

Annual Benefit Statements

Member Self Service (MSS)

All annual benefit statements (ABS) are issued online to the Documents > My Documents section of MSS. If you have not previously registered then please visit the following our website; <https://www.iwcpensions.co.uk> and follow the link to *Thinking of joining?*

Multiple employments

Multiple employments are kept as separate records on our system. You can swap and change between each of your records by clicking on the dropdown icon next to the Status indicator in the top right-hand corner of the homepage and selecting the appropriate employment in the table shown.

Final Pensionable Pay (for calculation of Final Salary benefits)

This is your annual full-time equivalent (FTE) pensionable pay for the 12 month period prior to the statement date of 31 March 2021. If you worked part time during the year then the final salary pay figure shown will be your full time equivalent pay not your part time pay.

Actual Pensionable Pay (for use with CARE scheme)

Pensionable pay is the amount of pay on which you paid contributions. It includes non-contractual (as well as contractual) overtime and any additional hours worked in excess of your normal contractual hours. If you have more than one job, then you will have more than one Pension Account – one for each of your employments.

Pension per annum

The pension is split into two sections, one for Final Salary of 80ths and 60ths to cover the pre and post 2008 membership and the other for CARE. The 3rd section is the TOTAL amount of pension you will receive, ie 80ths + 60ths + CARE added together.

CARE Pension Scheme

The Local Government Pension Scheme (LGPS) is a Career Average Revalued Earnings (CARE) scheme and defines that as a member, you build up a pension based upon the earnings you actually received within each financial year. The current accrual rate is 1/49th and this is the rate used to calculate the pension benefits built up each year within the scheme. This will then be re-valued (increased or decreased) based upon the Treasury Order for the year.

Membership (for calculation of Final Salary benefits) at 31 March 2014

This is the number of years and days used in calculating your pension benefits. The years and days are proportional based on the hours that you work. Any breaks in pensionable service are included in this figure. The membership is split into two sections of 80ths and 60ths to cover pre and post 2008 final salary membership.

Lump Sum

This is the tax free lump sum that will be paid to you as a one off payment when you retire. You can also elect to surrender part of your pension to increase your lump sum within HM Revenue & Customs limits.

Death in Service Grant

This is the lump sum that will be paid to a surviving spouse or civil partner in the event of death while in employment. The rate of your death in service lump sum is three times your pensionable pay.

Married Spouse's / Civil Partner's / Nominated Cohabiting Partner's - pension per annum

The survivor benefit payable to a surviving spouse or civil partner is based on your whole period of membership of the scheme. The survivor benefit payable to a cohabiting partner will not include any pre 6 April 1988 membership (unless you had elected to pay for that membership to count).

Pension Sharing Orders (PSO)

The amounts shown on the statement have NOT been reduced by the Pension Debit amounts resulting from any PSO(s). The amount of the deductions will be calculated when the pension benefits are drawn.

Annual Allowance / "Scheme Pays" Offset

The amounts shown on the statement have NOT been reduced by any "Scheme Pays" Offset amounts resulting from previous Pension Input Periods. The amount of the deductions will be calculated when pension benefits are drawn.

Frequently Asked Questions

Why have I received an annual benefit statement?

If you pay into the LGPS we will issue an online statement each year which can be viewed on MSS. It uses information given to us by your employer and we would ask you to check to ensure that the details are correct.

- It shows the value of your LGPS benefits as at 31 March 2021.
- Your statement is purely for illustrative purposes and is based upon the information which we currently hold. Your pay and membership could change by the time you retire.
- Please advise us if the name and date of birth are incorrect on your statement.
- If pay and membership information seems incorrect, please contact your employer or School Business Manager (SBM).

I have not received an annual benefit statement

You may have joined the LGPS after 31 March 2021. The statements show the value of the LGPS benefits at that date. Unless you opt out or leave your post with less than 2 years membership and receive a refund, we will issue a statement next year.

If you were in the scheme on 31 March 2021, but you have not received a statement, we may have a query about your pay or service with your employer. Please ask your employer if this is the case; once any issues are resolved, a statement will be issued.

I have received more than one annual benefit statement

It is most likely that you have two or more roles at work. Under the LGPS each employment is held separately, we will therefore issue separate statements for each role.

If you have deferred (preserved) pensions, we will have issued a separate statement for each of them. Statements for your deferred pensions are also available on MSS. If you have recently moved and changed address then you should notify your employer with the new details. You are not able to amend home address details yourself on MSS.

I am expecting more than one statement, but have not received them all

If you cannot see all your statements on MSS then please contact your employer.

I have less membership than I think I should have

If you have more than one job, you will receive a statement for each employment. Please check to see if the membership, when you look at the statements together, is correct. After 31 March 2014 pension benefits ceased to be calculated using salary and membership, and instead using your pensionable pay.

What does Career Average Pension Benefits refer to?

Your CARE benefits are calculated on the amount of pensionable pay you received in the year up to 31 March 2021.

Why are 80ths, 60ths and CARE shown separately?

On 1 April 2008, the scheme changed from 1/80th for pre 2008 membership to 1/60th for post 2008 membership. **On 1 April 2014**, the LGPS changed from a final salary scheme to a CARE scheme.

To obtain further information you can either view or download a copy the *Scheme Guide* from our website: <https://isleofwightpensionfund.org/media/3807/1468-scheme-guide.pdf>

There is no lump sum on the statement

If you joined the scheme on or after 1 April 2008, you will not receive an automatic lump sum with your pension. When you retire, you can give up to 25% of your pension to provide a lump sum.

Does the survivor's pension change my own pension benefits?

No, your own pension will remain the same whether or not you have a partner.

There is no surviving partner's pension on my statement

Your own pension will stay the same whether or not you have a partner.

If you are married, or are in a civil partnership, your partner automatically qualifies to receive a surviving partner's pension. If you'd like this on your statement, please send us a copy of your marriage or civil partnership certificate.

If you were paying into your pension on or after 1 April 2008 you may be able to nominate your partner even if you are not married or in a civil partnership. You must meet certain conditions to be able to nominate them. Please download and complete a *Nomination of Cohabiting Partner* form from our website: <https://www.isleofwightpensionfund.org/media/3796/1468-nominated-co-habiting-partner.pdf>

Please return the completed form to the address shown.

There is no one nominated to receive a death grant

If you have not nominated anyone to receive your death grant this part of your statement is blank. If you wish to update your death grant nomination you can do so by logging into MSS.

What are the reductions for retiring early?

If you are aged 55 or over, you can retire and claim your pension early. If you do this, your pension will probably be reduced. Further information about the impact of these reductions is available on request.

There is nothing about my AVC on the statement

Statements for AVC's are sent separately by the current provider, Prudential. If you used a transferred AVC to buy extra membership, it is included in the statement but it is not shown separately.

Does my statement include the added years that I am buying?

These are included within the figures shown on your statement.

My benefits are subject to a pension sharing order, is this on the ABS?

No, unfortunately pension sharing orders are not part of our statements. The deduction shown on the order will be present on quotes and when the benefits are drawn.

I have breached my annual allowance with a tax charge, is the scheme pays included in my ABS?

No, unfortunately a “scheme pays” offset is not part of our annual statements. The deduction shown on the “Scheme Pays” will be present on quotes and when the benefits are drawn.

Further information

If you need further information about the LGPS, you can contact us:

Pension Admin Team, Isle of Wight Council Pension Fund,
Business Centre, County Hall, High Street, Newport, Isle of Wight PO30 1UD

Email: pensions@iow.gov.uk

Tel: 01983 823626

Websites: IWPF – <https://isleofwightpensionfund.org/isle-of-wight-pension-fund>
LGPS members – <https://www.lgpsmember.org>

Document ID: ABS_FAQ01

Updated: July 2021