

Your Annual Benefit Statement explained

Introduction

This guide is designed to help you understand your 2022 Annual Benefit Statement (for active members). We will describe the main sections of the statement as well as explaining some of the pension terms that are used.

You will have received an Annual Benefit Statement if you were an active member of the Local Government Pension Scheme (or LGPS for short) before 31 March 2022. Your statement shows the value of your pension to 31 March 2022, as well as a projection to normal pension age assuming you continue to contribute. If you have more than one active employment, you will receive a statement for each employment.

The LGPS is an occupational pension scheme. That means that it is linked to your pay and contributions for each job that you do.

While every effort is made to ensure that your statement is as accurate as possible, you should not base a decision to retire on the contents of this Annual Benefit Statement alone. Your exact entitlement will be calculated when you retire based on your salary and membership, and prevailing legislation at that time.

It will be helpful to have your own statement in front of you whilst looking at this guide.

Note: All screenshots are for demonstration purposes only.

Active Member - Annual Benefit Statement 2022
- Local Government Pension Scheme (LGPS)

1 Your personal and employment information on 31 March 2022

Full name:	FORNAMES SURNAME	Date of birth:	DOB
Date pensionable service started:	DJP	Employer:	QIPFC
Section of LGPS:	SE_PNS_VL	Job ref:	IDQNTI

2 Your summary of total benefits on 31 March 2022

Yearly pension:	£	Bookmark not defined.	Yearly survivor's pension:	£	Error! Bookmark not defined.
Automatic tax-free lump sum:	£	4			

3 Value of death in service benefits on 31 March 2022

Yearly survivor's pension:	£	SE_DTH_LTP
Death in service lump sum:	£	SE_DTH_LS

4 Projections if you remain in the scheme until your normal pension age (NPA)

Your normal pension age (NPA):	NPA	
Total projected yearly pension at NPA:	£	Error! Bookmark not defined.
Total automatic Tax-free lump sum:	£	4
Total projected survivor's yearly pension at NPA:	£	4

5 How your LGPS benefits are calculated

Please note: The estimated benefits in this statement are based on pay figures for the year ending 31 March 2022 detailed below, which were supplied by your employer. It is important that you check these figures and contact your employer if you believe the pay figures are wrong. The figures shown do not include the purchase of additional regular contributions – please refer to the Guidance notes, section 3 for further details.

Your final salary pensionable pay:	£	PN_P_S_RSN
Your CARE pensionable pay main section:	£	CARE_I_00PS
Your CARE pensionable pay 50/50 section:	£	CARE_50PS

Your total benefits to 31 March 2022 are calculated as follows:

Benefits built up to 31.03.2008		
Automatic tax-free lump sum:	£	SE_P_LSL1
Benefits built up between 01.04.2008 & 31.03.2014		
Opening CARE pension balance at 01.04.2020:	£	CARE_TOTPY
Adjustment for cost of living at 01.04.2020:	£	CARE_ADVPR
2020/21 inflation:		
CARE pensionable pay main section / 49:	£	CARE_I_001B
CARE pensionable pay 50/50 section / 98:	£	CARE_501B
Additional pension purchases:	£	CARE_AFCYR
Transfers in:	£	CARE_TVYR

The estimated percentage of the Lifetime Allowance (£1.0731 million) used by the value of your standard LGPS benefits on 31 March 2022: 49.22 %

How to contact us

0200 000 1000

How can I view my statement?

You can view your 2022 Annual Benefit Statement, as well as any previous statements online via the 'annual benefit statement' tab of ['My Pension' Portal](#). You can print, download, and save a copy. If you have forgotten your username or password, please click on the links provided and follow the on-screen instructions.

How do I register for 'My Pension' portal?

You will need to register for My Pension portal by following the [instructions on our website](#).

Once the registration process is complete you will be able to view your statement by selecting 'Annual Benefit Statements' from your dashboard. If you have difficulty registering, you can call our technical helpline on 0300 200 1034.



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Section I

Your personal and employment information

Section I of your statement will show your full name, date of birth and other personal details.

I Your personal and employment information on 31 March 2022			
Full name:	xxxxxx	Date of birth:	Xx/xx/xxxx
Date pensionable service started*:	05/07/2004	Employer:	East Sussex County Council
Section of LGPS:	MAIN	Job ref:	xxxxxx

If you opted into the 50/50 this will be shown here

These areas will show your employer and the job reference that statement relates to

Remember, these details are on 31 March 2022, so if you have made a change since that date, it will not show on this statement.

Need to amend your personal details?

You can amend details such as your address via [‘My Pension’ Portal](#).

If your name and date of birth are shown incorrectly you will need to email pensions@eastsussex.gov.uk with supporting documentation.

Section 2

Your summary of total benefits

Section 2 of your statement provides a summary of your pension benefits on 31 March 2022.

Here you will find the value of your pension as if you had left the LGPS on 31 March 2022 which would have been preserved and payable unreduced from your Normal Pension Age (NPA). Your NPA will be shown later in the statement.

The Yearly Pension total = your total yearly pension as of 31 March 2022, including Final Salary (FS) pension (membership up to 31 March 2014) and Career Average Revalued Earnings (CARE) pension (membership from 1 April 2014.)

2 Your summary of total benefits on 31 March 2022

Yearly pension:	£	Error! Bookmark not defined.	Yearly survivor's pension:	£	Error! Bookmark not defined.
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Automatic tax-free lump sum: For membership before 01/04/2008	£
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These figures do not include any reductions that would apply if benefits were paid before your Normal Pension Age (NPA).

Automatic Lump Sum retirement grant = Lump sum in respect of membership up to 31 March 2008. If you joined the LGPS after 31 March 2008 then the automatic lump sum will be zero. sum

These figures include: any extra pension bought via Added Years, APC or ARC contract on 31 March 2022.

These figures quoted do not include any in-house AVC fund. You will receive an AVC statement separately, giving you the value of any AVCs that you pay.

If you were on reduced contractual pay or no pay due to sickness, or relevant child related leave for any part of the year ending 31 March 2022, then your summary is based upon your assumed pensionable pay for that period.

A late retirement increase has been applied to any final salary benefits if you are over age 65 on 31 March 2022, and to all benefits if you are over your NPA at that date. The late retirement increase is based upon the factors currently in force, which may be different when you take your benefits.

Your benefits may be reduced if paid before your NPA and any reduction that would apply is NOT reflected in your statement.

Section 3

Value of death in service benefits

Section 3 shows the value of your death in service benefits on 31 March 2022.

This line shows you what would have been payable to your spouse, civil partner, or an eligible cohabiting partner if you had died on the 31 March 2022, as an active member of the LGPS.

If your status is shown as single, divorced, widow/er or unknown, the yearly survivor's pension shown assumes that you are married when you die. However, no survivor's pension will be paid (except to any eligible child) unless you are married, have a civil partner or an eligible cohabiting partner at the time of your death.

If you have declared a cohabiting partner, the pension shown will be based on your membership from 6 April 1988, plus any membership before 6 April 1988 purchased by an Additional Survivor's Benefit Contribution.

If your status is married or in a civil partnership, the survivor's pension shown will be based on all your LGPS membership. The survivor's pension due if you change your marital status after leaving the LGPS may differ from that shown.

3 Value of death in service benefits on 31 March 2022

Yearly survivor's pension: (Based on a partnership status of unknown)	£
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Death in service lump sum:	£
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Visit the **Nominations** section of the **My Pension** Self-Service portal, where you can create a new nomination or change an existing one.

If you die in service, a death grant of three times your assumed pensionable pay may be payable to your nominated person or persons, or to your personal representatives if you have not nominated anyone. This is called a death in service lump sum.

You can nominate whoever you wish to receive the death in service lump sum, but as this is an expression of wish, it is not legally binding, and distribution of the lump sum is at the Fund's discretion.

Need to check your nomination details?

You can check that the nomination we hold for you is up to date by visiting the 'nominations section' of ['My Pension'](#). From there you can also make a new nomination or change an existing one.

Section 4

Projections if you remain in the scheme until your normal pension age

Section 4 shows you projected benefits based on the assumption that you remain in the scheme until your Normal Pension Age (NPA).

Your NPA is shown in years and days here. This is the date that you can take your pension benefits without any reductions being applied. This date may change if your State Pension Age (SPA) changes before your benefits are paid. Your NPA only applies to benefits built up in the CARE scheme. NPA for benefits built up in the Final Salary (FS) scheme before 1 April 2014 is still age 65.

Total Projected Yearly Pension at Normal Pensionable Age shows you what your pension is likely to be if you remain in the LGPS, earning the same salary as you do now, until your retirement date. For some people, their NPA will be several years away, so this is only a rough estimate as it cannot consider any change in your working circumstances or the future increases that may be applied to your pension.

4 Projections if you remain in the scheme until your normal pension age (NPA)

Your normal pension age (NPA): 66 Yrs. 0 Days

Total projected yearly pension at NPA: £ pa

Total automatic Tax- free lump sum: £

Total projected survivor's yearly pension at NPA: £ pa
(In the event of your death)

Please note: The projected figures in this section will show as zero if you were over your NPA on 31 March 2022.

If you were a member of the scheme prior to 1 April 2008, you would have accrued an automatic tax-free lump sum. This next line shows the estimate of this lump sum projected to your NPA. Do not forget that at your retirement, you will get the option to give up part of your pension to make a larger tax-free lump sum.

This line shows the estimated survivor's pension to your NPA. This will be payable to your spouse, civil partner, or an eligible cohabiting partner in the event of your death.

Please note that if you were already over your NPA on 31 March 2022, the figures in section 4 will all be zero.

Section 5

How your LGPS benefits are calculated

Section 5 shows you how we have calculated your LGPS benefits, displaying the salary figures that we used to calculate your Annual Benefit Statement, which have been provided to us by your employer.

if you were in the LGPS before 1 April 2014, then you would have a Final Salary (FS) Pensionable Pay figure shown in the top line.

If you joined the LGPS on or after 1 April 2014 and had not completed a transfer of FS benefits from the LGPS or another public sector pension scheme by 31 March 2022, the FS pensionable pay field will be zero.

This figure is the pensionable pay you have earned in the last 365 days up to 31 March 2022, so it may not be the same figure as the salary you are currently receiving.

Your Final Salary Pension is calculated using your full-time equivalent pay. So, if you are working part time, then this figure will show what you would have earned in your job if you were working as a full-time employee.

5 How your LGPS benefits are calculated

Please note: The estimated benefits in this statement are based on pay figures for the year ending 31 March 2022 detailed below, which were supplied by your employer. It is important that you check these figures and contact your employer if you believe the pay figures are wrong. The figures shown do not include the purchase of additional regular contributions – please refer to the Guidance notes, section 5 for further details.

Your final salary pensionable pay:	£	
Your CARE pensionable pay main section:	£	
Your CARE pensionable pay 50/50 section:	£	0.00

The next two lines show the CARE pensionable pay you earned in the 2021/22 scheme year, both in the main scheme and the 50/50 scheme.

If you were a member of the main scheme only, then the 50/50 scheme line will show as zero (such as in this example) and vice versa.

Your CARE pensionable pay Main Section - From 1 April 2014, your CARE benefits are calculated on your CARE pensionable pay during the scheme year as provided by your employer.

You should check the pay figures quoted in the statement, which have been supplied by your employer. If you think that any of these figures are incorrect, then you will need to contact your employer as we do not have access to your pay details.

Section 5

How your LGPS benefits are calculated

This part of Section 5 shows you the total amount of pension that was shown in section 2 but broken down into your final salary pension and CARE pension benefits.

Since the 1 April 2014, the LGPS has been a CARE (Career Average Revalued Earnings) pension scheme. Before this date, the LGPS was a final salary pension scheme.

The final salary pension is broken into two periods of membership. You will see membership to 31/03/2008 and membership between 01/04/2008 and 31/03/2014.

If you were working part time or term time only before 1 April 2014, your LGPS membership would have been reduced to allow for the fact that you were not working full time.

This is because we use your full-time equivalent pay in the calculation of your pension. That is, the pay you would have received if you worked in your post but on full time hours.

If you had membership before 1 April 2008, then you would also have an automatic lump sum.

If you did not join the LGPS until the 1 April 2014 or afterwards, you would not have any Final Salary benefits, so these figures will be shown as zero - unless you have transferred service from another public sector scheme with a final salary link.

Your total benefits to 31 March 2022 are calculated as follows

(If you were over your NPA on 31/03/2022 these figures include the late retirement increase at that date)

Benefits built up to 31.03.2008

(based on pay of £PEN_PS_REM and membership of PV_80_SRV)

Pension: £

Automatic tax-free lump sum: £

Benefits built up between 01.04.2008 & 31.03.2014

(based on pay of £PEN_PS_REM and membership of PV_60_SRV)

+ Pension: £ **!Syntax Error, !**

CARE benefits built up from 01.04.2014 onwards

See green section below for breakdown

+ Pension: £ **!Syntax Error, !**

CARE benefits built up from 01/04/2014 onwards – this is the total of all your CARE benefits up to 31/03/2022.

From 1 April 2014, each scheme year that you are a member, your CARE pensionable pay will be divided by 49 if you are in the Main Section, or by 98 if you are in the 50/50 Section and added to your pension account for that year. Your CARE pension is revalued each year on 1 April and is adjusted in line with HM Treasury Revaluation Orders.

Although the FS and CARE benefits are calculated differently, they form a single pot and must be taken together.

Section 5

How your LGPS benefits are calculated

CARE benefits are calculated in a separate way to the Final Salary Benefits and this part of section 5 breaks this calculation down.

From 1 April 2014, for every scheme year you are a member of the LGPS, the pensionable pay you have earned for that year is divided by 49 if you are in the main scheme or 98 if you are in the 50/50 scheme, to give the amount of pension you have earned for that year.

On 1 April each year, a cost-of-living adjustment is then applied to your benefits.

On your statement, the first line shows any CARE pension built up to 1st April 2021. The closing balance for the year ending 31 March 2021 forms the opening balance for the 2021/22 year. If you joined the LGPS after 31 March 2021 this figure will be zero.

The second line shows the 2021 cost of living adjustment. Your total CARE Pension is adjusted each April in line with HM Treasury Revaluation Orders. An increase of 3.1% was applied to your benefits built up in the CARE scheme on 1 April 2021.

**Your total CARE Benefits are made up of:
(Please note the figures shown below do not include any late retirement increases, divorce or scheme pays debits)**

Opening CARE pension balance at 01.04.2021:	£	
+ Adjustment for cost of living at 01.04.2021:	£	
+ 2021/22 build-up (breakdown below):		
CARE pensionable pay main section / 49:	£	
CARE pensionable pay 50/50 section / 98:	£	0.00
Additional pension purchased:	£	0.00
Transfers in:	£	0.00

The next lines show you the CARE pension you have accrued in the main scheme and the 50/50 scheme. If you have only been a member of one of these, then the other figure will show as zero as in this example.

Additional pension purchased and Transfers In

If you have purchased any additional pension in the 2021/22 scheme year, by using the APC or SCAPCs scheme for example, then that figure will show in the 'additional pension purchased' line.

Any additional CARE pension purchased from a transfer in of previous pension rights completed in the year ending 31 March 2022 will be shown in 'Transfers in'. If your transfer is in progress and has not completed, then it will not show in this statement but will be shown in subsequent statements.

The breakdown of the CARE build up does not include any late retirement increase, divorce or Scheme pays debits.

Section 6

Tax and your pension

Section 6 shows you how much of your Lifetime Allowance (or LTA) your pension benefits have used up.

The Lifetime Allowance (LTA) is the limit on the total value of pension benefits you can draw from all pension arrangements without incurring an LTA Tax Charge. The LTA was £1.055 million on 31 March 2022.

If the estimated percentage of standard LTA shown on your statement is approaching or greater than 100%, you may have to pay tax on the excess over the LTA when you take payment of your benefits. This may also be the case if you have other pension benefits in any pension scheme (including in-house AVCs which are not included in this statement) that, when combined with your LGPS benefits, have a value exceeding the LTA.

6 Tax and your pension




There are tax limits that apply to pension savings. The **Lifetime Allowance (LTA)** is a limit on the total value of pension benefits you can draw at retirement without incurring a tax charge and was £1.0731 million on 31 March 2022.

The estimated percentage of the Lifetime Allowance (£1.0731 million) used by the value of your standard LGPS benefits on 31 March 2022: 69.33 %

Remember, this statement only shows your LGPS benefits, so if you have any benefits elsewhere or pay Additional Voluntary Contributions, they will not be included in this LTA figure.

You can get further advice on LTA on the Pension Fund website or on the Governments website which is www.GOV.UK.

How to contact us

	pensions@eastsussex.gov.uk
	0300 200 1022 (General enquiries) Error! Bookmark not defined.
	0300 200 1034 (My Pension – member self-service enquiries)