

DEFERRED STATEMENT GUIDANCE NOTES 2020

Claiming your Deferred Pension Credit (which we also refer to as a Deferred Benefit on your statement)

If your pension credit was awarded to you **after** 31st March 2014, your Normal Retirement Age (NRA) is linked with your State Pension Age (or minimum age 65).

If your pension credit was awarded to you **before** 1st April 2014, your NRA will be age 65.

However, LGPS regulations state that you may request payment of your pension credit from the age of 55. If you claim your pension credit earlier than your NRA, the amount payable will be reduced. This is because you will be receiving payment earlier than the normal date. You can either use the pension projectors on Member Self Service to see what the reductions would be, or make a written/email request for an early retirement pension estimate from the Clwyd Pension Fund.

Benefits must be in pay before your 75th birthday.

Calculating Deferred Benefits: Section 3 of your Statement

When the Courts awarded you a percentage of your ex partner's pension, Clwyd Pension Fund split the pension by that percentage and awarded you your share in the form of a deferred pension credit.

Your pension benefits have been awarded based on the LGPS regulations in place at the time your ex-partner was paying pension contributions, and the date that the Pension Sharing Order was implemented from.

Membership up to 31st March 2014 gives a final salary benefit (based on membership and full time equivalent pay at the date of leaving)

- Annual pension: membership to 31st March 2008 / 80 x final pay at leaving
- Automatic Lump Sum: 3 x 80th annual pension amount
- Annual Pension: membership from 1st April 2008 to 31st March 2014 / 60 x final pay at leaving

Membership since 1st April 2014 gives a Career Average Revalued Earnings (*CARE) benefit.

- Main scheme Annual pension: *CARE pensionable pay / 49
 - 50:50 scheme Annual pension: *CARE pensionable pay / 98
- *CARE pensionable pay is what has been actually earned and had pension contributions deducted from it each scheme year. Sometimes this is increased to account for long term unpaid absences (a scheme year is 1st April to 31st March).

Depending on which set of LGPS regulations you are covered by, when you retire you may be given the option to convert annual pension into tax free lump sum. Details of this will be given to you at retirement if this option is applicable to you.

Deferred Death Grant: Section 4 of your Statement

A pension credit member can inform us of who they would like to receive any death grant payable from the Clwyd Pension Fund. This does not necessarily have to be your next of kin. Completion of the Expression of Wish Form is not legally binding and is an expression of wish only. The form however, does indicate your intention to us, and in the vast majority of cases Clwyd Pension Fund will follow your request. You can complete an Expression of Wish Form or you can update/change your expression of wish on Member Self Service to make sure you have informed us of your wishes. The Clwyd Pension Fund, as the administering authority, retains absolute discretion of who to pay the death grant to, but we do aim to honour the expression of wish made by the pension credit member.

- If your pension credit was awarded to you before 1st April 2008 and you die before your benefits are payable, your beneficiary/ies will receive 3 times your deferred pension as the death grant.
- If your pension credit was awarded to you after 31st March 2008, the death grant will be 5 times the deferred pension.

Apart from the death grant, no other form of death benefits would be payable. No continuing survivor pension is payable as a result of a Pension Credit.