

Your Deferred Benefits Statement 2009



WEST MIDLANDS



PENSION FUND



Although the benefit changes mentioned in last year's statement came into effect from 1 April 2008, if you left the LGPS prior to the 31 March 2008, your benefits will remain unaltered and will be 'banked' in their current form of a pension and tax-free lump-sum.

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 this 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 pension benefits on a 1/60th basis for membership after 1 April 2008.

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 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).

B. Bailey
 Brian Bailey
 Director of Pensions

IMPORTANT: Remember – this statement contains personal information which should be kept 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.

Your Deferred Benefits Statement (as at 6 April 2009)

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 your 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 6 April 2009.

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

Benefits have increased overall by: Date payable from:

We have calculated that under the LGPS rules, your deferred benefits will normally become payable unreduced on the date above. You can, however, defer payment up to two days prior to reaching age 75 if you wish to do so.

Please remember that this statement is issued as a guide. While every effort is made to ensure the information fairly represent the benefits payable, ultimately the benefits payable will depend upon your method of retirement and the details provided at that time. Only then can a true and accurate portrayal of those circumstances be provided under the prevailing rules and regulations in force at that point in time, which will include any overriding HMRC requirements.

Changes to personal details

The personal details relate to your LGPS membership. If any of the following change or are incorrectly recorded, you should notify us.

- Surname
- Date of birth
- First name(s)
- NI number
- Title
- Contact telephone numbers
- Address
- Email address
- Post code

Keeping us informed of any changes to any of these items will ensure you continue to receive an accurate statement from the fund detailing the value of your LGPS benefits. **You can use the enclosed form to tell us of any changes to your personal details.**

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 about how this may affect your benefits, contact the Fund for details.



Do I need to complete a nomination form?

Yes! 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. Even if you have previously completed a form, but it has been some time ago and your circumstances have changed, you may therefore wish to reaffirm your wishes by completing a further form that leaves no doubt as to your intentions. Upon receipt of a valid nomination form, we will disregard any previous form.

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 for your dependants. An amount 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.

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

Nominated cohabiting partner

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

Further Details about the LGPS

Rejoining the LGPS

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



Spouses'/civil partners' benefits

Some members have contacted us to say that the spouses'/civil partners' 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.

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.

National insurance modification

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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 membership 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 (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). 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.

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 on the reverse of this statement.

Other matters

If your LGPS benefits are subject to a pension sharing order or earmarking order issued by the court following divorce or dissolution 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. For more information, please contact the Fund.

- forfeit a LGPS member's pension rights if the Secretary of State for Communities and Local Government agrees and the member has been convicted of a serious offence connected with their employment.

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 Adviser on (01902) 554498, or via email 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.

Frequently asked questions (FAQs)

Q. If I want to claim my benefits early on health grounds, can I do so and to whom should I write?

A. To ask about claiming any deferred benefits early on health grounds, you should contact the employer for whom you worked while a member of the LGPS. They'll need any request for this consideration in writing.

Q. If its not health grounds are there any other reasons I can have my benefits paid early?

A. Your former employer can agree to waive any reduction on compassionate grounds and pay your benefits. You would need to ask them what their policy is on this issue.

Q. When are deferred benefits normally paid?

A. Your deferred benefits are normally payable from age 65, although they can be paid earlier, or later. Early payment of deferred benefits can be made at your request. You can request early payment of your deferred benefits from age 50, but you must have your former employer's permission for payment before age 60. You can ask your former employer what their policy on this is.

The minimum retirement age is to be raised from 50 to 55 by 5 April 2010.

If you left with a deferred benefit prior to 6 April 2006, you can retain the early retirement date of age 50.

If you left with a deferred benefit on or after 6 April 2006 and before 1 April 2008 and you were active on 5 April 2006, you can retain an early retirement date of age 50.

If you left with a deferred benefit on or after 1 April 2008, the protection of the

early retirement date of age 50 only lasts until 31 March 2010, whereupon the age rises to 55.

If you choose to draw your deferred benefits before age 65, your benefits may be reduced to take account of their early payment and the fact that your pension will be paid for longer. How much your deferred benefits are reduced by depends on how early you draw them. The reduction is calculated in accordance with guidance issued by the Government Actuary's Department from time to time. The reduction is based on the length of time (in years and days) that you retire early, ie, calculated as the period between the date your benefits are paid and age 65. As a guide, the percentage reductions, issued in April 2008, for retirements up to five years early are shown in the table below. Where the number of years is not exact, the reduction percentages are adjusted accordingly.

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%

Q. Are my LGPS benefits guaranteed?

A. All LGPS benefits are underwritten by statute and so are guaranteed prior to payment and once payment has begun.

Q. How is the increase to my benefits worked out?

A. Your deferred benefits increase every year in line with inflation while they are

deferred. Your pension will continue to receive inflation increases every year once it is paid to you. The figure used to increase your benefits is the same figure which is announced as the rise to state or old age pensions each year. This figure is usually set, based on the inflation figure in the 12 months up to September each year. Although it is announced in the October, it does not apply until the following April.

Q. What will happen if I wish to transfer my LGPS benefits to another (non-LGPS) scheme?

A. If you are joining another pension arrangement, you may wish to consider transferring your LGPS benefits to it. This may even be to an overseas pension scheme or arrangement that meets HMRC conditions. You cannot transfer your benefits if you leave less than one year before age 65. An option to transfer must be made before age 64 or, if later, within six months of leaving your new employment. Your new pension provider will require a transfer value quotation, which, under the provisions introduced by the Pensions Act 1995, the Fund will guarantee for a period of three months from the date of calculation, known as the 'guarantee date'. Your new pension provider can then advise you of the additional benefits the transfer will buy in their scheme. A written option to proceed with the guaranteed transfer value must be received within the three month guaranteed period. If you opt to proceed, the normal time limit for payment of the guaranteed transfer value will be six months from the guarantee date. If payment is not made within this period, the Fund will need to recalculate the value as at the actual date of payment and pay the

recalculated value or, if it is greater, the original value plus interest. For club transfers – if the transfer is not paid within six months of the guarantee date, it is recalculated at the date of payment – no interest is added. Transfer values are calculated in accordance with the terms and conditions of the Local Government Pension Scheme (Administration) Regulations 2008 (as amended) which comply with the requirements of the Pensions Schemes Act 1993. If you are considering whether to transfer benefits, make sure you have full information about the two pension arrangements: details of what your benefits are worth in the LGPS, and details of what your benefits would be worth in the new pension scheme, if transferred. When you compare your options, don't forget that your LGPS benefits accrue guaranteed inflation increases. Transfers to public sector schemes usually give benefits that are broadly equivalent to those in the LGPS, provided you apply for the transfer within 12 months of joining your new pension scheme.

Transferring your pension rights is not always an easy decision to make. Therefore, you may wish to seek the help of an independent financial adviser before you make a decision to transfer your deferred benefits to a personal pension plan, stakeholder pension scheme, buy-out insurance policy or an employer's money purchase scheme, as you will be bearing all of the investment risk which could significantly affect your future pension benefits.

If a full transfer payment is made, you will not be entitled to any further benefits from the LGPS for yourself, your spouse, civil partner, for any cohabiting partner nominated by you, or any benefits for your dependants.

Contact details

Email us on:
PensionFundEnquiries@wolverhampton.gov.uk

Telephone our Helpdesk on:
0300 111 1665

Visit our website at:
wmpfonline.com

Fax us on:
0845 230 1565

Minicom/Typetalk:
01902 554607

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

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

We've moved!

Since the last time you received an annual statement from the Fund, we have moved premises within Wolverhampton. Although our postal address remains unaltered, the physical location of the service is now located at Mander House in the city centre.

If visiting our offices, please come to the 5th floor of Mander House, which is above the Mander Centre, during normal office hours Monday to Friday.

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 above. The administering authority for this Fund is Wolverhampton City Council.

