

# A Guide to your 2020 Annual Benefit Statement

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# Introduction

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This guide will go through your Active Member 2020 Annual Benefit Statement with you—going through the main sections of the statement as well as explaining some of the pension terms that are used.

You will have received an Annual Benefit Statement if you were a member of the Local Government Pension Scheme (or LGPS for short) before 31 March 2020.

The LGPS is an occupational pension scheme. That means that it is linked to your pay and contributions for each job that you do. If you have more than one job, you will receive a different statement for each role.

**While every effort is made to ensure that your statement is as accurate as possible, you should not base a decision to retire on the contents of this Annual Benefit Statement alone.** The Pension Team will calculate your exact entitlement when you retire based on your salary and membership, and prevailing legislation at that time.

You might find it helpful to have your own statement in front of you whilst you look at this guide.

**If you'd prefer, you can [find a full video version of this guide here](#).**

**All screenshots are for demonstration purposes only—no genuine personal details are being shown.**

## 'My Pension' Portal

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You can view your 2020 Annual Benefit Statement, as well as any previous statements online on the **'My Pension'** Portal.

To view your Annual Benefit Statement, simply login to the ['My Pension' portal](#) and go to the Annual Benefit Statement tab.

### How do I register for the 'My Pension' portal?

If you have not already registered for the **'My Pension'** portal, it is free of charge and easy to do. You can [watch our video for a simple step-by-step guide](#) on how to register or [follow the steps listed in our 'My Pension Portal' FAQs](#).

### I've forgotten my username or password to the 'My Pension' portal – what do I do?

If you have forgotten your password or username, then click on 'Forgotten your password?' or 'Forgotten your username?' and follow the on screen instructions. You can [view our in-depth video guide here](#).

### I'm still having trouble logging on to 'My Pension' portal – what do I do?

You can find a FAQ document in the 'Help' section attached to the home page of the **'My Pension'** portal. If you are still unable to logon please call our technical line on **0300 200 1034**.

# Section 1:

## Your personal & employment information

Section 1 of your statement will show your full name, date of birth and other personal details.

**1 Your personal and employment information as at 31 March 2020**

Full name:	xxxxxx	DOB:	xx/xx/xxxx
Date Pensionable Service Started*:	05/07/2004	Employer:	Surrey County Council
Section of LGPS:	MAIN	Job Ref:	xxxxxx

\* To view all of the service that we hold for you, visit the *Employment Details* section on the *My Pension* portal.

If you have opted into the 50/50 scheme, it will be displayed here.

It also shows who your employer is and the job reference that your statement relates to.

Remember, these details are as of 31 March 2020, so if you've made a change since that date, it will not show on this statement.

**Need to amend your personal details?**

You can amend most of your details on the 'My Pension' portal. However, if your name or date of birth are incorrect, please email: [myhelpdeskpensions@surreycc.gov.uk](mailto:myhelpdeskpensions@surreycc.gov.uk) with your supporting documents.

## Section 2:

### Your summary of total benefits

Section 2 shows you a summary of your pension benefits as of 31 March 2020.

Here you will find the value of your pension as if you had left the LGPS on 31 March 2020 which would have been preserved and payable unreduced from your Normal Pension Age (NPA). Your NPA will be shown later on in the statement.

**The Yearly Pension total** = your total yearly pension as at 31 March 2020, including Final Salary (FS) pension (membership up to 31 March 2014) and Career Average Revalued Earnings (CARE) pension (membership from 1 April 2014.)

#### 2 Your summary of total benefits as at 31 March 2020

Yearly Pension: £ Yearly Survivor's Pension: £

Automatic Tax Free Lump Sum: £  
For membership before 01/04/2008

These figures DO NOT include any reductions that would apply if your benefits are paid before your Normal Pension Age (NPA).

**Automatic Lump Sum retirement grant** = Lump sum in respect of membership up to 31 March 2008.

If you joined the LGPS after 31 March 2008 then the automatic lump sum will be zero.

**These figures include:** any extra pension bought via Added Years, APC or ARC contract as at 31 March 2020.

**These figures quoted do not include** any in-house AVC fund. You will receive an AVC statement separately, giving you the value of any AVCs that you pay.

If you were on reduced contractual pay or no pay due to sickness, or relevant child related leave for any part of the year ending 31 March 2020, then your summary is based upon your assumed pensionable pay for that period.

A late retirement increase has been applied to any final salary benefits if you are over age 65 as at 31 March 2020, and to all benefits if you are over your NPA at that date. The late retirement increase is based upon the factors currently in force, which may be different when you take your benefits.

**Your benefits may be reduced if paid before your NPA and any reduction that would apply is NOT reflected in your statement.**

## Section 3:

### Value of death in service benefits

**Section 3 shows you the value of your death in service benefits as of 31 March 2020.**

This line shows you how much would have been payable to your spouse, civil partner or an eligible cohabiting partner if you had died on the 31 March 2020, as an active member of the LGPS.

If your status is shown as **single, divorced, widow/er or unknown**, the yearly survivor's pension shown is based on the assumption that you are married when you die. However, no survivor's pension will be paid (except to any eligible child) unless you are married, have a civil partner or an eligible cohabiting partner at the time of your death.

If you have declared a **cohabiting partner**, the pension shown will be based on your membership from 6 April 1988, plus any membership before 6 April 1988 purchased by an Additional Survivor's Benefit Contribution.

If your status is **married** or in a **civil partnership**, the survivor's pension shown will be based on all your LGPS membership. The survivor's pension due if you change your marital status after leaving the LGPS may differ from that shown.

#### 3 Value of death in service benefits as at 31 March 2020

Yearly Survivor's Pension:  
(Based on a partnership status of Divorced) £

Death in service lump sum: £

Visit the **Nominations** section of the **My Pension** pension portal, where you can create a new nomination or change an existing one.

If you die in service, a death grant of three times your assumed pensionable pay may be payable to your nominated person or persons, or to your personal representatives if you have not nominated anyone. This is called a **Death in service lump sum**.

You can nominate whoever you wish to receive the death in service lump sum, but as this is an expression of wish, it is not legally binding and distribution of the lump sum is at the Fund's discretion.

You can check that the Nomination we hold for you is up to date by visiting the **Nominations** section of the **'My Pension' portal**. From there you can also make a new nomination or change an existing one we hold for you.

## Section 4:

### Projections if you remain in the scheme until your NPA

Section 4 shows you your projected benefits based on the assumption that you remain in the scheme until your Normal Pension Age (NPA).

Your NPA is shown in years and days here.

This is the date that you can take your pension benefits without any reductions being applied. This date may change if your State Pension Age (SPA) changes before your benefits are paid. Your NPA only applies to benefits built up in the CARE scheme. NPA for benefits built up in the Final Salary (FS) scheme before 1 April 2014 is still age 65.

**Total Projected Yearly Pension at Normal Pensionable Age** shows you what your pension is likely to be if you remain in the LGPS, earning the same salary as you do now, until your retirement date.

For some people, their NPA will be several years away, so this is only a rough estimate as it cannot take into account any change in your working circumstances or the future increases that may be applied to your pension.

#### 4 Projections if you remain in the scheme until your Normal Pension Age (NPA)

<b>Your Normal Pension Age (NPA):</b>		66 Yrs 0 Days
<b>Total Projected Yearly Pension at NPA:</b>	£	pa
<b>Total Automatic Tax Free Lump Sum:</b>	£	
<b>Total Projected Survivor's Yearly Pension at NPA:</b> (in the event of your death)	£	pa

**PLEASE NOTE:** The projected figures in this section will show as zero if you were over your NPA on 31 March 2020.

If you were a member of the scheme prior to 1 April 2008, you would have accrued an automatic tax-free lump sum. This next line shows the estimate of this lump sum projected to your NPA.

Don't forget that at your retirement, you will get the option to give up some of your pension to make a larger tax-free lump sum.

This line shows the estimated survivor's pension to your NPA. This will be payable to your spouse, civil partner or an eligible cohabiting partner in the event of your death.

Please note that if you were already over your NPA on 31 March 2020, the figures in section 4 will all be zero.

# Section 5:

## How your LGPS benefits are calculated

Section 5 shows you how we have calculated your LGPS benefits, displaying the salary figures that we used to calculate your Annual Benefit Statement, which have been provided to us by your employer.

If you were in the LGPS before 1 April 2014, then you would have a Final Salary (FS) Pensionable Pay figure shown in the top line.

If you joined the LGPS on or after 1 April 2014 and had not completed a transfer of FS benefits from the LGPS or another public sector pension scheme by 31 March 2020, the FS pensionable pay field will be zero.

This figure is the pensionable pay you have earned in the last 365 days up to 31 March 2020, so it may not be the same figure as the salary you are currently receiving.

Your Final Salary Pension is calculated using your full-time equivalent pay. So, if you are working part time, then this figure will show what you would have earned in your job if you were working as a full-time employee.

### 5 How your LGPS benefits are calculated

**Please note:** The estimated benefits in this statement are based on the pay figures below, which have been supplied by your employer. It is important that you check these figures and contact your employer if you think that any of these pay figures for the year ending **31 March 2020** are wrong. The figures shown below do not include the purchase of Additional Regular Contributions – please refer to the Guidance notes, section 5 for further details.

Your Final Salary Pensionable Pay:	£	
Your CARE Pensionable Pay Main Section:	£	
Your CARE Pensionable Pay 50/50 Section:	£	0.00

The next two lines show the CARE pensionable pay you earned in the 2019/20 scheme year, both in the main scheme and the 50/50 scheme.

If you were a member of the main scheme only, then the 50/50 scheme line will show as zero (such as in this example) and vice versa.

**Your CARE pensionable pay Main Section** - From 1 April 2014, your CARE benefits are calculated on your CARE pensionable pay during the scheme year as provided by your employer.

**You should check the pay figures quoted in the statement, which have been supplied by your employer. If you think that any of these figures are incorrect, then you will need to contact your employer as we do not have access to your pay details.**

# Section 5:

## How your LGPS benefits are calculated

This part of section 5 shows you the total amount of pension that was shown in [section 2](#), but broken down into your final salary pension and CARE pension benefits.

Since the 1 April 2014, the LGPS has been a CARE (Career Average Revalued Earnings) pension scheme. Before this date, the LGPS was a final salary pension scheme.

**The final salary pension is broken into two periods of membership.** You will see membership to 31/03/2008 and membership between 01/04/2008 and 31/03/2014.

If you were working part time or term time only before 1 April 2014, your LGPS membership would have been reduced to allow for the fact that you were not working full time.

This is because we use your full time equivalent pay in the calculation of your pension. That is, the pay you would have received if you worked in your post but on full time hours.

If you had membership before 1 April 2008, then you would also have an automatic lump sum.

**If you did not join the LGPS until the 1 April 2014 or afterwards, you would not have any Final Salary benefits, so these figures will be shown as zero - unless you have transferred service from another public sector scheme with a final salary link.**

**Your Total Benefits to 31 March 2020 are calculated as follows:**  
(If you were over your NPA on 31/03/2020 these figures include the late retirement increase as at that date)

<b>Benefits built up to 31.03.2008</b> (based on pay of £43743.96 and membership of 26/240)	
<b>Pension:</b>	£
<b>Automatic Tax Free Lump Sum:</b>	
	£
<b>Benefits built up between 01.04.2008 &amp; 31.03.2014</b> (based on pay of £43743.96 and membership of 06/000)	
<b>Pension:</b>	£
<b>CARE benefits built up from 01.04.2014 onwards</b> See green section below for breakdown	
<b>Pension:</b>	£

**CARE benefits built up from 01/04/2014 onwards** – this is the total of all of your CARE benefits up to 31/03/2020.

From 1 April 2014, each scheme year that you are a member, your CARE pensionable pay will be divided by 49 if you are in the Main Section, or by 98 if you are in the 50/50 Section, and added to your pension account for that year.

Your CARE pension is revalued each year on 1 April and is adjusted in line with HM Treasury Revaluation Orders.

**Although the FS and CARE benefits are calculated differently, they form a single pot and must be taken together.**



# Section 5:

## How your LGPS benefits are calculated

**CARE benefits are calculated in a different way to the Final Salary Benefits and this part of section 5 breaks this calculation down.**

From 1 April 2014, for every scheme year you are a member of the LGPS, the pensionable pay you have earned for that year is divided by 49 if you are in the main scheme or 98 if you are in the 50/50 scheme, to give the amount of pension you have earned for that year.

On 1 April each year, a cost of living adjustment is then applied to your benefits.

On your statement, the first line shows any CARE pension built up to 1<sup>st</sup> April 2019. The closing balance for the year ending 31 March 2019 forms the opening balance for the 2019/20 year. If you joined the LGPS after 31 March 2019 this figure will be zero.

The second line shows the 2019 cost of living adjustment. Your total CARE Pension is adjusted each April in line with HM Treasury Revaluation Orders. An increase of 2.4% was applied to your benefits built up in the CARE scheme on 1 April 2019.

### Your total CARE Benefits are made up of:

Please note the figures below do not include any late retirement increase, Divorce or Scheme Pays debits

Opening CARE balance at 01.04.2019:	£	
<b>+</b> Adjustment for Cost of Living at 01.04.2019:	£	
<b>+</b> 2019/20 build up (breakdown below):		
CARE Pensionable Pay Main Section / 49:	£	
CARE Pensionable Pay 50/50 Section / 98:	£	0.00
Additional Pension Purchased:	£	0.00
Transfers In:	£	0.00

The next lines show you the CARE pension you have accrued in the main scheme and the 50/50 scheme. If you have only been a member of one of these, then the other figure will show as zero as in this example.

### Additional pension purchased and Transfers In:

If you have purchased any additional pension in the 2019/20 scheme year, by using the APC or SCAPCs scheme for example, then that figure will show in the 'additional pension purchased' line.

Any additional CARE pension purchased from a transfer in of previous pension rights **completed** in the year ending 31 March 2020 will be shown in 'Transfers in'. If your transfer is in progress and has not completed, then it will not show in this statement but will be included in subsequent statements.

**Please note the breakdown of the CARE build up does not include any late retirement increase, Divorce or Scheme Pays Debts.**

## Section 6:

### Tax and your pension

**Section 6 shows you how much of your Lifetime Allowance (or LTA) your pension benefits have used up.**

The Lifetime Allowance (LTA) is the limit on the total value of pension benefits you can draw from **all** pension arrangements without incurring a LTA Tax Charge. **The LTA was £1.055 million on 31 March 2020.**

If the estimated percentage of standard LTA shown on your statement is approaching or greater than 100%, you may have to pay tax on the excess over the LTA when you take payment of your benefits. This may also be the case if you have other pension benefits in any pension scheme (including in-house AVCs which are not included in this statement) that, when combined with your LGPS benefits, have a value exceeding the LTA.

#### 6 Tax and your pension

There are tax limits that apply to pension savings. The **Lifetime Allowance (LTA)** is a limit on the total value of pension benefits you can draw at retirement without incurring a tax charge and was £1.055 million on 31 March 2020.

The estimated percentage of the Lifetime Allowance (£1.055 million) used by the value of your standard LGPS benefits on 31 March 2020: %

Remember, this statement only shows your LGPS benefits, so if you have any benefits elsewhere or pay Additional Voluntary Contributions, they will not be included in this LTA figure.

You can get further advice on LTA on the Pension Fund website or on the Governments website which is [www.GOV.UK](http://www.GOV.UK)

# Frequently Asked Questions

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## How do I find my Annual Benefit Statement online?

To view your Annual Benefit Statement, login to the '[My Pension' portal](#) and go to the Annual Benefit Statement tab.

## My Final Salary Pension Benefits are showing as zero, why is this?

If you were not a member of the LGPS before 1 April 2014, then you will not have any Final Salary pension benefits.

## Are Additional Voluntary Contributions (AVCs) included in the Annual Benefit Statement?

AVCs are not included in the Annual Benefit Statement. The payments you make to your AVC go to a different plan to that of your Local Government pension. You will receive a separate statement from your AVC provider informing you of the current value of your contributions. This may not be sent to you at the same time as your Annual Benefit Statement.

## Where can I find the video version of this ABS guide?

The video is available to view online, just [click here to be taken directly to the video.](#)

## Still have a question?

You can [find our full FAQs here.](#)

## Contact Details

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If you have any other questions that have not been covered in this guide or full FAQs, then please refer to the Guidance notes which are attached to your Statement.

If you cannot find the answer to your question and need to contact us, then please contact us using the email address or telephone number shown below (these are also listed at the bottom of your statement):

How to contact us	
	<a href="mailto:myhelpdeskpensions@surreycc.gov.uk">myhelpdeskpensions@surreycc.gov.uk</a>
	0300 200 1031