

Welcome...

... to your 2011 statement for your **deferred benefits** with Greater Manchester Pension Fund.

If you had a statement from us last year, then you will see that we have kept to the same layout, and included much of the same information. However you will see that this year, things are 'back to normal' regarding inflation, and this year benefits have gone up by 3.1% in most cases.

If you are one of our members who left on or after 1 April 2008, then some rules are different for you, and we have flagged these throughout with this symbol.



Public sector pensions have certainly been in the news lately, and you may have seen highlights of Lord Hutton's report recommending various changes. I would like to reassure you that any such changes won't affect your deferred benefits with us, as these are effectively 'locked in' to the rules as they stood at the time.

I hope you find this illustration useful, and as usual we are happy to help if you need to know more. We have put some additional notes on our website, and you will find our website address and the other ways of getting in touch with us, on the back.

All the best,

Ged Dale

Head of Pensions Administration



These figures are for guidance only, and we will use the actual LGPS Regulations to decide the final amount of your benefits.

Your personal details

Your name:

Your National Insurance number:

Employer details

This statement gives details of your deferred benefits relating to your membership ending with:

Employer:

Date you left the Fund in this employment:

Deferred benefits: original value

When you left the Fund, the value of your deferred benefits was as follows:

Lump sum: (one off payment)

Please note: If you joined 1 April 2008 onwards, there is no lump sum but a bigger pension.

plus

Pension: (per year)

Deferred benefits: current value

With inflation proofing, the value of your deferred benefits is now as follows:

Lump sum: (one off payment)

Please note: If you joined 1 April 2008 onwards, there is no lump sum but a bigger pension.

plus

Pension: (per year)

You can draw your benefits without any early retirement reduction on the following date:
(see yellow section for more about drawing your benefits)

Your death details

If you die before you draw your deferred benefits, we will pay out a one off lump sum, as shown here...

Your lump sum life cover:

Lump sum nomination last recorded...

Lump sum nomination forms available from www.gmpf.org.uk or by calling 0161 301 7000.

Dependants' pensions

If you also leave dependants, they can be entitled to pensions in their own right. Dependants can include...



LEAVERS ON OR AFTER 1 APRIL 2008
Sorry, you can only nominate a cohabiting partner if you left on or after 1 April 2008.

More about your illustration

How your benefits are worked out

If you left the Fund before 1 April 2008, then your benefits were worked out as follows when you left, and then have been increased in line with inflation since then...

$$\text{Pension} = \text{Pay} \times \text{Membership} \div 80$$

$$\text{Lump sum} = \text{Pension} \times 3$$



If you left on or after 1 April 2008, please see the pink section which shows a new way of working out benefits for your membership from this date.

Inflation proofing

We normally increase deferred benefits each April in line with prices for the previous year. The increase this year which applies to deferred benefits is 3.1%.

Please note that the Government is now using the consumer prices index (CPI) rather than the retail prices index as its preferred measure of inflation for pensions increase.

Drawing your benefits

Your illustration shows the date you can draw your benefits without any early retirement reductions. If the date shown is after your 60th birthday, you can still choose to draw your benefits from 60, but with a percentage reduction. We will normally write to you close to your 60th birthday to explain your options.

In exceptional circumstances, you may be able to draw your benefits before 60, **but this is only possible with the permission of your former employer.** The minimum age for this is now 55, except for early payment on health grounds (see over)

Swapping pension for lump sum

In many cases, when you actually come to draw your benefits, you can swap some pension for lump sum.

If you do this, every £1 of pension you give up creates £12 of lump sum. We each have individual limits on how big a lump sum we can take, and we will work this out for you just before you draw your benefits.

More about your illustration

Early payment on health grounds

At any age, if you become **permanently too ill to carry out the job you used to do** for your former employer, you can apply to them to pay your benefits early. They will seek the opinion of a specially qualified doctor in reaching their decision.

Please note: If they agree to pay your benefits early on health grounds, you won't be given any extra years (as a current member would), and the 'inflation proofing' increases already described won't apply until your 55th birthday, unless you are too ill to work at all.

LEAVERS
ON OR AFTER
1 APRIL
2008

If you left on or after 1 April 2008, please see the pink section for more about early payment on health grounds.

Do you have other deferred LGPS benefits?

If you also have other deferred benefits with us, these are **not** included in this illustration, and you will get a separate statement for each.

Do you currently pay into the LGPS?

If you currently pay into the LGPS again (either through GMPF or another LGPS fund), you may be able to transfer your deferred benefits into it. But please note you normally only have 12 months from rejoining to do this. If you do currently pay into GMPF, you will get a separate forecast for this later in the year.

Did you opt out of the LGPS?

If the benefits on this statement arose because you opted out of the LGPS, you can normally opt back in (in writing) at any time, as long as you are in the same employment.

Transfers to other pension schemes

It may also be possible to transfer your deferred benefits into another type of pension, such as a personal/stakeholder pension, or another occupational scheme. You may want to get independent advice about the pros and cons of doing this.

State pensions

Please see the separate information sheet about State pensions.



If you left on or after 1 April 2008

Working out benefits

First we look at your membership before 1 April 2008 and use it to work out both a pension and lump sum as follows:

Pension = Pay x Membership ÷ 80

plus

Lump sum = Pension x 3

Then we look at your membership **from** 1 April 2008 and use it to just work out a pension as follows:

Pension = Pay x Membership ÷ 60

So of course if you only have membership after 1 April 2008, there is no automatic lump sum

Nominated cohabiting partners

If you left on or after 1 April 2008, and you have a partner you have lived with long term, you may be able to nominate them to receive a pension if you die. This only applies to a partner you have lived with for at least two years, other terms & conditions apply - please see our website or ask for a booklet to find out more.



Please note, this is not required if you are married or have a civil partner, as they are already covered!

Nominated cohabiting partner last recorded...

Partners pensions nomination forms available from www.gmpf.org.uk or by calling **0161 301 7000**.

Early payment on health grounds

If you left on or after 1 April 2008, the new rules regarding early payment on health grounds will apply to you. This means that if you apply to your former employer to have your deferred benefits paid early on health grounds, they will also have to form an opinion as to your capacity for **gainful employment**.

Happy to help



www.gmpf.org.uk



0161 301 7000



mail@gmpf.org.uk



Please let us know if we don't have your correct home address

If you get in touch with us, please quote your name, National Insurance number and date of birth.

Greater Manchester Pension Fund, Concord Suite,
Manchester Road, Droylsden, Tameside, M43 6SF.

It may be possible to produce this illustration in other formats such as Braille - please ask if you have any special requirements.

deferred benefits
your personal
statement for
2011

