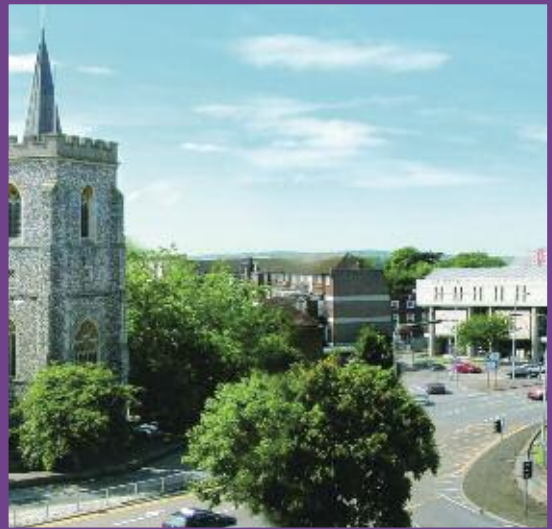


Local Government Pension Scheme



THE ROYAL COUNTY OF
BERKSHIRE
PENSION FUND

A guide for members nearing retirement



Contents

Calculating your retirement benefits

- 4 If you first joined the LGPS on or after 1 April 2008
- 4 If your membership of the LGPS dates back to before 1 April 2008
- 5 Exceptions
- 5 Converting pension into additional tax-free cash
- 5 Membership
- 6 Final pay
- 7 Pensionable pay
 - Certificate of protection

Your retirement options

- 8 Retirement at age 65
- 8 Retirement between the ages of 65 and 75
- 8 Retirement at age 75
- 8 Retirement at age 60 or between the ages of 60 and 65
 - The 85-year rule
 - Benefit reduction table for early retirement
- 10 Retirement from age 50 and before age 60
 - Voluntary retirement
 - Redundancy
 - Efficiency
 - Ill health retirement
- 11 Working after retirement
 - Flexible retirement

More about your benefits

- 12 Additional Voluntary Contributions
- 12 Tax-free cash
- 12 Purchasing additional LGPS membership
- 12 Buying an annuity

General pension information

- 13 Pension increases
- 14 State Pension Age
- 14 Notification of benefits
- 15 Payment of benefits
 - Overseas payments
 - Payslips and P60
- 16 Income tax
- 16 Pension Payroll Number

Death following retirement

- 17 Death grant
- 17 Spouse's/nominated cohabiting partner's/civil partner's pensions
 - Long-term widow's pension
 - Long-term widower's pension
 - Long-term nominated cohabiting partner's pension
 - Long-term civil partner's pension
- 18 Children's pensions
 - Children's long-term pension
- 18 Post-retirement marriage or civil partnership registration

19 Questions & complaints

20 Contact us

Introduction

This booklet explains the benefits available to you when you retire from the Local Government Pension Scheme (LGPS). It also sets out the benefits that may become payable to your spouse, nominated cohabiting partner, civil partner or dependant children in the event of your death.

If ever you or your dependants need to contact the Pension Team you or they will need to supply certain information. You may find it useful to make a note of the information required in the box below and make your dependants aware of how they can find the details required:

Your Date of Birth.....

Your Date of Marriage.....

Your Date of
Civil Partnership Registration.....

Your National Insurance Number.....

Your Pension Payroll Number.....

Your Date of Retirement.....



Entitlement to benefits

Benefits from the LGPS can be paid due to a number of circumstances. To be entitled to any benefits, however, you have to satisfy at least one of the following conditions:

- You must have built up at least three months of Scheme membership
- If you have less than three months' membership you must have transferred into the LGPS previous pension rights from a former scheme
- You are retiring two days before your 75th birthday.

Immediate payment of benefits

To be entitled to the immediate payment of benefits from the LGPS you have to leave as a result of one of the following reasons:

- Retirement two days before your 75th birthday
- Voluntary retirement on the day before your 65th birthday or at anytime between the ages of 65 and 75
- Voluntary retirement on the day before your 60th birthday or at any time between the ages of 60 and 65 (although benefits may be subject to reduction)
- Retirement with your employer's consent between the ages of 55 and 60 (although again your benefits may be subject to reduction)
- Retirement due to redundancy at any time from your 55th birthday onwards (50th birthday for certain protected members)
- Retirement due to the efficient exercise of your employer's duties at any time from your 55th birthday (50th birthday for certain protected members)
- Retirement due to permanent ill health at any age whilst a member of the Scheme.

Each of these will be looked at in more detail throughout this booklet.

Calculating your retirement benefits

If you first joined the LGPS on or after 1 April 2008, your benefits will be calculated as follows:

Annual pension: $\text{Total membership} \div 60 \times \text{final pay}$

Lump sum: NIL (with an option to convert part of your pension into tax-free cash)

In addition, a pension will be paid to your surviving spouse, nominated cohabiting partner or civil partner if you die first. This will be calculated as:

Partner's pension: $\text{Total membership} \div 160 \times \text{final pay}$

Please note that a pension for a spouse, nominated cohabiting partner or civil partner is only payable if you die before them.

The term 'civil partner' relates to a same-sex partner with whom you have registered a civil partnership. If you have nominated a cohabiting partner or you have a civil partner, their pension will be based on your membership from 6 April 1988 only.

If you have membership of the LGPS that dates back to before 1 April 2008, your benefits will be calculated using two different formulae.

For membership prior to 1 April 2008:

Annual pension: $\text{Total membership} \div 80 \times \text{final pay}$

Lump sum: $\text{Total membership} \div 80 \times \text{final pay} \times 3$

In addition a pension will be paid to your surviving spouse or civil partner if you die first. This will be calculated as:

Spouse's pension: $\text{Total membership} \div 160 \times \text{final pay}$

Civil partner's pension: $\text{Membership from 6 April 1988 to 31 March 2008} \div 160 \times \text{final pay}$

For membership from 1 April 2008:

Annual pension: $\text{Total membership} \div 60 \times \text{final pay}$

Lump sum: NIL (with an option to convert part of your pension into tax-free cash)

In addition a pension will be paid to your surviving spouse, nominated cohabiting partner or civil partner if you die first. This will be calculated as:

Spouse's pension: $\text{Total membership} \div 160 \times \text{final pay}$

Nominated cohabiting or civil partner's pension:

$\text{Membership from 1 April 2008 to date of retirement} \div 160 \times \text{final pay}$

Example

As an example, take a member with 20 years of membership (10 years pre-April 2008 and 10 years post-March 2008), and a final pay of £20,000. His benefits will be calculated as follows:

Annual pension: $10 \div 80 \times £20,000 = £2,500.00$
 $+ 10 \div 60 \times £20,000 = £3,333.33$
Total pension £5,833.33

Lump sum: $10 \div 80 \times £20,000 \times 3 = £7,500$

Partner's pension $20 \div 160 \times £20,000 = £2,500$

Exceptions to the calculation of benefits

Your benefits may be calculated slightly differently if you are:

- A man with membership before 1 April 1972
- A woman with membership before 6 April 1988.

If you are a married man with membership prior to 1 April 1972, your benefits may be calculated slightly differently. Prior to that date a widow's pension was paid for by a 2/80ths reduction to your retirement lump sum. It was possible to pay extra contributions to avoid this reduction but if you did not pay these additional contributions your service up to 31 March 1972 will be reduced to 89% of its actual length. For example, if you had membership from 1 April 1971 to 31 March 1972 (one year) it will only count as 325 days (89% of 365). This will affect the calculation of both your pension and your lump sum.

If you are a female member your spouse's pension may only be based on your membership from 6 April 1988 onwards. Your employer has discretion to allow your spouse's pension to be based on your membership before that date (back to 1 April 1972) and they should have a policy statement setting out how they intend to use that discretion available to them under the Scheme regulations. If for any reason you only wish your spouse to receive a pension based on membership from 6 April 1988 you have a right to elect to take that option.

Converting pension into additional tax-free cash

It is now possible to elect to convert part of your pension into additional tax-free cash. You are allowed to exchange £1 of pension for £12 tax-free cash, up to a maximum of 25% of the capital value of your total 'pension pot'. You will be provided with details of how this option applies to you before your benefits

come into payment, as you will need to decide if you wish to convert any part of your pension into additional tax-free cash before that time.

Membership

Whilst a contributing member of the Scheme, membership is built up in respect of all full-time service, any part-time service at its actual part-time length, any additional years purchased by way of extra contributions (sometimes known as added years) and any credited membership as a result of a transfer of former pension rights into the LGPS from any previous pension schemes or arrangements.

Take an example of a member who retired on 31 December 2005 with a period of full-time service from 1 January 1985 to 31 December 1994, part-time service from 1 January 1995 to 31 December 2005 at a rate of 25 hours per week for 52 weeks of the year, an additional three years purchased by way of extra contributions and a transfer from a previous pension scheme that provided a service credit in the LGPS of five years.

The total membership will be calculated as follows:

01.01.85 to 31.12.94 Full-time	= 10 years 0 days
01.01.95 to 31.12.05	
11 years x 25/37ths	= 7 years 158 days
Additional years purchased	= 3 years 0 days
Service credit from a transfer	= 5 years 0 day
Total membership	= 25 years 158 days



If you did not work standard or contractual hours your membership will have built up every year based on the weekly average hours that you worked. For example, if you worked a total of 364 hours in any year (1 April to 31 March) we will divide that by 52 to get a weekly average of seven hours. The period of membership will then be calculated as 365 days x 7/37ths (assuming that the full-time equivalent number of hours per week would be 37). The result of this calculation would be to credit you with 69 days of membership for that year.

There is no longer a maximum membership restriction on the number of years that you are allowed to build up in the Scheme. You are allowed to have more than 40 years of membership by the age of 60, more than 45 years by the age of 65 and unlimited membership (but for the age restriction) by the age of 75.

Final pay

The final pay figure that would normally be used to calculate your LGPS benefits is your pensionable pay received over the last 365 days of your employment. If, for whatever reason, one of the previous two years yields a higher figure, that higher figure will be used, hence the term 'best of the last three years'. If you are a part-time employee, the final pay used is the full-time equivalent rate of pay that you would have received had you been in full-time employment i.e. the pay that an equivalent full-time employee would have earned. (This is different to your membership, which builds up according to the number of hours you actually worked.)

Take a member who retires on 31 December. The last year of pay will be 1 January to 31 December but the annual rate of pay increased from £15,000 to £16,000 with effect from 1 April. The final pay figure will be calculated as follows:

1 January to 31 March	$£15,000 \times 3/12\text{ths}$	£3,750
1 April to 31 December	$£16,000 \times 9/12\text{ths}$	£12,000
Total final pay		£15,750



Pensionable pay

Pensionable pay includes:

- Basic pay
- Contractual overtime
- London Weighting Allowance
- Bonus
- Honoraria
- Shift allowance
- Sleeping-in allowance
- Statutory Sick/Maternity Pay (SSP & SMP).

The LGPS regulations define pay as being the total of all the salary, wages, fees and other payments paid to the employee for their own use in respect of their employment and any other payment or benefit specified in the contract of employment as being pensionable.

Pay that is not pensionable includes:

- Non-contractual overtime
- Travelling or subsistence allowances
- Pay-in-lieu of notice
- Car allowances
- Any payment made in consideration of a loss of holidays
- School achievement awards.

Certificate of protection of pension benefits

An alternative final pay period could be one protected by the issue of a 'certificate of protection of pension benefits'. This certificate is one issued to a Scheme member who, through no personal fault, suffers a material reduction in pay, or the rate at which the pay may be increased is restricted in such a way that it is likely that the rate of retirement benefits will be adversely affected. The three years of pensionable pay immediately prior to the date of material change are recorded on the certificate.

Subsequently recorded on the certificate are up to 10 years' pay figures calculated to the date of the anniversary of the material change. Should the member leave within the period covered by the certificate, the pay figure used would be either one of the last five years recorded on the certificate, or the average of any three consecutive years recorded.

Where the last pay figure recorded on the certificate is greater than the protected pay figure recorded immediately prior to the date of material change, the last pay figure will be used to calculate benefits. Where the last pay figure recorded is less than the protected pay figure detailed immediately prior to the date of material change, the protected pay figure will be used duly increased in line with inflation.

With effect from 1 April 2008, certificates of protection have been removed from the Scheme, although existing certificates will still be honoured. Instead, you can elect to choose a different period for final pay purposes if you have suffered a reduction in (full-time equivalent) pay sometime during the last 10 years of your employment. In short, you can choose to have the average of any three consecutive years pay during the last 10 years used as your final pay, these years running from 1 April to 31 March each year.



Your retirement options

Retirement at age 65

You have a right to retire and draw your benefits from the age of 65 without any reduction being applied to your benefits. This is deemed to be your normal retirement age and the last day of employment is the day before your 65th birthday, as the benefits become payable on and from your 65th birthday.

Retirement between the ages of 65 and 75

If you choose to continue working beyond the age of 65 your benefits must be paid before your 75th birthday. Because you are taking your benefits after the age of 65, they will be increased to reflect their 'late' payment in accordance with guidance issued by the Government Actuary.

Benefits paid after the age of 65 will be paid without reduction regardless of the number of years' membership that you have and you are free to leave your job at any time and receive your benefits immediately.

Retirement at age 75

You can remain in employment and contribute to the LGPS right up until two days before your 75th birthday. Benefits that become payable after your 65th birthday are subject to an increase in order to reflect the fact that they are being paid after your normal retirement age (65). All LGPS benefits must be paid by your 75th birthday.

If you have been paying Additional Voluntary Contributions (AVCs) you need to arrange for these to be brought into payment before the age of 75.

Retirement at age 60 or between the ages of 60 and 65

Since the introduction of amending regulations in 2006, the date from which your benefits can become payable depends on a number of factors. This is because those regulations removed the 85-year rule with effect from 1 October 2006. Protection has, however, been given to benefits based on membership built up until 31 March 2008. If you will be 60 before 1 April 2016 (i.e. born before 1 April 1956) then you will have your benefits protected right up to 31 March 2016. If you will be 60 between 1 April 2016 and 31 March 2020, you will also receive some protection.

Benefit reduction table for early retirement

Number of Years Early	Pension Reduction Females	Pension Reduction Males	Lump Sum Reduction
0	0%	0%	0%
1	6%	5%	2%
2	11%	10%	5%
3	16%	15%	7%
4	20%	19%	9%
5	24%	23%	12%
6	28%	27%	14%
7	32%	30%	16%
8	35%	33%	18%
9	38%	36%	20%
10	41%	39%	22%
11	44%	42%	24%
12	47%	45%	26%
13	50%	47%	27%
14	52%	49%	29%
15	54%	51%	31%

If you are unclear about when your benefits are payable or the amount of reduction that may apply please contact the Pension Team, whose details can be found at the back of this booklet.

The 85-year rule

The LGPS Regulations 1997 introduced the 85-year rule which allows members to retire early with unreduced benefits where their age plus Scheme membership (both in whole years) equals 85.

The impact of the 85-year rule on your benefits can be confusing but if you built up, or will have built up by the age of 65, less than 20 years of Scheme membership, the 85-year rule will not apply to you. Also, if you first joined the LGPS on or after 1 October 2006, the 85-year rule will not apply to you.

If you are uncertain as to how the 85-year rule may affect you, you may wish to read our factsheet 'The 85-year rule and how it applies to you'. You can find it on our website, www.berkshirepensions.org.uk, or ask the Pension Team to send you a copy (tel: 0845 602 7237; e-mail: info@berkshirepensions.org.uk).

If you are still unsure about how the 85-year rule applies to you and what it means for your benefits payable from your chosen retirement date, the Pension Team will be able to assist you.



Retirement from age 50 and before age 60

Voluntary retirement

From the age of 55 (50 if you were a member on 31 March 2008 and will be 50 before 1 April 2010) you have a right to apply to your employer for the release of your pension benefits. Your employer has absolute discretion as to whether or not they will release your benefits early and they should have a policy statement that sets out how they intend to use this discretion available to them under the LGPS regulations. Therefore, for benefits to be paid before the age of 60 you must have your employer's consent. Your benefits may also be reduced, subject to the 85-year rule, although your employer does have discretion to waive this reduction as their cost.

Redundancy

If you are made redundant, are aged 55 or over (or 50 if you were a member on 31 March 2008 and reach age 50 before 1 April 2010) and have at least three months' membership of the Scheme (or if you have less than three months' membership but have transferred previous pension rights into the Scheme), you will become entitled to the immediate payment of your LGPS benefits. Regardless of the 85-year rule, your benefits will not be reduced if you retire early due to redundancy.

Efficiency

This is a term used when it is efficient for your employer (they make savings) to retire you early. This may be as a result of a restructuring exercise or job evaluation exercise, for example. If you are aged 55 or over (50 if you were a member on 31 March 2008 and reach age 50 before 1 April 2010) and have at least three months membership of the Scheme (or if you have less than three months' membership but have transferred previous pension rights into the Scheme), you will be entitled to the immediate

payment of your LGPS benefits. Regardless of the 85-year rule, your benefits will not be reduced if you are retired early on efficiency grounds.

Ill health retirement

If you have to leave your local government employment at any age by reason of being permanently incapable of discharging efficiently the duties of that employment because of ill health or infirmity of mind or body, you are entitled to ill health pension benefits. If you have at least three months' membership of the Scheme or have transferred pension rights into the LGPS, you will receive your pension immediately. Your employer must be satisfied that, because of ill health, you have become permanently incapable of doing your job and they will need to assess, with the help of a qualified occupational doctor, the likelihood of your obtaining gainful employment in the future.

If your employer determines that you have no reasonable prospect of obtaining gainful employment before your normal retirement age, your benefits will be calculated using your membership built up to date plus all of the assumed membership that you would have built up had you remained in your job until the age of 65.

Assume a member who is aged 33 with five years of membership. It is determined that he has no reasonable prospect of obtaining gainful employment before the age of 65. The membership used to calculate his benefits will be:

Accrued membership	5 years
Additional membership to 65	32 years
Total membership	37 years

If your employer determines that, although you will not obtain gainful employment within a reasonable period of leaving your job but you are likely to obtain gainful employment before your normal retirement age, your benefits will be calculated using one quarter of the

assumed membership that you would have built up had you remained in your job until the age of 65.

Taking the same member as in the previous example, the membership now used to calculate benefits would be:

Accrued membership	5 years
Additional membership (32 x 25%)	8 years
Total membership	13 years

If you were a member of the LGPS on 31 March 2008 and were aged 45 or over at that time, you will receive an enhancement as applied under the 1997 LGPS regulations if better than the enhancement shown above.

If your employer determines that you have a reasonable prospect of returning to gainful employment within three years, your benefits built up to date will be released without enhancement and you must notify your employer as soon as you re-enter gainful employment in the future. Your employer will review the payment of this benefit in accordance with Scheme regulations and can, after three years and if you have been unable to return to gainful employment, have your case reviewed.

For the purposes of ill-health retirement the regulations define gainful employment as being paid employment for not less than 30 hours in each week for a period of not less than 12 months.

It is important to note that the independent doctor must be in a position to certify, and must include in his certification, a statement that he has not previously advised, given an opinion on, or otherwise been involved in your case and that he is not acting, and has not at any time acted, as your or your employer's representative. Regardless of the 85-year rule, your benefits will not be reduced if you have to retire early due to permanent ill health.

Working after retirement

In certain circumstances, if you are in receipt of a pension from the Scheme and return to work in local government, the amount payable may be affected.

The LGPS no longer abates pensions where the value of the pension, when added to your earnings in any re-employment, exceeds your former earnings whilst employed in local government. You can, therefore, earn whatever you like without your pension being reduced or suspended altogether.

However, if when you retired from the Scheme you were retired early and granted additional years of membership by your employer in compensation for the loss of your job, those additional benefits may be affected by returning to local government employment in which you are eligible for membership of the LGPS.

If you find yourself in this position you must contact the Pension Team immediately, who will be able to tell you how your benefits already in payment may be affected. If you fail to do this, your pension could be overpaid and you will have to pay back any overpayment that arises.

Flexible retirement

Once you have attained the age of 55 (50 if you were a member on 31 March 2008 and will be 50 before 1 April 2010), your employer can use a discretion to allow you to receive your benefits built up to date whilst remaining in their employment at a reduced grade or with reduced hours of work, thereby avoiding the need to work full-time until the age of 65.

Benefits paid early in this way will be subject to reduction although your employer has the discretion to reduce, or waive altogether, any reduction applied.

More

about your benefits

Additional Voluntary Contributions

If you have been paying Additional Voluntary Contributions (AVCs) whilst a member of the LGPS you have various options available to you as to the use of those AVCs.

You may be able to:

- Take all or part of your AVC fund as tax-free cash
- Purchase additional membership of the LGPS, providing you commenced paying your AVCs before 13 November 2001
- Buy an annuity.

Tax-free cash

Since April 2006 it has been possible for you to increase the amount of tax-free cash that you take at retirement. You can convert part of your LGPS pension into an additional lump sum, but you can also take the whole, or part, of your AVC fund as tax-free cash up to a maximum of 25% of the capital value of all of your pension rights.

If the total AVC fund value is greater than 25% of the capital value of all your pension rights, you will only be allowed to convert part of your AVC fund. The remaining part will have to be used to buy an annuity.

Further details will be supplied to you by the Pension Team when you retire.

Purchasing additional LGPS membership

If you started paying your AVCs before 13 November 2001 and you are retiring because of permanent ill health or you are aged 55 or over (50 if you were a member on 31 March 2008 and will be 50 before 1 April 2010), and have elected to stop paying your AVCs before your date of retirement, you can opt to convert your AVC fund into additional LGPS membership.

The extra membership purchased increases the value of any spouse's, nominated cohabiting partner's or civil partner's and children's pensions that may become payable to your dependants in the future.

Further details will be supplied to you by the Pension Team when you retire.

Buying an annuity

An annuity is an amount of additional pension benefit. When you buy an annuity from an AVC provider you can choose the type of pension that best suits your needs:

- One that provides a flat-rate pension that never increases
- One that will increase each year in line with the Retail Prices Index
- One that increases at a fixed rate
- One that includes protections for your spouse, nominated cohabiting partner or civil partner
- One that is guaranteed for five years (if you die within five years a lump sum is paid out)
- Or any combination of the above.

The amount of an annuity is determined by the annuity rates available at the date that you choose to purchase your annuity. These are largely determined by interest rates. If they are high, the organisation selling annuities is able to obtain greater income from each pound in your fund. Conversely, when interest rates are low or if they fall, the amount of pension that can be purchased will be less.

You do not have to buy an annuity at your date of retirement. You can delay the purchase of your annuity until any time up to your 75th birthday.

Further details of the options available to you will be provided by the Pension Team when you retire.

General pension information

Pension increases

LGPS pensions are subject to an increase under the Pensions (Increase) Act 1971. The amount of increase each year is entirely dependent on the rate of inflation as benefits are fully index linked and set by reference to the Retail Prices Index, based on the 12 months to September the previous year.

The increase is applied each year from the first Monday following the beginning of the new tax year (6 April).

Pensions increase payments will not normally come into effect until your 55th birthday, unless your reason for retiring is permanent ill health, in which case the pension is increased immediately regardless of age. Therefore, if you are retired before the age of 55, other than as a result of permanent ill health, increases to your pension will normally not be applied until you reach your 55th birthday. At that time the percentage applied is the percentage built up since your date of retirement, although no arrears of benefits are paid.

If you have a dependant who is wholly or mainly supported by you and who is either under the age of 17 or 17 years old or over and in full-time education or training, your pension may be increased before the age of 55. In the case of a woman only the fraction of your pension earned in respect of membership before 1 January 1993 will be increased and in the case of a man, only that fraction of your pension earned in respect of your membership between 17 May 1990 and 31 December 1992 will be increased.

You can view the percentages by which LGPS pensions have been increased since 1997 by visiting our website (www.berkshirepensions.org.uk) and following the links to 'Retired Members' and 'Pensions

Increase'. You can also see how the pensions increase is applied in the year that you retire.

The full percentage increase for any year is only payable if your pension has been in payment for one year or more. So, for the year that you retire only a proportion of the increase will be applied.

Any part of your benefits that become payable to your husband or wife, nominated cohabiting partner, civil partner or children will also be index linked and are increased as if they came into payment on the same day as your pension.

If you retire before State Pension Age (see next section) you will receive the increase in full as part of your LGPS benefits. If you retire at or after State Pension Age and you have membership before 6 April 1997 your increase will be calculated in two parts.



The LGPS is a contracted-out pension scheme and if you have membership between 6 April 1978 and 5 April 1997 and you paid the full-rate contracted-out National Insurance contributions, you will have a Guaranteed Minimum Pension (GMP) entitlement. The GMP is the minimum amount that would have been paid by the additional part of the State Scheme (State Earnings Related Pension Scheme or SERPS, now called the State Second Pension or S2P) had you paid contracted-in National Insurance contributions instead of pension contributions to the LGPS.

A GMP becomes payable from State Pension Age and is split into two elements, pre-6 April 1988 and post-5 April 1988. The GMP is not an additional amount to the benefits paid by the LGPS but forms part of those benefits. All increases due on the pre-6 April 1988 GMP are paid by the Department for Work & Pensions as part of your State benefit. Increases up to a maximum of 3% on the post-5 April 1988 GMP are paid as part of your LGPS pension. Where your pension increases by more than 3% the balance is paid as part of your State benefit.

This arrangement is quite complicated but it is important to note that the total increase you receive from both sources is exactly the same as if the total increase had been paid as part of the LGPS. The State Second Pension replaced SERPS as a second tier State Pension but all rights built up under SERPS are protected. At State Pension Age, therefore, you may be entitled to:

- Your basic State flat-rate old age pension
- A State graduated pension (if you were employed before 6 April 1975)
- An additional pension as a top-up to the basic State Pension under SERPS
- A further top-up pension under S2P.

For further information about your State Pension benefits you can request a forecast on-line at www.thepensionservice.gov.uk or by calling the State Pension Forecasting Team on 0845 3000 168 between 8am and 8pm Monday to Friday or 9am to 1pm on Saturdays.

State Pension Age

As a result of the Government's White Paper issued on 25 May 2006, State Pension Age will be increased to 66 between 2024 and 2026, to 67 between 2034 and 2036 and to 68 between 2044 and 2046.

Currently, State Pension Age for men is 65 and for women 60. However, State Pension Age for women will change from 2010 so that by 2020 it will be 65, the same as men. The following table sets out how this will work:

Date of Birth	State Pension Age
Before 6 April 1950	60
Between 6 April 1950 and 5 April 1951	Between 60 - 61
Between 6 April 1951 and 5 April 1952	Between 61 - 62
Between 6 April 1952 and 5 April 1953	Between 62 - 63
Between 6 April 1953 and 5 April 1954	Between 63 - 64
Between 6 April 1954 and 5 April 1955	Between 64 - 65
After 5 April 1955	65

Notification of benefits

The Pension Team will write to you within two working days of receipt of all relevant information from your employer. Before your pension benefits can be assessed by the Pension Team, your employer has to calculate and supply the final pay figure to be

used in the calculation of your benefits. Other information will also be required and should be supplied by your employer at that time. Once the Pension Team have everything they need, they will write to you with details of the benefits payable. They will also ask you to complete and return a Lifetime Allowance certificate and details of where you would like your pension benefits to be paid along with copies of your birth certificate and marriage certificate or civil partnership registration document if these have not already been supplied.

Payment of benefits

Your pension and any lump sum, if any, will be paid into the bank or building society account of your choice in the same way as your pay during your employment. You will need to complete and return a form RET2 confirming these details and your partnership status.

If you wish your lump sum to be paid into a different account to your pension you will need to supply separate details.

Your pension will be paid monthly on the last working day of the month with the exception of December when pensions are paid before Christmas.

If you wish to change your account details, or if you change address, you should contact the Pension Team on 0845 602 7237 or at info@berkshirepensions.org.uk. Please note that a change of address can be taken over the telephone but a change of bank details must be put in writing i.e. letter or e-mail.

'You will find forms for downloading on our website (www.berkshirepensions.org.uk) by following the links to 'Retired Members' and 'Changing Your Address/Changing Your Bank Details'.

Overseas payments

If you decide to live abroad it will, in most cases, be possible for your pension to be paid to an overseas bank account via the Bank of Scotland's Transcontinental Automated Payment Service (TAPS). There is no cost to you in using this service but the amount of pension you receive each month will depend upon the exchange rate applicable at the time of payment. If you are interested in this option you should contact the Pension Team on 0845 602 7237 or at info@berkshirepensions.org.uk to obtain the TAPS mandate applicable to your country of residence. Alternatively, you can download a copy of the relevant TAPS mandate from our website (www.berkshirepensions.org.uk) by following the links to 'Retired Members' and 'Living Overseas'.

Payslips and P60

You will be sent a payslip in respect of your first pension payment to your home address. Thereafter you will only receive a payslip where there is a variance of 50 pence or more in your net pay from



one month to another. You will receive a payslip in April as a result of the pensions increase being applied. However, as the increase is not effective from 1 April, you will most probably receive a further payslip in May as this will be the first full month that the increase is taken into account.

Please note, that your pension will continue to be paid into your chosen bank or building society account despite the fact that a payslip may not be issued to you every month. If you wish to check the amount of pension you have been paid you should contact the Pension Team on 0845 602 7237 or at info@berkshirepensions.org.uk who will be willing to assist you.

You will receive a P60 each year, by 31 May, showing the totals of your pension, tax and other deductions if applicable, for the previous financial year. There is a statutory requirement to issue P60s by that date although the information contained within can be supplied sooner by contacting the Pension Team on 0845 602 7237 or at info@berkshirepensions.org.uk. You must not throw away your P60. You should keep it as it may be required for tax purposes. A detailed explanation of your payslip and your P60 can be found on our website (www.berkshirepensions.org.uk) by following the links to 'Retired Members' and 'Payslips/Tax Forms'.

Income tax

Your pension, and any part of your pension that may become payable to your dependants, is subject to income tax as it is classed as earned income. When you retire your employer will issue you with a P45. Only Part 1A should be sent to you by your employer, the other parts should be sent to the Pension Team. The pension payroll staff will forward your P45 details to the Scheme's tax office in Devon whose details can be found opposite.

Please note that the tax office determines your tax code and not the Pension Team. Therefore, if you have any queries relating to your tax code you must contact the tax office directly.

If, for whatever reason, you do not have a P45 the Pension Team will provide you with a P46 for completion and return and operate an emergency or basic rate coding in the meantime. Once the tax office has issued your correct code any overpayment of tax will be adjusted automatically. A detailed explanation as to how to fill out your P46 is available on our website (www.berkshirepensions.org.uk) and following the links to 'Retired Members' and 'Tax Forms'.

If you need to query your tax code or have any enquiries about your tax please contact:

HM Inspector of Taxes
Devon Area
Longbrook House
New North Road
Exeter
Devon EX4 4UD

Tel: 0845 366 7830

PAYE Reference number: 070/R5200

You will also need to quote your National Insurance number and the Pension Fund's PAYE reference number above.

Pension Payroll Number

You will be advised of your pension payroll number on your first and future payslips, your P60 and any other correspondence that you may receive from the Scheme. It will be made up of five numbers and one letter e.g. 54321A. Please quote your pension payroll number in any correspondence that you send to the Pension Team.

Death

following retirement

When you die, further benefits may still be paid from the LGPS:

- A lump sum death grant
- A pension for your legally married spouse (husband or wife), registered civil partner or nominated cohabiting partner
- Pensions for your dependant children.

Death grant

The amount of death grant payable is dependent upon how long you have been in receipt of your pension. A death grant is payable if you die before the age of 75 within 10 years of the date of your retirement and will be equal to 10 times the annual pension in payment minus the amount of pension already paid up to the date of death. You can nominate who you would like to receive any death grant payable by completing an expression of wish form, which can be obtained by contacting the Pension Team, whose details can be found at the back of this guide, or by downloading a copy at www.berkshirerpensions.org.uk

Spouse's/nominated cohabiting partner's/civil partner's pensions

If you die before your husband or wife, your nominated cohabiting partner or civil partner, he or she will become entitled to part of your pension for the rest of his or her life. Such pensions no longer cease upon re-marriage to, cohabitation with, or re-registration of a civil partnership with, another person.

A long-term pension will be paid although the amount depends upon whether or not you also leave dependant children (see section headed Children's Pensions for definition of dependant children).

Long-term widow's pension

If you die before your wife she will become entitled to a long-term widow's pension. A long-term widow's pension is equal to 1/160th of your final pay (i.e. the pay used to calculate your pension) times your total membership. To this is added full inflation proofing and the pension is payable for life.

Long-term widower's pension

If you die before your husband he will become entitled to a long-term widower's pension. A long-term widower's pension is equal to 1/160th of your final pay (i.e. the pay used to calculate your pension) times your membership built up since 1 April 1972. To this is added full inflation proofing and the pension is payable for life.

Long-term nominated cohabiting partner's pension

Providing you were an active member of the LGPS at some point since 1 April 2008, you can nominate a cohabiting partner as beneficiary of any dependant's benefits that may become payable in the event of your death. For a cohabiting partnership to be valid both you and your partner must sign a declaration confirming that you are cohabiting partners and that:

- i) Your co-habitation had been continuous for at least two years at the date that the declaration is signed
- ii) You are free to marry or enter into a civil partnership at any time
- iii) You are living together as if husband and wife or civil partners
- iv) You are not living with a third person as if husband or wife or civil partners
- v) Either your partner is financially dependent upon you or you are financially inter-dependent upon each other. The Pension Team will therefore require from you evidence of your financial interdependence for the last two years.

If you die before your nominated cohabiting partner, he or she will become entitled to a long-term partner's pension. A long-term nominated cohabiting partner's pension is equal to 1/160th of your final pay (i.e. the final pay used to calculate your pension) for each year of your membership built up since 6 April 1988. To this is added full inflation proofing and the pension is payable for life.

Long-term civil partner's pension

If you die before your civil partner he or she will become entitled to a long-term civil partner's pension. A long-term civil partner's pension is equal to 1/160th of your final pay (i.e. the final pay used to calculate your pension) for each year of your membership built up since 6 April 1988. To this is added full inflation proofing and the pension is payable for life.

Children's pensions

Children's pensions are payable for so long as eligible children remain following your death. To be eligible your children must be:

- Aged under 17, or
- Aged 17 or over but under 23 and have been in full-time education or training since before the age of 17, and
- Legitimate or adopted, and
- Dependent upon you by reason of incapacity since before the age of 17, and
- Born within 12 months from the date of your death.

Children's long-term pension

If there is a pension payable to your legally married spouse, nominated cohabiting partner or civil partner the following children's pensions will be payable:

- One eligible child will receive 1/320th of your final pay (i.e. the pay used to calculate your pension) times the total membership used in the calculation of your benefits

- Two or more eligible children will receive 1/160th of your final pay (i.e. the pay used to calculate your pension) times the total membership used to calculate your benefits, divided equally between them.

If there is no widow's, widower's, nominated cohabiting partner's or civil partner's pension in payment the following children's pensions will be payable:

- One eligible child will receive 1/240th of your final pay (i.e. the pay used to calculate your pension) times the total membership used to calculate your benefits
- Two or more eligible children will receive 1/120th of your final pay (i.e. the pay used to calculate your pension) times the total membership used to calculate your benefits, divided equally between them.

Post-retirement marriage or civil partnership registration

If you marry or enter in a civil partnership after the date of your retirement, the benefits payable to your dependants will be different to those detailed above for Scheme members who were married or had registered a civil partnership before retirement.

Further information can be obtained by contacting the Pension Team, whose details can be found at the back of this booklet.



Questions and complaints

If you have a question about your pension rights or you are not sure of your entitlements, please do not hesitate to get in touch with the Pension Team, whose contact details are on the back page of this guide.

We will deal with the problem as quickly and efficiently as possible. Many problems, which may be caused by misunderstandings or wrong information, can be resolved in this way and easily put right. An informal enquiry of this kind may save you a lot of time and trouble.

If you are not satisfied with any decision affecting you made in relation to the Scheme, you have the right to ask for it to be looked at again under the formal complaint procedure. You also have a right to use the procedure if a decision should have been made by your employer or administering authority, but it hasn't been. The complaint procedure's official name is the 'internal dispute resolution procedure'.

You need to make your application in writing and normally within six months of the day when you were told of the decision about which you want to complain.

Your complaint will be considered at Stage 1 by a person specified or nominated by the body (usually your employer) that took the decision against which you wish to complain. If your complaint is not resolved at this stage you can ask the Scheme's administering authority to take a fresh look at your complaint at Stage 2. The administering authority will consider your complaint and give you their decision in writing.

If you are still unhappy following the administering authority's second stage decision, you can take your case to the Pensions Ombudsman provided you do so within three years from the date of the original decision (or lack of a decision) about which you are complaining.

A copy of our complaints procedure and application form can be found on our website www.berskhirepensions.org.uk

At any time, if you are having difficulties in sorting out your complaint, you may wish to contact The Pensions Advisory Service (TPAS). TPAS can provide free advice and information to explain your rights and responsibilities. Their website is www.pensionsadvisoryservice.org.uk or you can contact TPAS by phone, post, e-mail or fax.

The Pensions Helpline phone number is 0845 6012923 (local call rate) and lines are manned Monday to Friday 9am to 5pm. Outside of these times, you can leave your number and someone will phone back later.

You can write to:

TPAS

11 Belgrave Road

London

SW1V 1RB

E-mail: enquiries@pensionsadvisoryservice.org.uk

Fax: 020 7233 8016



Contact details

More detailed information about the Scheme is available from the Pension Team:

Royal County of Berkshire Pension Fund
Minster Court
22-30 York Road
Maidenhead
Berkshire
SL6 1SF

Tel: 0845 602 7237
Fax: 01628 796 700
E-mail: info@berkshirerpensions.org.uk
Website: www.berkshirerpensions.org.uk

This guide is printed on ClaroSilk, an elemental chlorine-free (ECF) paper sourced from certified, sustainably managed forests.



The Royal Borough of Windsor and Maidenhead is the administering authority to the Royal County of Berkshire Pension Fund.

LGS14(0310)