

Local Government Pension Scheme (LGPS)

LGPS benefits into payment - a guide for new pensioners

This is a guide to some of the things to think about when you start to receive your LGPS pension.

Frequently asked questions

When will my pension be paid?

Your pension is payable to you for life and will be paid to you monthly in arrears on the last Thursday of each month, except in the month of December when payment will be made before Christmas. Bedfordshire Pension Fund pays your pension directly to a bank or building society account. Pension pay dates are on our website:

www.bedspensionfund.org/pensioners

Changes of bank or building society account details must be sent in writing with a signature.

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 to your net pension payment
- as confirmation of a change of details e.g. bank/building society account or home address

You can also view details of your pension payments on My Pension Online.

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?

Under current rules, Pensions Increases are payable in April each year, provided you are over age 55 or if you are under age 55 and retired on ill health grounds and met all the necessary conditions. The amount of the increase is currently based on the Consumer Price Index (CPI), and we will send you a letter each April telling you the percentage increase.

If I get a new job will it affect my pension?

Bedfordshire Pension Fund does not limit 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 unable to help with these queries).

Do you need to know if I move house?

Yes, we do. Please let us know about any changes to your address as soon as possible, either by letter, email or by updating your information on My Pension Online. If any information we send to you is returned to us because we don't have an up-to-date address, then this may affect payment of your pension.

More information

Income tax (PAYE)

Your LGPS pension is subject to income tax. Form P45 ("Details of an employee leaving work") is normally given to an employee on leaving employment. If you have your P45, please send it to us so we can apply your tax code to your LGPS pension. If we don't receive your P45 we will use a temporary tax code until HMRC tells us the correct code to use. If you are claiming your pension immediately after leaving Local Government employment, your employer may have already sent us your P45.

If you need to contact HMRC about your tax code, the telephone number is 0300 200 3300. Please quote Bedfordshire Pension Fund's PAYE reference 419/LA17958. The PAYE reference should be quoted on all correspondence with HMRC and you may need to put it on any tax form you complete.

Death benefits

The enclosed pension statement shows the amount of a survivor's pension which would be paid to a spouse/civil partner/eligible cohabiting partner in the event of your death. Certain conditions need to be met for a cohabiting partner to qualify for a survivor's pension.

If your partnership status changes after retirement, then the amount of the survivor's pension may be different from the amount shown on the enclosed pension statement.

If you die before age 75, a lump sum death grant may be paid. The amount of the death grant will depend on how long you have been receiving your pension and your date of leaving the LGPS.

A survivor pension may be paid to your eligible children if certain qualifying conditions are met.

For more information about the death grant and to see the qualifying conditions for survivor's pensions for cohabiting partners and children, please visit the national LGPS website at lgpsmember.org

National Insurance modification regulations

If you have LGPS membership before 31 March 1980, and left the LGPS before 31 March 1998, then your LGPS 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.

Lump sum allowances

The Government limits the amount of tax-free cash that can be paid to you from registered pension schemes. The limits on tax-free cash are called the Lump Sum Allowance (LSA) and the Lump Sum and Death Benefits Allowance (LSDBA). Most people's lump sum payments will not go over the limits.

We have enclosed a statement showing how much of each of your allowances has been used up by the lump sum you have been paid from Bedfordshire Pension Fund, if this applies. If you claim a pension from another pension scheme in the future, then you may be asked for this information.

Anti-fraud initiative

The Pension Fund, administered by Bedford Borough Council, is required by law to protect the public funds we are responsible for. Your information may be shared with other bodies responsible for auditing or administering public funds, in order to prevent and detect fraud. More information is on our website

https://www.bedspensionfund.org/Pensioners/national_fraud_initiative.aspx

Guaranteed Minimum Pension (GMP)

If any part of your LGPS pension was built up between 6 April 1978 and 5 April 1988 there may be a GMP included in your pension. The annual pension figure includes any GMP, if applicable. The GMP is not an additional payment due to you but is the minimum pension Bedfordshire Pension Fund must guarantee to pay. Pensions increase on the GMP is paid by HMRC together with your state pension and not by Bedfordshire Pension Fund.

Contact us if you have any questions

Email: pensionbenefits@bedford.gov.uk

Telephone: 01234 276912 Option 1

Pension fund website: www.bedspensionfund.org

My Pension Online: mypension.bedspensionfund.org

Address: Bedfordshire Pension Fund, Borough Hall, Bedford MK42 9AP