A guide for new pensioners

Preserved benefits into payment
Bedfordshire Pension Fund — Local Government retirement pension

This is a guide to some of the things to consider when you start to receive your Local Government pension. It covers some of the most frequently asked questions as well as addressing other important topics.

When will my pension be paid?
Your pension is payable to you for life and will be paid to you monthly on the last Thursday of each month, except in the month of December when payment will be made before Christmas. Please see the Bedfordshire Pension Fund website www.bedspensionfund.org for more information on pension pay dates.

It is the policy of the Bedfordshire Pension Fund to pay all new pension payments automatically to a bank account. Future payments will be sent to the account named on the bank details form recently completed and returned by you. If your bank account changes, please send written and signed notification to Bedfordshire Pension Fund.

Should you have any queries regarding your tax code, Bank/Building Society details or a change of address, these should be addressed to:

Bedfordshire Pension Fund
Borough Hall
Cauldwell Street
Bedford MK42 9AP

Email: pensions@bedford.gov.uk
Tel: (01234) 228740, 228508, 228926

Will I receive a payslip?
After your first pension payment you will not receive a pension advice slip each month, except:

- In April of each year
- On any other month when there is a change of more than £1 affecting your net pension payment
- As confirmation of a change of details e.g. bank/building society account or home address

When will I receive my P60?
P60s for the previous tax year will be sent out no later than 31 May each year.

Will my pension increase?
Pensions Increases are presently payable in April each year. The amount of increase applied is currently calculated based on the Consumer Price Index (CPI) and a letter will be sent out each April informing you of the percentage increase. You will be entitled to receive pension increases if:

- you are age 55 or over
- your benefits have been put into payment on medical grounds. Please note that in certain circumstances your pension will not increase if you are under age 55 and you left your employment before 31 March 2008 and the independent registered medical practitioner at the time of your assessment has determined your pension will not increase until age 55.

If I get a new job will it affect my pension?
There is no longer a restriction on the amount of pension you can receive if you are re-employed, although you may wish to talk to HM Revenue & Customs (HMRC) to see if there are any tax implications (we are not able to help with these queries). This is for new pensions and/or new employments that start after 1 November 2009.
Provisions for spouses, civil partners and eligible cohabiting partners

The spouse's/civil partner's/eligible cohabiting partner's pension quoted on the enclosed statement assumes you to be married to/in a civil partnership with/in a cohabiting partnership with the same person at the date of death as you are at the date you left. Should your partnership status alter after retirement then the level of benefits may vary.

National Insurance modification regulations

If you have service prior to 31 March 1980, and left before 31 March 1998, then your Local Government Pension is modified from your State Pension Age in line with National Insurance modification regulations. You will be notified at that time as to the reduction to your monthly pension. However, if you left after 1 April 1998, under the Local Government Pension Scheme regulations your pension will not be adjusted.

Income Tax (PAYE)

In accordance with instructions issued by HM Revenue & Customs (HMRC), an employee who retires on pension is subject to income tax deduction at the appropriate rate as the pension is treated as earned income. Form P45, which is normally given to an employee on leaving employment, will instruct as to the appropriate code to be used against the person/earned income. If you are in receipt of your P45 (parts 2 and 3), please forward these to Bedfordshire Pension Fund as soon as you are able. In the absence of Form P45, tax code BR (Basic Rate) will be used in all instances.

If you are in any doubt that the correct tax code/rate is being operated against your pension please apply to your local tax office for instructions quoting Bedfordshire Pension Fund’s PAYE reference 419/LA17958 as being concerned with the tax liability on payments of your pension. The contact number for HMRC is 0300 200 3300. The PAYE reference should also be quoted on all correspondence with HMRC and may also be requested on any tax form you may complete.

Lifetime Allowance

The attached statement also contains information concerning the percentage of your Lifetime Allowance which is used up by this pension. The Lifetime Allowance is set by HMRC and is the amount you may not exceed without triggering an excess benefits tax charge. This percentage will need to be reported on retirement to any other pension provider you may have before you receive payment of that pension.

Anti-fraud initiative

The Pension Fund administered by Bedford Borough Council is committed to a culture throughout the organisation that fights the possibility of fraud or corrupt acts against it. One element of the arrangements in place to achieve this is a possible exchange of data with other public authorities. Such exchange could involve elements of payroll information in relation to members of the Local Government Pension Scheme.

Guaranteed Minimum Pension

The annual pension figure includes the Guaranteed Minimum Pension as notified to you by HMRC. The Guaranteed Minimum Pension is not an additional payment due to you, but is the least amount the Bedfordshire Pension Fund must guarantee to pay by way of pension.

Pensions increase on the Guaranteed Minimum Pension is paid by the HMRC together with your state pension and not by the Bedfordshire Pension Fund.

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Bedfordshire Pension Fund is a Data Controller under the General Data Protection Regulations. This means we store, hold and manage your personal data, in line with statutory requirements, to enable us to provide you with pension administration services. In order for us to carry out our statutory duty, we are required to share your information with certain bodies, but will only do so in limited circumstances. For more information about how we hold your data, who we share it with and what rights you have to request information from the Fund, please visit www.bedspensionfund.org

Your benefits are secured and payment is made from the Bedfordshire Pension Fund