

Notes of Guidance for New Pensioners

This leaflet has been designed to explain the arrangements for the payment of your pension and lump sum under the Local Government Pension Scheme (LGPS).

Payment of the pension

Frequency

Your pension is paid monthly in arrears on the last working day of each calendar month.

Method of payment

Your pension will be paid direct to your bank / building society account.

Pay Advice Slips

Most pension payments do not vary except in April/May each year to take account of annual pension increase awards and tax adjustments. Therefore a pay advice slip will be provided for the first payment, with further payslips only being sent to you if the net monthly pension differs from the previous month's net pension by £5 or more.

Payment of Pension Overseas

It is possible to pay your pension direct into an overseas bank account in certain countries, if you would like further information on this please contact Pensions Payroll. Should you live overseas during your retirement, you will be contacted by the pension fund on a regular basis to ensure the security of your pension payment.

Changes we need to know about

Change of Address/Bank Account

You should notify the pensions payroll section (who are responsible for paying your pension), in writing, of any change of address, or change to your Bank or Building Society Account. We cannot accept changes to personal details by telephone.

Change of Marital Status

If your marital status changes you should notify us as soon as possible and send us the relevant documentation (such as marriage/civil partnership certificate or decree absolute/dissolution order) to enable us to update your records.

Re-employment

If you are in receipt of LGPS pension and subsequently take up further employment with a local authority, or with an employer who participates in the LGPS, whether or not you decided to rejoin the LGPS:

- your pension may have to be reduced or suspended during the period of re-employment and
- any additional compensatory benefits paid from your previous employment may have to be re-assessed at cessation of the period of re-employment.

Therefore, if you are receiving a LGPS pension, you must inform both your current and former pension fund of your re-employment.

Re-employment with any employer who does not participate in the LGPS will not affect payment of your pension.

Your P60

Your P60 is sent to you every year in May or June. This gives you details of the pension we have paid you and the tax deducted in the previous tax year. You will also be sent a pensioners newsletter, containing useful information and reminders.

Income Tax

Please note that you will not receive a form P45 (statement of taxable pay and tax deducted in this financial year) from your employer because this form has been sent direct to the Pensions Fund. If you have received one in error please send it to Pensions Payroll by return. Failure to do so could result in an under payment of tax.

If you should decide to take up other paid employment, you will not have a P45 to pass to your new employer. Advise them of your National Insurance Number and suggest that for the time being they deduct tax at the standard rate until they are able to obtain your new coding.

Because H M Inspector of Taxes is the only person who can answer a query concerning the correctness of an income tax code number, it will be appreciated if any such enquiry can be made direct to:

Pay As You Earn and Self Assessment,
HM Revenue and Customs, BX9 1AS

Or by telephoning 0300 200 3300.

Please remember to quote reference number 503/A1496X together with your National Insurance number.

Pensions Increase

This is payable under the Social Security Pensions Act 1975 in the April of each year, as notified by H M Government, if one or more of the following conditions apply to you.

- a) you have attained the age of 55 years, or
- b) you have retired due to ill health or injury, or
- c) since retirement you have become permanently incapacitated from engaging in any paid employment,
- d) you are receiving a spouse's, children's or dependant's pension.

Information for pensioners who reached State Pension Age prior to April 2016

If your state pension age was prior to 6 April 2016, additional rules may apply to your pension that could impact on how pension increases are applied to your pension.

Full details can be found in a Pensioner Pay Slips factsheet on the DCPF website, at www.dorsetpensionfund.org under forms and publications.

Pensioners living abroad

If you are living abroad and in receipt of a pension from DCPF, regular existence checks will be undertaken. This will involve a communication being sent to all overseas pensioners asking them to make contact with the fund. If this communications is not responded to, your pension will be suspended until contact is made.

What benefits will be paid if I die?

If you die after retiring on pension, your benefits will no longer be payable. Your husband, wife, civil partner, co-habiting partner, next-of-kin or person dealing with your Estate must immediately inform Dorset County Pension Fund of your date of death as otherwise an overpayment could occur.

The following benefits may then be payable on your death:

A lump death grant may be paid depending on how long you have been receiving your pension. For this reason it is very important that you complete an Expression of Wish Form as this enables you to name your chosen beneficiary(ies). This makes payment of the death grant quicker and has tax benefits for your estate. You should keep your Expression of Wish details up to date by completing a new Expression of Wish Form, available to download from our website at www.dorsetpensionfund.org/forms-and-publications or by contacting Dorset County Pension Fund, should your circumstances change.

A survivor's pension. A pension will be paid to your husband, wife, registered civil partner or, subject to certain qualifying conditions, your co-habiting partner. This 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*.

For your husband or wife: the pension payable is equal to 1/160th of your final pay times the membership your pension is based on, unless you marry after retirement in which case it could be less. If you marry after retiring:

- your husband's pension is based on your membership after 5 April 1988, (excluding, (unless you were married to your husband at some time whilst you paid into the LGPS), additional membership purchased by you or granted to you by your employer or the scheme),
- your wife's pension is based on your contracted-out membership after 5 April 1978.

For your civil partner or eligible co-habiting partner: the pension payable is equal to 1/160th of your final pay times your membership in the scheme after 5 April 1988. For a co-habiting partner to be considered eligible your relationship has to meet certain conditions laid down by the LGPS. For further information on these conditions and how to notify of a partner please visit our website at www.dorsetpensionfund.org/forms-and-publications or contact Dorset County Pension Fund.

However if you left the Local Government Pension Scheme before 1st April 2008 you do not have entitlement to a pension for a co-habiting partner.

Children's pensions - these are payable to eligible children and increase every year in line with the cost of living.

Fraud Prevention

The personal information we have collected from you will be shared with fraud prevention agencies who will use it to prevent fraud and money laundering and to verify your identity. If fraud is detected, you could be refused certain services, finances or employment.

Further details of how your information will be used by us and these fraud prevention agencies, and your data protection rights, can be found at www.cifas.org.uk/fpn.

Fair Processing notice

Dorset Council as the administering authority of the Local Government Pension Scheme and the Dorset County Pension Fund values the privacy of those who provide personal data to it. We will only collect and process your personal data in accordance with our Privacy Notice. A copy of the Privacy Notice can be accessed at www.dorsetpensionfund.org

By proceeding/providing personal data to the Pension Fund, you confirm that you have read and understood the Privacy Notice, which describes what information we collect and how we use it.

For more information about how we process your personal data, please contact the Dorset County Pension Fund, using the contact details contained in this leaflet.

LGPS Amendment Regulations (McCloud Remedy)

From 1 October 2023 new Local Government Pension Scheme Regulations, known as the McCloud Remedy came into effect. These regulations provide a pension underpin to certain members for any pension built up between 1 April 2014 and 31 March 2022. This underpin protects members from the change on 1 April 2014 from a Final Salary scheme to a Care Average Revalued Earnings (CARE). The underpin will provide an additional amount if your LGPS pension between 1 April 2014 to 31 March 2022 is less than it would have been if you had stayed in the Final Salary scheme.

To qualify for the McCloud underpin you must meet the following criteria:

- You were a member of the LGPS or another public service pension scheme before 1 April 2012,
- You were a member of the LGPS at any time between 1 April 2014 and 31 March 2022 and some or all of this membership was before your final salary normal retirement age (usually 65), and

You do not have a disqualifying gap. A disqualifying gap is a continuous period of more than five years when you were not a member of a public service pension scheme.

If you have more than one period of LGPS membership, you do not have to join up or 'aggregate' these memberships to qualify for underpin protection.

If you have membership of another public service pension scheme before 1 April 2012, you will not have to transfer that membership to the LGPS to qualify for underpin protection.

The McCloud remedy underpin will automatically be applied to your pension calculation if you fit the criteria above. If we have your service history correct and we know of any relevant additional public sector pension service, you will not need to take any further action and an underpin amount will be added to your pension automatically if applicable.

Please note that the majority of LGPS members will not have an underpin, even if they are eligible, because benefits accrued between 1 April 2014 and 31 March 2022 are greater than they would have been had the 'old' final salary rules applied.

Do I need to take any action?

- You do not have to take any action as these calculations will be done automatically, However, you may wish to check your pension record is correct.
- To do this, please visit the Dorset County Pension Fund member self-serve portal at <https://mypension.dorsetcouncil.gov.uk/> to check your service history is correct.
- If you have any LGPS membership or other public service pension that is not on either your service history or your transfer in page, please email pensionshelpline@dorsetcouncil.gov.uk so we can investigate.

Although the regulations for the McCloud Remedy underpin are in place, not all the necessary guidance was available when calculating your benefits. Therefore, your benefits have been calculated without reviewing any potential underpin. As soon as possible we will review your benefits and will contact you if a McCloud underpin applies. If you do not hear from us, no underpin will apply to your benefits.

For further information, please visit <https://www.dorsetpensionfund.org/news/mccloud-judgement-and-your-lgps-pension/>

What can I do if I am not happy with any decision made?

If you have a concern about your LGPS benefit entitlement, please contact us. We will seek to clarify or put right any misunderstandings or inaccuracies as quickly and efficiently as possible.

If you are still dissatisfied you can start the complaints process (Internal Dispute Resolution Procedure (IDRP)) as detailed below:

1. Informal Resolution

If you are not satisfied with any decision made in relation to your rights under the Local Government Pension Scheme (LGPS), you can request that it be looked at again. In the first instance, you should contact the Service Manager for Pensions at Dorset County Pension Fund, Dorchester, Dorset DT1 1XJ, who may be able to resolve the matter informally.

2. Formal Appeal: Stage 1

If you are still not satisfied, you may make a formal appeal to the person nominated by your employer to resolve disputes at stage 1 using an application form provided in the employee's guide to the IDRP obtainable from your employer or on the Dorset County Pension Fund website. Your appeal must normally be made within 6 months of being notified of the decision you wish to appeal against.

3. Formal Appeal: Stage 2

If you are not satisfied with the nominated person's decision, or you have not received a decision or an interim letter from the nominated person within 3 months of lodging your appeal, or it is over a month since you received the interim reply, you can make a further appeal to the administering authority, which is Dorset Council. The person dealing with Stage 2 appeals is Mr Jonathan Mair, Corporate Director (Legal and Democratic Services Monitoring Officer), Dorset Council, County Hall, Dorchester, Dorset DT1 1XJ. Application forms for Stage 2 are contained with the employee's guide to IDRP.

MoneyHelper

MoneyHelper is provided by the Money and Pensions Service. MoneyHelper provides independent and impartial information about pensions, free of charge, to members of the public. MoneyHelper is available to assist members and beneficiaries of the Scheme with any pension query they have or any general requests for information or guidance concerning their pension benefits.

MoneyHelper can be contacted:

In writing: 120 Holborn, London, EC1N 2TD

By telephone: 0800 011 3797

Website: www.moneyhelper.org.uk/en/pensions-and-retirement/

Where can I find further information?

Further information about the LGPS and the benefits available can be found on the scheme members' website www.lgpsmember.org.

Any forms mentioned in this leaflet are available on the Dorset County Pension Fund website at www.dorsetpensionfund.org

Who to Contact

Who to contact should you have any queries with regard to the calculation or payment of your benefits:

Payment of pension

Pensions Payroll Section

Dorset Council, County Hall

Dorchester DT1 1XJ

Tel: 01305 224334

Email: pensionspayroll@dorsetcouncil.gov.uk

Calculation of benefits

Dorset County Pension Fund

County Hall

Dorchester

DT1 1XJ

Tel: 01305 224845

Email: pensionshelpline@dorsetcouncil.gov.uk

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