

Tyne and Wear Pension Fund

Miss AB Sample
Any Street
Any Village
Any Town
Any Place
Any County
HD8 9QQ

Your Annual Benefits Statement 2004



LOCAL GOVERNMENT PENSION SCHEME

Tyne and Wear Pension Fund

Dear Miss Sample

The Local Government Pension Scheme (LGPS)

I am pleased to provide you with your annual benefit statement from the Tyne and Wear Pension Fund for the year ended 31st March 2004. You should also find enclosed the following:

- A Members Annual Report for 2004,
- Your Pension Planning newsletter, and
- A Customer Survey.

You may recall that your statement will be provided to you every year, to let you see how your LGPS benefits are building up. **Please remember that it is intended to be a general guide and you should not make any decision regarding retirement based solely upon the details contained in it.** You should refer to our leaflet, "A Simple Guide to the LGPS" for further information.

If you currently have more than one post with an employer that participates in the Fund, you should receive a statement for each post.

The Members Annual Report for 2004 is a summarised version of the Fund's Report and Accounts. It provides you with information about how the Fund is invested and how it is performing.

This year's Pension Planning newsletter is enclosed for your general information. It includes a variety of interesting articles about current pension issues.

The quality of our communications with you is very important to me. Therefore, I would like to know your views. It would be very helpful if you could spare a few moments to complete and return the enclosed customer survey.

If you have any queries in relation to your statement or indeed to any other pension matter, please contact my Pensions Office for assistance. The contact points are shown on the back cover of this document.

Yours sincerely



Stephen Moore
Head of Pensions

General Scheme Information

The Local Government Pension Scheme (LGPS) is a national scheme that provides you with a whole range of benefits. It is a Final Salary pension scheme, which means that most of the benefits are based upon your length of membership and your final pay.

You should be aware that the benefits of the LGPS are defined and guaranteed in law. They are not dependant upon investment performance.

Features of the LGPS:

- Employer subsidised scheme – your employer also pays into the LGPS.
- Retirement Pension – payable monthly, for the rest of your life.
- Tax Free Lump Sum – usually three times your pension, payable on retirement.
- Conversion options – opportunities to convert pension into lump sum, and vice versa, upon retirement.
- Normal Retirement Age – 65.
- Ill-health retirement – benefits are paid early, if you are forced to retire because of ill health.
- Early retirement options – subject to certain conditions, benefits can be paid before age 65, at the discretion of your employer.
- Guaranteed pension increases – the value of your pension increases each year to match inflation.
- Life Assurance – a lump sum death grant if you die in service, or the balance of 5 years pension payments if you die within 5 years of retirement.
- Spouses' pension – payable to your legal spouse, after your death for the rest of your spouse's life, regardless of remarriage.
- Children's pensions – payable after your death, to your dependant children.
- Transferable pensions – you can transfer your pension rights into or out of the LGPS.
- Facilities to pay extra contributions – you can pay more to improve your benefits.

More specific information about the LGPS is available from the Pensions Office. Our contact points are shown on the back cover of this document.

Your Personal Details at 31st March 2004

Name:	Ann Bernice Sample
National Insurance Number:	XX999999X
Membership ID Number:	99999999
Sex:	Female
Marital Status *:	Married
Employer:	Halcyon
Period of Membership *:	01 Years 005 days
Final Pay *:	£13,746.71

(* See Notes Below)

Marital Status

Please do not worry if we have recorded your marital status incorrectly. As spouse's pensions only become payable if you are married at the time of death, it is at this time that we will verify your marital status.

Period of Membership

This is usually the period during which you have paid contributions into the LGPS up to 31st March 2004, together with any period credited to you on transfer from another pension scheme. It also includes any added years of service that you have paid for up to 31st March 2004. However, it may not yet take account of any recent industrial action and may require a small adjustment.

If you have ever worked **part time** while paying into the LGPS, then your part time service would be converted into whole time membership (e.g. 4 years working at half time would convert to 2 years of whole time membership).

If you have separate periods of membership in our Fund, please note that details are not included in this statement. You should receive a separate statement for each separate period of membership.

Final Pay

Your employer has supplied me with this notional pay figure for the purposes of this statement. This figure is for the year up to 31st March 2004. Final pay is usually the pensionable pay you earn in your final year before you retire.

If you work **part time** the figure used to work out your retirement benefits is the pensionable pay you would have received if you had worked whole time.

If you have been issued with a Certificate of Protection due to a reduction in pay, this statement does not take account of that certificate.

Your Benefits

Current Value of your Benefits – as at 31st March 2004

Period of membership to 31 st March 2004	01 Years 005 days
Annual Pension	£174.19
Tax Free Lump Sum	£522.56
Spouse's Pension	£87.10

Future Value of your Benefits – at age 65

Period of membership to age 65	17 Years 006 days
Annual Pension	£2,924.00
Tax Free Lump Sum	£8,772.00
Spouse's Pension	£1,462.00

Value of death benefit at 31st March 2004

Lump Sum Death Grant	£27,493.42
Death Grant Nomination Form held by this Fund	Yes / No

A spouse's pension would also be payable to your husband or wife, for the rest of their life.

Children's pensions would also be payable for any dependant children.

Guaranteed pensions increases

Pensions are increased every year in line with inflation (as measured by the Retail Prices Index). You will qualify for increases to your pension every year if you are over the age of 55. However increases are also paid to those who retire before the age of 55 due to ill health.

Notes

The benefits quoted on the opposite page are calculated using your personal details held at the date the statement was prepared. We have taken every care to ensure that these details are accurate. However, if you do find an error, please call our Pensions Helpline as soon as possible on 0191 4244141.

Current Benefits

Your current benefits are calculated on your period of membership and your final pay to 31st March 2004 using the following calculation -

- Pension = $1/80 \times \text{your final pay} \times \text{your period of membership}$.
- Lump sum = $3 \times \text{your annual pension}$.

Future Benefits

Your future benefits to age 65 are based upon the service you could build up in the LGPS, if you continued working for the same number of hours as at present until your 65th birthday. The value of your benefits is shown in today's terms, as we are unable to take account of any future pay increases. If you choose to retire before your 65th birthday, the value of your benefits may be reduced.

State Pensions

In addition to your Local Government Pension, you may also be entitled to a State Retirement Pension from the Department for Work and Pensions (DWP). If you would like a forecast of your State Retirement Benefits you should ask for Form BR19 from your local social security office or you can telephone the Retirement Pensions Forecasting Team on 0845 3000 168 (local call rate).

You will see from the enclosed letter, that the Fund is working with the DWP to also provide you with information about your State Pension, in addition to your LGPS benefits in future.

Death In Service Benefits

If you die whilst a member of the LGPS, any death grant will be paid to either:

- Your nominated beneficiary(s),

Or

- Your estate, if a nomination is not held.

If you have not already done so, you may wish to complete a Death Grant Nomination Form so that we know who you would like to receive the cash lump sum that is payable upon your death. Blank forms are available from the Pensions Office.

Although completion of this form is not legally binding upon the Pension Fund, we will normally follow your wishes.

Please ensure that you keep any Nomination Form up to date.

Moving House

We get your address details from your employer. Therefore, please remember to inform your employer of your new address.

Special Needs

If you have any special needs and would like to receive information in an alternative way, please let us know. We have access to an interpretation service, audio aids and to documents in other formats, for example Braille, large print and electronic.

For any further information regarding the LGPS, please contact us at:

The Pensions Office
Tyne and Wear Pension Fund
Hebburn Civic Centre
Campbell Park Road
Hebburn
Tyne and Wear
NE31 2SW

Pensions Helpline

0191 4244141

Fax

0191 4244171

Email

pensions@twpf.info

Website

www.twpf.info

Please quote your National Insurance number and your Membership ID number so we can quickly trace your records.

Data Protection

We use the information you give us (and in return the information we give you) to do the tasks required for the administration of your pension, to carry out the Fund's official business and to help stop crime and prevent fraud. Under the Data Protection Act 1998, South Tyneside Council is the Data Controller (the holder, user and processor) of the pension information held about you.