

Annual Benefit Statement Guidance Notes

Your individual statement shows how your pension is calculated along with projections of your benefits to your Normal Pension Age (NPA).

Annual Benefit Statements are a way for you to check how your pension benefits are growing each year.

Benefit statements are sent out to both active and deferred members. Some members may have both current and former jobs and in these cases, you will receive a statement for each job in which you have paid contributions to the pension scheme.

The Deferred member statements are for previous posts that you no longer pay pension contributions on and will be sent out following the issue of the active statements.

This statement has taken into account the changes from a Final Salary to a Career Average Revalued Earnings Scheme (CARE) from the 1st April 2014.

If you joined the pension scheme before 1 April 2014 your pension benefits will be made up of both Final Salary and CARE scheme benefits.

How your pension benefits are calculated

From 1 April 2014, your pension benefits could now be made up of both Final Salary and CARE benefits.

Final Salary

These benefits are calculated using 80ths for any pre-2008 membership and 60ths for any post 2008 membership, divided by your salary and times your total membership

Pre-2008 = £ Pensionable salary ÷ 80ths X 00/000 Membership £ per annum

Post 2008 = £ Pensionable salary ÷ 60ths X 01/113 Membership £ per annum

Total Annual Pension (pre-2008 + post 2008) £ per annum

Automatic Lump Sum for the pre-2008 scheme only £Pensionable salary ÷ 80ths X 3 x 00/000 Membership = £0.00

Automatic Lump Sum: This is only payable for membership in the pre-2008 scheme Calculation = your pensionable salary ÷ 80 x 3 x your total years and days membership.

CARE Benefits

Post 1.4.2014 benefits are calculated using 49ths of your pensionable pay as at 31st March of each year. There is also an option to contribute into the 50/50 scheme which is a 98ths pension scheme.

If you have more than one employment then you will receive a statement for each separate post in which you are a LGPS member.

Final salary pensionable pay:

The final salary benefits pre-1 April 2014 (if any) are calculated using the full-time equivalent (FTE) pay as at 31 March 2017. The definition of pay excludes noncontractual overtime and ignores any reduction in pay due to sickness or injury, child related leave or reserve forces service leave.

CARE pensionable pay:

Your Career Average Revalued Earnings benefits are based on the actual pensionable pay received during the Scheme Year (from 1 April to 31 March). Under the 2014 Scheme definition of pay, all overtime and additional hours are included in your CARE Pensionable Pay.

Although your benefits are calculated separately, they are paid together when you retire.

If you have an Added Years, Additional Regular Contributions (ARC) or Additional Pension Contributions (APC) contract the amount of additional pension purchased by this contract is included in your total annual pension and lump sum (it is included in the lump sum and survivors pension for added years contracts only) as at 31/03/17 and as at your NPA.

The figures quoted at your normal retirement date will assume that you have completed the whole contract and the figures will reflect that.

Your Normal Pension Age (NPA) shown under this section is linked to your State Pension Age (SPA) and may therefore change in the future. However, you are able to retire voluntarily from age 55 but your benefits are reduced if paid before your NPA. You can remain in the scheme until the day before your 75th birthday but your benefits must be paid before age 75.

For Additional Voluntary Contributions (AVCs) you will receive a separate statement which has been produced by your AVC Provider.

A survivor's pension is payable for your husband, wife, registered civil partner or, subject to certain qualifying conditions, your nominated co-habiting partner. The pension is payable immediately after your death for the rest of their life and will increase every year in line with the cost of living (CPI).



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