletter




At least **four times** a year, we will send you a copy of our pensioners' newsletter, Superlink, covering topical pension stories along with contributions from Fund pensioners.

Superlink is usually issued in December, March, June and September.

Interview and words: Nic Kynaston

"I am at least as active, physically and mentally, as most 20 year olds."

He thinks mandatory retirement ages are nonsense and plans to keep the 'best job in journalism' as long as he can. John Humphrys tells Heyday what drives him on.



"Eloquently, banal, vacuous, boring stupid." I've just asked John Humphrys what he thinks of reality TV and he's told me in no uncertain terms. Well, what did I expect? He's not known as someone who minces words. "I'm a grumpy old man" he admits. "Not only that," he adds as he sits in his west London study. "I was a grumpy young man. Administration too always have been. I get it from my father. And I'm worst in the mornings. Well, wouldn't you be if you got up at three thirty?"

Humphrys' early start is due to his role as presenter on Radio 4's Today programme. You'd think he would be used to it by now. March sees him 21 years in the role. With this mix of

new, current affairs and debate, the Today programme is essential listening for every part of the Establishment, from City bondholders to Westminster corridors of power, and what's more, it's the most popular radio current affairs programme in the UK, attracting more

Yvonne Davis Pension credit



1 People over 60 years of age are entitled to claim pension credit if their income does not total £119.25 for a single person and £183.70 for a married couple. (These amounts are increased each April 01, in line with inflation.) People who have caring responsibilities are entitled to an additional amount of £27.15 per week and people who receive disability living allowance (DLA) or attendance allowance (AA) – who live alone – with no one claiming carers allowance to care for them, can claim an additional £48.00 on top of these basic figures. Where couples both claim DLA or AA, this amount is increased to an extra £97.00.

2 You can claim from four months before your 60th birthday, if you are a couple, only one of you needs to be 60 years to claim.

3 Many older people miss out on this extra income, as they do not understand or have had a poor experience of the benefits system. This article seeks to explain more fully the assistance available and guides people to seek advice to pursue their full entitlement.

4 Pension credit is made up from two elements:

- 1 **Guaranteed credit** – which brings entitlement to full rent and council tax rebate as well as access to other additional benefits such as cold weather payments or access to the social fund for community care grants.
- 2 **Savings credit** – only payable to people over 65 years (who have made some provision themselves for their retirement).

5 Savings credit can be claimed by single people with an income of £87.30 – £167 per week, or by couples with a combined income of £139.60 to £245.00 per week. Savings credit can be paid up to a maximum of £105.00, if you are single and £25.26, if you are a couple (only one of you needs to be 65 years old, depending on your actual income between these figures).

6 The Pension Service operates a telephone service between 9am to 5pm Monday to Friday and 9am to 1pm on Saturdays. The telephone number is 0800 500 033. Calls are free and staff will take you through the calculation and assist you to claim.

7 For people wanting to do their own calculation there is a quick calculator on www.pensions.gov.uk under the section about pension credit. It can be a bit tedious making you through 10 pages of questions, but they are straightforward and the system calculates for you whether it is possible for you to claim.

8 People with capital or savings often think they won't qualify for assistance. However, the allowance for savings or capital in pension credit is far more generous than previously. People who have been told in the past that they have too much income or savings for assistance could well find with the changes to older people's benefits entitlement, they now qualify.

9 Pension credit assumes an income of £1 for every £500 of capital savings above £6,000. The first £6,000 of savings does not count. (This is £10,000 if someone is permanently in a care home.) Hence someone with £70,000 of capital is assumed to have £28 in income, but they could still qualify for pension credit guarantee credits if they received DLA/AA (as in the paragraph above) and had no other source of income. They would also still qualify for £15.47 savings credit if they were 65 years or older.

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How can I trace my pension rights?

The Pension Tracing Service holds details of pension schemes, including the LGPS, together with contact addresses. It provides a tracing service for ex-members of schemes with pension entitlements (and their dependants) who have lost touch with previous employers. All occupational and personal pension schemes have to register if the pension scheme has current members contributing to their scheme or people expecting benefits from the scheme. If you need to use this tracing service, please write to:

The Pension Tracing Service

The Pension Service
Tyneview Park
Whitley Road
Newcastle upon Tyne
NE98 1BA
Tel: 0845 600 2537

Also, don't forget to keep your pension providers up to date with any change in your home address.



Frequently Asked Questions (FAQs)

Who runs the LGPS?

The LGPS is run by administering authorities, for example, county councils, in accordance with regulations approved by Parliament. Each administers their own fund, into which all contributions are paid. Every three years, independent actuaries carry out a valuation of each fund and set the rate at which the participating employers must contribute to fully fund the payment of Scheme benefits for that fund's membership.

How is the Scheme amended?

The Scheme Regulations are made under the Superannuation Act 1972. Changes to the rules are discussed at national level by employee and employer representatives, but can only be amended with the approval of Parliament. Your administering authority must keep you informed of any changes that are made.

Are the Scheme benefits protected?

As the Scheme is set up by statute, payment of the Scheme benefits are guaranteed by law.

What other legislation applies to the Scheme?

The Scheme is a registered public service scheme under Chapter 2 of Part 4 of the Finance Act 2004. It achieved automatic registration by virtue of Part 1 of Schedule 36 of that Act (because the Scheme was, immediately before 6 April 2006, both a retirement benefits scheme approved under Chapter 1 of Part XIV of the Income and Corporation Taxes Act 1988 and a relevant statutory scheme under section 611A of that Act). This means, for example, that you receive tax relief on your contributions. It complies with the relevant provisions of the Pension Schemes Act 1993, Pensions Act 1995 and the Pensions Act 2004.

How can I check the accuracy of my pension records?

To maintain the security of any information about you, your administering authority is registered under the current Data Protection Act. You can check that your computerised personal record is accurate, although we may charge a small fee (see contact details on the back cover).

What other information am I entitled to?

You are entitled to obtain a copy of the LGPS Regulations 2007 (Benefits, Membership and Contributions - Statutory Instrument Number 2007) and subsequent amendments. The regulations are available from The Stationery Office at <http://www.hmsso.gov.uk>

A current version, including all amendments, is available on the Local Government Employers' website at <http://www.lge.gov.uk/pensions/content/timeline.html>

A copy of the regulations may be inspected at the Fund's offices. In addition, you are entitled to view, and take copies of the Fund's *Annual Report and Accounts*.

What if I move, I am paid direct into my bank. Do I still need to inform you?

Yes. We will send you a payslip for every scheduled payment that we make. We, therefore, need to be kept informed of your home address in order that we can send you this and other important information.

How do I tell you I have changed my address or bank details?

On the reverse of each payslip is a section that you can complete and send back to us telling us of any changes. We print this in such a way that you can cut this section off your payslip and still keep the financial information.

How much notice do I need to give to change details?

We will try and action any change of details for the next payroll date following notification. However, this is not always possible. Please wait until you have had confirmation from us of any changes before you close any accounts that you may hold.

What if I am subject to a pension sharing order?

If your pension benefits are subject to a pension sharing order issued by the court following a divorce or annulment of marriage or the making of an order for the dissolution or nullity of a civil partnership, or are subject to a qualifying agreement in Scotland, your benefits will be reduced in accordance with the court order or agreement.

How do I get a state pension forecast?

A state pension forecast tells you based on current rates, the amount of state pension you may get based on your national insurance contributions so far and the amount you may get when you claim it.

You can get a forecast if you are living in the UK and are more than 30 days away from your state pension age from:

Future Pension Centre

The Pension Service
Tyneview Park
Whitley Road
Newcastle upon Tyne
NE98 1BA
Tel: 0845 300 0168

Can I take up another job without losing my pension?

The circumstances are complex surrounding this issue. Please contact us for details, when or if you are considering taking up further employment. You are reminded that you have a legal responsibility to inform any local government pension fund, from which you receive a pension, if you take up further employment, regardless of who that employment is with.

Some Terms We Use

Administering authority

Wolverhampton City Council is the administering authority for the West Midlands Pension Fund (WMPF).

West Midlands Pension Fund

PO Box 3948
Wolverhampton
WV1 1XP

Additional voluntary contributions (AVCs)

These are extra payments to increase your future benefits. You can also pay AVCs to provide additional life cover.

All local government pension funds have an in-house AVC scheme where you can invest money through an AVC provider, often an insurance company or building society. AVCs are deducted directly from your pay and attract tax relief.

Civil partnership

A civil partnership is a relationship between two people of the same sex (civil partners) which is formed when they register as civil partners of each other.

Contracted-out

The LGPS is contracted-out of the state second pension (S2P) scheme. This means that, prior to state pension age, you pay reduced national insurance contributions while you are a member of the LGPS (unless you have opted to pay the married woman's/widow's reduced rate of national insurance). The LGPS guarantees to pay you a pension that is as high as you would have earned had you been in the state earnings-related pension scheme (SERPS) and guarantees benefits which are no less favorable than those provided under a reference scheme prescribed under the Pensions Act 1995.

Cost of living

See RPI

Discretion

This is the power given by the LGPS to enable your employer or the West Midlands Pension Fund to choose how they will apply the Scheme in respect of certain provisions. Under the LGPS, your employer or West Midlands Pension Fund are obliged

to consider certain of these discretionary provisions and to pass resolutions to form a policy of how they will apply the provision. In respect of some of the remaining discretionary provisions they are advised to do so. They have a responsibility to act with 'prudence and propriety' in formulating their policies and must keep them under review. You may ask your employer or the West Midlands Pension Fund what their policy is in relation to a discretion.

Guaranteed minimum pension (GMP)

This is the minimum pension that the LGPS must pay you if your membership in the LGPS includes a period between 6 April 1978 and 5 April 1997 or includes membership that was transferred in from another pension scheme that was contracted-out of the state earnings-related pension scheme (SERPS) and your GMP from that scheme has been transferred to the LGPS.

Lifetime allowance

This is the total capital value of all pension benefits you can have without triggering an excess benefits tax charge. The lifetime allowance is set by the Treasury and for 2008/2009 is £1.65million.

The lifetime allowance covers any pension benefits you may have in all tax-registered pension arrangements – not just the LGPS.

Retail prices index (RPI)

This shows the changes in the cost of living. It reflects the movement of prices covering a range of goods and services over time. The amount by which pensions are increased annually is based on movement in the RPI during the 12 months to September.

State earnings-related pension scheme (SERPS)

This is the extra earnings-related part of the state pension that employed people could earn up to 5 April 2002. LGPS members were automatically contracted-out of SERPS, and most paid lower national insurance contributions as a result. SERPS was replaced by the state second pension (S2P) from 6 April 2002.

State second pension (S2P)

The state second pension (formerly SERPS) is the additional state pension, payable from state pension age by the Department for Work and Pensions. It is currently an earnings-related pension, but the Government is expected to change it to a flat rate

pension from a future date, for people under age 45 at that time. LGPS members are contracted-out of S2P and most pay lower national insurance contributions as a result. More information on the S2P is available from the DWP Pensions Service.

The Fund

The LGPS is run by administering authorities, for example, county councils, in accordance with regulations approved by Parliament. Each administers their own fund, into which all contributions are paid. Wolverhampton City Council is the administering authority for the West Midlands Pension Fund (WMPF). Every three years, independent actuaries carry out a valuation of each fund and set the rate at which the participating employers must contribute to fully fund the payment of Scheme benefits for that fund's membership.

Help With Pension Problems

In this section, we look at what you can do if you are not happy about a decision made about your LGPS pension position.

Who can help me if I have a query or complaint?

If you are in any doubt about your LGPS benefit entitlements, or have a problem or question about your LGPS membership or benefits, please contact the Fund in the first instance. Contact details can be found on the reverse of this publication. We will seek to clarify or put right any misunderstandings or inaccuracies as quickly and efficiently as possible.

If your query is about your contribution rate, or relates to the contributions you have paid, please contact your employer's personnel/human resources or payroll section, so they can explain how they have decided which contribution band you are in.

If you are still dissatisfied with any decision made in relation to the Scheme you have the right to have

your complaint independently reviewed under the Scheme's internal disputes resolution procedure.

There are also a number of other regulatory bodies that may be able to assist you.

Here are the various ways you can ask for help with a pension problem.

Internal disputes resolution procedure (IDRP)

In the first instance you should write to the person nominated by the body who made the decision about which you wish to appeal, either your employer or your pension fund administering authority. You must do this within six months of the date of the notification of the decision about which you are complaining. This is a formal review of the initial decision and is an opportunity for it to be reconsidered. The nominated person will consider your complaint and notify you of his/her decision. If you are dissatisfied with that person's decision, you may, within six months of the date of the decision, apply to the Fund's

administering authority – in the case of the West Midlands Pension Fund, this is Wolverhampton City Council – to have it reconsidered.

The Fund can tell you who your employer's/the Fund's administering authority's nominated person is and supply you with a more detailed leaflet on the IDRP together with a form to fill in, or you can ask your employer. Contact details for the Fund are on the reverse of this publication.

The Pensions Advisory Service (TPAS)

TPAS is available at any time to assist members and beneficiaries of the Scheme in connection with any pensions query they may have or any difficulty which they cannot resolve with their scheme administrators. TPAS can be contacted at:

11 Belgrave Road
London
SW1V 1RB
Tel: 0845 601 2923

Pensions Ombudsman

In cases where a complaint or dispute cannot be resolved after the intervention of TPAS, an application can be made, within three years of the event, to the Pensions Ombudsman for an adjudication.

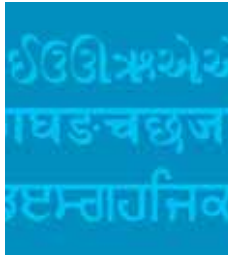
The Ombudsman can investigate and determine any complaint or dispute involving maladministration of the Scheme or matters of fact or law and his or her decision is final and binding (unless the case is taken to the appropriate court on a point of law). Matters where legal proceedings have already started cannot be investigated by the Pensions Ombudsman. The Pensions Ombudsman can be contacted at:

11 Belgrave Road
London
SW1V 1RB
Tel: 020 7834 9144

The Pensions Regulator

This is the regulator of work-based pension schemes. The Pensions Regulator has powers to protect members of work-based pension schemes and a wide range of powers to help put matters right, where needed. In extreme cases, the regulator is able to fine trustees or employers, and remove trustees from a scheme. You can contact the Pensions Regulator at:

Napier House
Trafalgar Place
Brighton
BN1 4DW
Tel: 0870 606 3636



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.

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 City Council's Data Protection Officer on (01902) 554498, 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.



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Contact information

Write to us at:

West Midlands Pension Fund
PO Box 3948
Wolverhampton
WV1 1XP

Visit our website at:

wmpfonline.com

Email us on:

PensionFundEnquiries@wolverhampton.gov.uk

Telephone our Helpdesk on:

0300 111 1665

Send us a text on:

Text WMPF + your message to 60066.
Standard short code network charges apply.

Fax us on:

0845 230 1565

Lines are open during the following times:

8:30am to 5.00pm Monday-Thursday
8:30am to 4.30pm Friday

Minicom/Typetalk:

01902 554607

Calls may be monitored for training purposes

Help and information

Further information

We will ensure that all of our members are provided with relevant further information on request.

Comments and complaints

We welcome and value your comments on the standards of service we provide. If you have any comments you wish to make please contact us at the address shown at the top of the page.

We would also like to hear from you if you are not satisfied with the way you have been treated. If you wish, you can

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speak to Brian Bailey, Director of Pensions, on his personal number (01902) 552020 on any weekday between 9.00 and 9.30am or via email:

brian.bailey@wolverhampton.gov.uk

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If you wish to make a formal complaint, you can write to:

Complaints and Compliments

Office of the Chief Executive
Civic Centre

St. Peter's Square
Wolverhampton
WV1 1NX