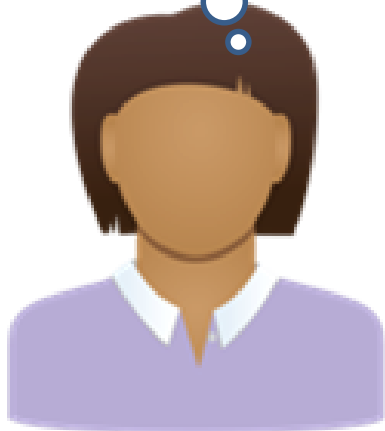


Your Pension Service Pre Retirement Presentation



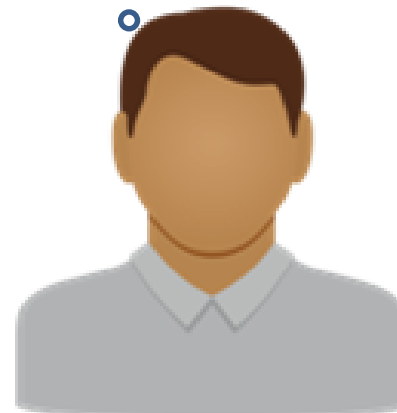
How much
can I have
as lump
sum?



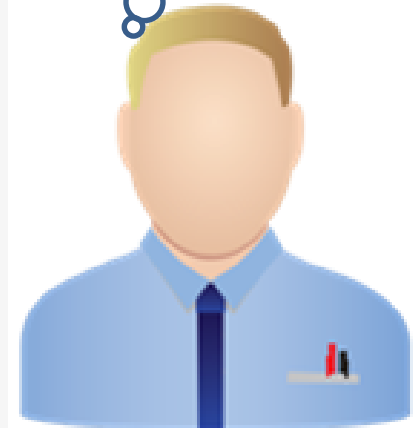
When is my
pension
paid?



What age
can I retire
at?



How is my
pension
calculated



Aims of the session



- **My Pension Online**
- **Final Salary Benefits**
- **CARE Pension**
- **Benefit Projector**
- **Conversion Options**
- **Retirement Ages**
- **Reductions / Protections**
- **Retirement Journey**
- **Death Benefits**
- **Topping up**
- **Questions**

My Pension Online - Making your Pension information more accessible

your
pension
service

The screenshot shows the 'my pension' logo at the top left, with 'Powered by heywood' underneath. A navigation menu on the left includes 'News' and 'Help'. The main heading is 'Login'. Below it, a welcome message states: 'Welcome to the Altair Member Self-Service website. To use this website you must be a member of a Lancashire pension scheme administered by Your Pension Service and have a valid username and password.' It then instructs users to input their username and password. A 'Log In' button is visible. Below the login form, there are sections for 'First Time User? Not Registered? or need to re-register?' and 'Received your Activation Key?'. The 'Log In' button is highlighted in the original image.

my pension
Powered by heywood

News
Help

Login

Welcome to the *Altair* Member Self-Service website. To use this website you must be a member of a Lancashire pension scheme administered by Your Pension Service and have a valid username and password.

If you have already registered your account online, input the username and password you created in the login box on the right of this page.

First Time User? Not Registered? or need to re-register?
New users/re-registering users must [sign up](#) to request an activation key.

Received your Activation Key?
If you have received your activation key, click to [complete your registration](#).

If you have not received your activation key or you have lost your activation key, please click Sign Up above to request a new one.

Already Registered? Log In

Username

Password

[Forgotten your password?](#)
[Forgotten your username?](#)

Log In

- ✓ Watch pension grow each month
- ✓ Update contact details (address and email)
- ✓ Produce a variety of pension forecasts
- ✓ View annual benefits statements
- ✓ View pensioner payslips and P60's
- ✓ View nominated beneficiaries
- ✓ Main method of communication between YPS and member

> My Pension Login

www.yourpensionservice.org.uk

Final Salary Benefits

If you joined the scheme pre 01/04/2014 will have some final salary pension.

your
pension
service

Final Salary

- Final 365 days
- Full time equivalent

Pensionable Service

- Pro rated
- Including transferred in service

Accrual Rate

- Pre 1 April 2008 1/80
- Post 01 April 2008 1/60

Pension

$$5/80 * £20,000 = £1250$$

$$6/60 * 20,000 = £2000$$

Total pension: £3250.00

CARE Pension

(Career average revalued earnings pension)

your
pension
service

CARE Pension based on 1/49th of pensionable earnings, plus inflation. (Consumer Price Index)

Gross Pay:
£25000.00

Divided by

Accrual Rate :
25000.00/49

EQUALS

Pension:
£510.20

CARE Pension

your
pension
service

CARE Pension Value

£1,443.70

Current Salary

£2,141.19

Date Updated

21/02/2017

Your pension builds up in a new way from April 2014. For each year you get a pension that's equal to a 49th of your pay (or half that rate if you are in the 50/50 section of the scheme) added into your pension account PLUS inflation increases, so your pension keeps up with the cost of living.

Year	Main	50/50	
01/01/2017 -31/01/2017	£43.70		Select
01/12/2016 -31/12/2016	£43.70		Select
01/11/2016 -30/11/2016	£43.70		Select
01/10/2016 -31/10/2016	£43.70		Select
01/09/2016 -30/09/2016	£43.70		Select
01/08/2016 -31/08/2016	£43.70		Select
01/07/2016 -31/07/2016	£43.70		Select
01/06/2016 -30/06/2016	£44.67		Select
01/05/2016 -31/05/2016	£44.48		Select
08/04/2016 -30/04/2016	£31.95		Select
01/04/2016 -07/04/2016	£11.76		Select
01/03/2016 -31/03/2016	£41.62		Select
01/02/2016 -29/02/2016	£45.71		Select

Benefit Projector



A screenshot of the 'my pension' website interface. The top left features the 'my pension' logo with 'Powered by heywood' underneath. To the right, it says 'Scheme: Local Govt.'. Below the logo is a navigation menu with items like 'Personal Details', 'Latest Valuation', 'Financial Details', 'AVCs / Added Years', 'Benefit Projector', 'Death Grant Nomination', 'Guides & Documents', 'Member Documents', 'Change Login Details', 'Update E-mail Address', 'Ask a Question', 'Logout', and 'Help'. The 'Benefit Projector' item is circled in purple. To the right of the menu is a 'Personal Details' form with fields for 'Surname', 'Initials', 'NINumber', 'Deferred Benefits', 'Death Benefits', 'Redundancy Retirement', 'Ill Health Retirement', and 'Retirement'. The 'Retirement' field is also circled in purple. At the bottom, there are fields for 'Postcode' and 'Phone Number'. The background of the slide has a large, faint purple circle.

Pension estimates for retirement can be done instantly via My Pension Online...

- Step 1:** Log in to MPO
- Step 2:** Select benefit projector
- Step 3:** Select Retirement
- Step 4:** Input your possible leaving date, and pay
- Step 5:** Press calculate

Benefit Projector



Retirement

Total Pension (including any post 2014 CARE pension)	£13,146.49
Lump Sum	£0.00
Spouse's Pension	£6,018.30
Projected Actual Pay at retirement (for post 2014 benefits)	£26,317.05

You have the option of converting some of your annual pension into additional Lump Sum.

[Click here for more details.](#)

Note that as the estimated date of leaving is before your normal pension date your pension has been reduced by £6,409.67 and the lump sum by £0.00.

Leaving Date*	25/12/2049 x
CARE Pay (Current Actual Pay)*	26317.05
Final Salary Pay (for post 2014 benefits)*	25694.00

CARE PAY: Annual actual pay. Part time amount for part time employees.

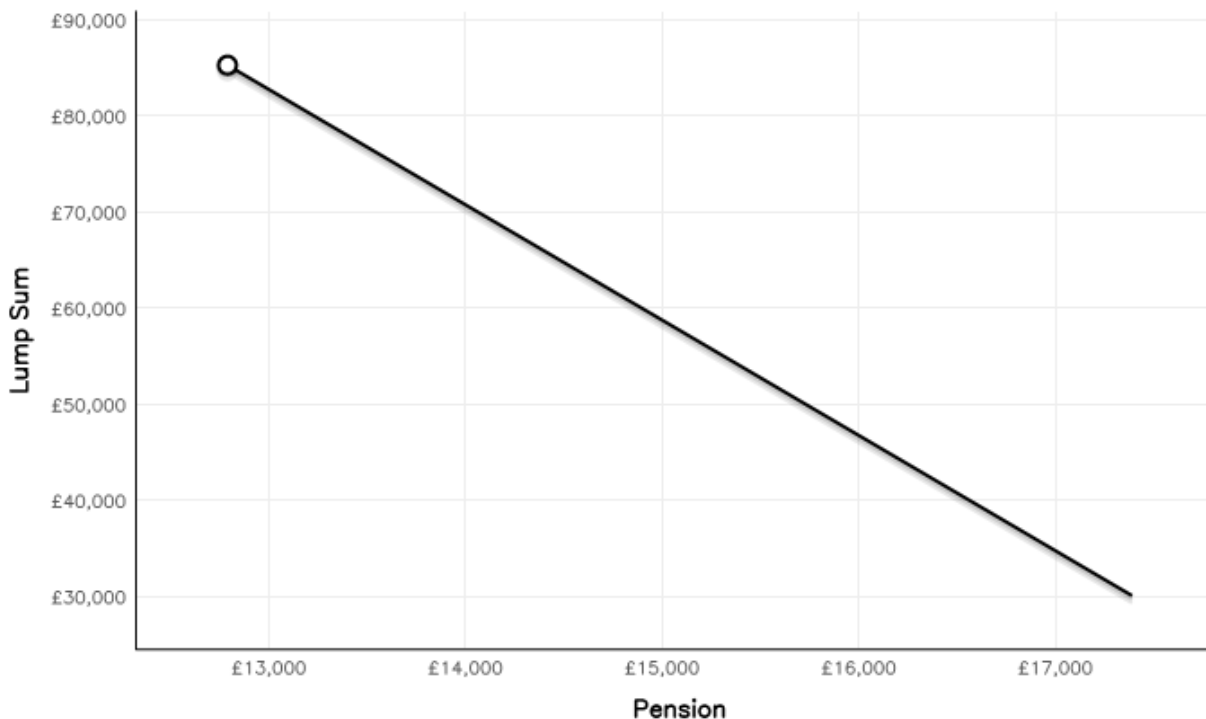
Final Pay: Annual full time pay, scaled up to full time equivalent for part time employees

Lump Sum Option

your
pension
service

Conversion Options

Click or drag within the graph to see the effects of converting your pension to lump sum:



Annual Pension



£12,789.72



Total Lump Sum

£85,264.64

Pension converted to Lump Sum

£4,600.25

Additional Lump Sum

£55,203.00

- 1/80ths benefits come with automatic lump sum of 3x pension
- Up to 25% of total value of benefits
- £1 pension = £12 as a tax free lump sum

Service at 1/80th

Scheme service	: 11 Yrs 243 Days
Additional contracts	: 0 Yrs 0 Days
Augmented service	: 0 Yrs 0 Days
AVC service (Pension Only)	: 0 Yrs 0 Days
Total 1/80ths service	: 11 Yrs 243 Days

Service at 1/60th

Scheme service	: 2 Yrs 275 Days
Additional contracts	: 0 Yrs 0 Days
Augmented service	: 0 Yrs 0 Days
Total 1/60ths service	: 2 Yrs 275 Days

The Local Government Pension Scheme Regulations allow for the conversion of pension to lump sum up to a permitted maximum as determined by Revenue and Customs. The calculation is based on a conversion factor of 12, i.e. for every £1.00 of pension converted you will receive a further £12.00 of lump sum. Please note that the figures quoted below are estimated figures only and are **not a guarantee** of the benefits that would be payable.

Your Standard Benefits (No Conversion)

Pension
£7469.31

Lump Sum
£17044.10

Widower's Pension
£3511.16

**Your benefit if you convert Pension up to the Maximum Lump Sum
£100.00 Annual Pension will purchase £1200.00 Lump Sum**

Reduced Pension
£5714.78

Maximum Increased Lump Sum
£38098.46

Widower's Pension
£3511.16

You may not wish to convert as much pension into lump sum as illustrated in the example above. The table below gives some further examples which may help you decide how much you would like to convert. **Please note this cannot be over the Maximum Increased Lump Sum as shown above.**

Amount of Pension Commuted	Additional Lump Sum	Amount of Pension Commuted	Additional Lump Sum
£50	£600	£1,000	£12,000
£100	£1,200	£1,250	£15,000
£200	£2,400	£1,500	£18,000
£250	£3,000	£1,750	£21,000
£500	£6,000	£2,000	£24,000
£750	£9,000	£2,500	£30,000



Your Retirement options

Retirement Ages

your
pension
service

Final salary benefits	⇒	65
CARE benefits	⇒	SPA (Min 65)

- You can access your benefits from age 55 onwards
- There is normally a reduction for accessing your benefits before your Normal Retirement Age
- As Final Salary benefits are based on a different age to your CARE benefits then different reductions apply to both
- Unless you have protections



Normal Reductions (assuming no protection)



Pension Reduction (%)

Years Early	Males	Females	Retirement grant Reduction
0	0.0%	0.0%	0.0%
1	5.6%	5.2%	2.9%
2	10.8%	10.1%	5.7%
3	15.5%	14.6%	8.5%
4	20%	18.8%	11.2%
5	24.0%	22.7%	13.7%
6	27.8%	26.4%	16.3%
7	31.4%	29.8%	18.7%
8	34.7%	33.0%	21.1%
9	37.7%	36.1%	23.4%
10	40.6%	38.9%	25.6%
11	44.2%	42.2%	N/A
12	47.6%	45.5%	N/A
13	50.9%	48.6%	N/A

Example

Example

Mrs Smith has been a member of the scheme from 01 October 2006 to 31 March 2030. She retires age 66. Her SPA is 67.

Her pre 14 membership: adjusted as later than 65.

Her post 14 CARE benefits: adjusted as earlier than 67.

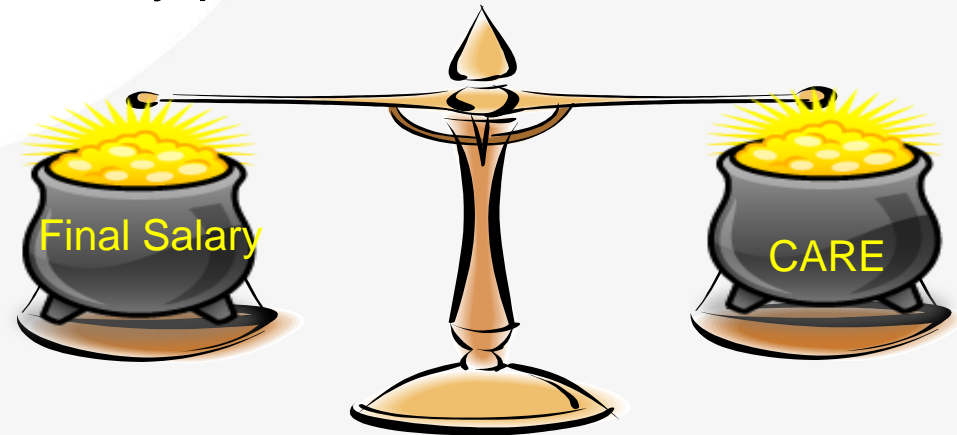


85 Year Rule Protection

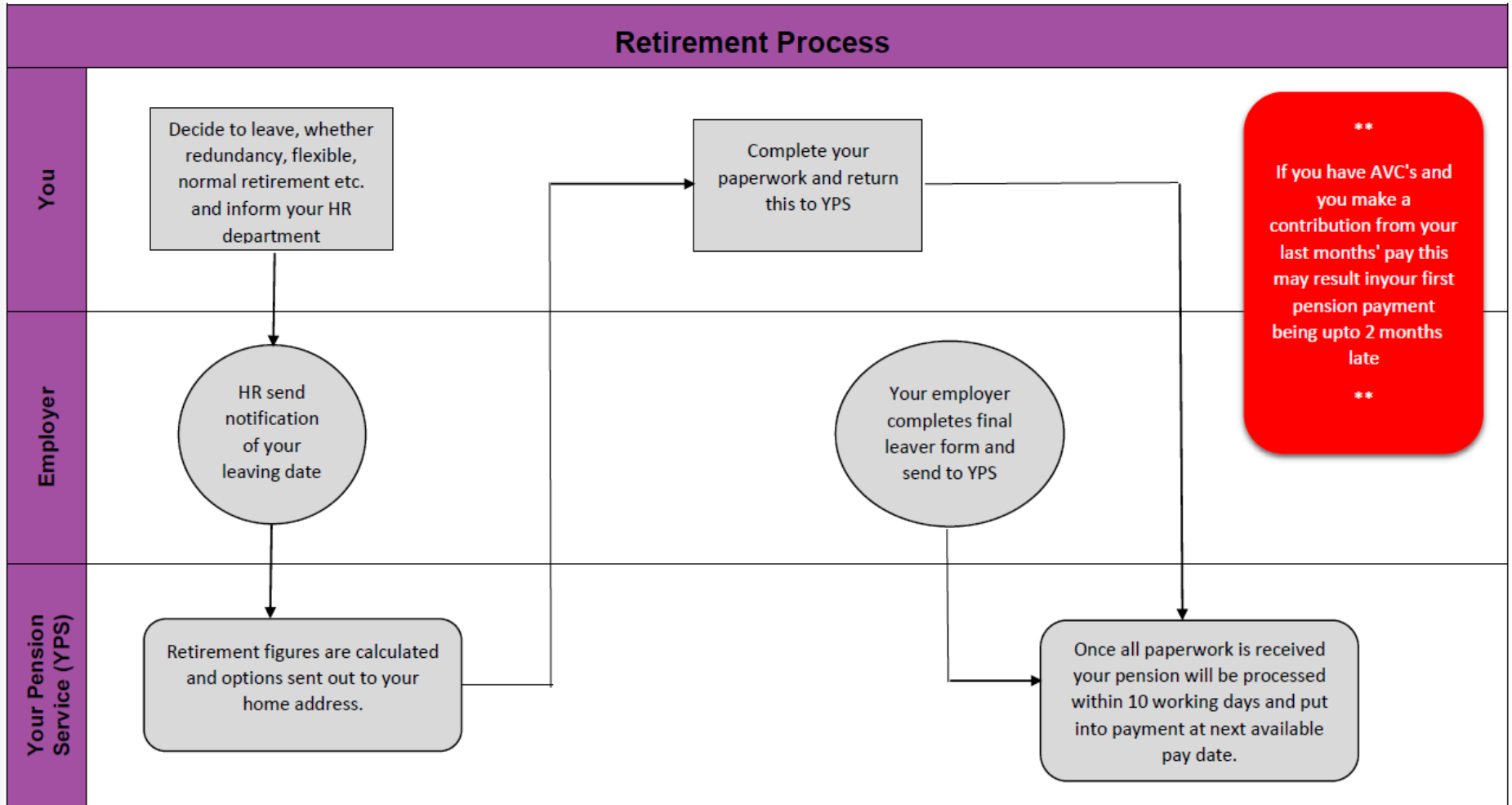
	'80th Benefits'	'60th Benefits'	CARE scheme benefits taken before SPA
Born Before April 1956	Unreduced	Unreduced	Unreduced (to April 2016)
Born between 1 April 1956 and 31 March 1960	Unreduced	Partial Reduction (Sliding Scale)	Full reduction
Born post 1 April 1960	Unreduced	Full reduction	Full reduction
Member joining after 1 April 2006	N/A	Full reduction	Full reduction

Underpin Protection

- Active on 31/03/2012;
- Are 55 or over as at 1 April 2012;
- Active on 31/03/2014;
- Active on 01/04/2014;
- Active immediately prior to underpin date
- Does not have a disqualifying break (i.e. Break of 5 or more years from membership of any public service scheme).



Retirement Journey...



When and how benefits are paid...

- Your Pension is paid on the last working day of each month
- Pensions subject to PAYE income tax
- Lump sum is paid shortly after retirement and is tax free
- Pension Increase (CPI)
- Pensioner online pay slips and P60's are available on My Pension Online.
- If you have an AVC and make a contribution from your final salary payment this WILL delay payment of your pension

Death Benefits

There are two separate elements to your death benefits...

Death grant

- Entitlement to Death Grants start the day you start paying contributions
- Death Grants for active members is 3 * Salary
- Death Grants for pensioners is guaranteed for 10 years from the day the pension was claimed
- Must make an expression of wish

Survivors Benefits

- Widows
- Widowers
- Civil Partners (post 1988 service only)
- Co-habiting Partners
- Children (cease at 23)

Topping up your Pension through Additional Pension Contributions (APC's)



- APC's are used to purchase extra LGPS annual pension when you retire
- Tax relief on contributions
- These are paid through your salary monthly or as a one off payment
- Can increase your pension by up to £6755 per year(max)
- To set up an APC contact Your Pension Service



Additional Voluntary Contributions (AVCs) with **PRUDENTIAL**

- Topping up your Pension with AVCs - the earlier the better
- Increase the amount of tax free cash at retirement
- You can opt to buy additional pension
- You can pay up to 100% of pensionable pay
- Invested separately with Prudential
- Your AVC's are paid together with your LGPS and not before!

How does it work?

Basic rate Tax payer

**Cost to
You**



£100

**Your Tax
Saving**



£25



Your AVC Pot



£125

Contact **PRUDENTIAL**

Have a payslip and pension statement to hand so they can do all the required calcs!



- **General enquiries - 0800 000 000**

- **Set up online**

www.pru.co.uk/rz/localgov/england-wales

- **Dedicated support team for LGPS**

0845 607 0077

9am-6pm Monday-Friday

Contact Us



Phone 0300 323 0260 – free phone

Email AskPensions@localpensionspartnership.org.uk

Website www.yourpensionservice.org.uk