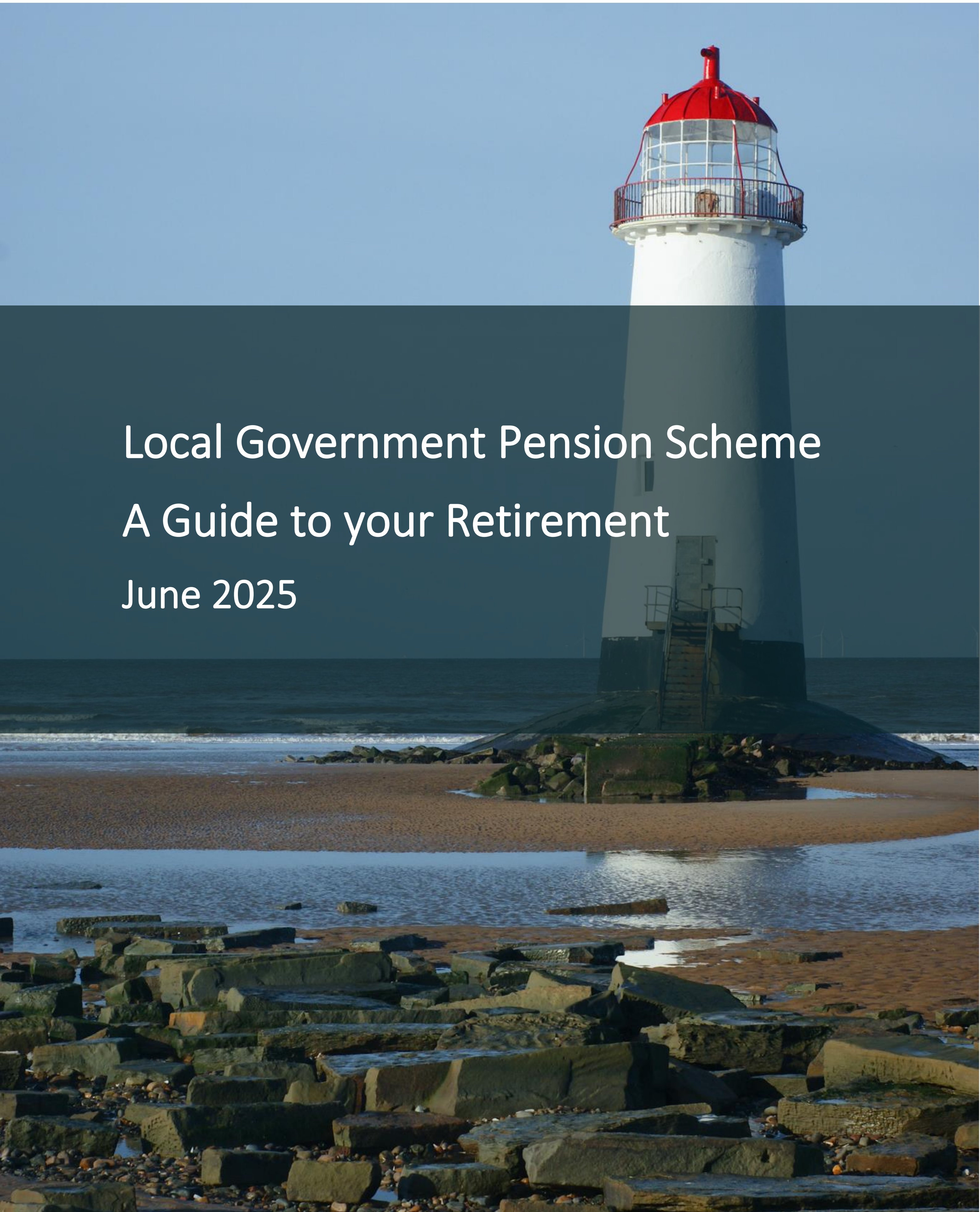
lgps | Local Government Pension Scheme

Cronfa Bensiynau CLWYD Pension Fund



Local Government Pension Scheme

A Guide to your Retirement

June 2025

Contents

Mae'r ddogfen hon ar gael yn Gymraeg / This document is available in Welsh

Introduction

This guide is for members who are currently paying pension contributions into the Local Government Pension Scheme (LGPS) and who are planning their retirement.

Part one of this guide gives you information about the LGPS. It covers the financial protection the LGPS offers you and your family. Part one also includes information about retirement and the decisions you have to make.

Part two looks more widely at issues that may affect you in retirement. We have included information about taxation and the State Pension. You can also find links and contact details for organisations that can support you.

The purpose of this guide is to help you with your retirement planning. You should not use it instead of financial advice. If you need financial advice, you should find yourself an independent financial advisor.

Point to note: pension age changes

This guide explains about minimum retirement age currently being 55.

The UK Government has announced that the earliest age you can take your pension will increase from age 55 to 57 with effect from 6th April 2028. This does not apply if you have to take your pension early due to ill health.

You could be protected from this increase if you joined the LGPS in England and Wales before 4th November 2021. You could also be protected if you transferred a previous pension into the LGPS if certain conditions are met. However, you will only be able to use this protection when you take your LGPS pension, if the LGPS rules allow you to take your pension before age 57.

The UK Government makes the LGPS rules. It has not yet confirmed if it will allow members who qualify for protection to take their LGPS pension before age 57, from 6th April 2028.

Where 55 is mentioned in this guide, please remember this will change to 57 from 6th April 2028.

Part 1: The LGPS

Benefits of the LGPS

A secure pension

Your pension is worked out for each scheme year and is based on your pensionable pay for each year. The scheme year ends on 31st March. In the April after the end of each scheme year, your pension is adjusted in line with changes in the cost of living. You can read more about **how your LGPS benefits are worked out** in the next section.

Survivor pensions

When you die, a pension will be paid to your:

- husband,
- wife,
- civil partner, or
- cohabiting partner (if they meet certain conditions)

for the rest of their life.

Children's pensions may also be payable.

Taking a lump sum

When you take your pension, you have the option to swap some of it for a lump sum. The lump sum will be paid tax-free in most cases. However, there is a limit on how much tax-free cash you can take from your pension. If you go over that limit, you will have to pay tax at your marginal rate.

Tax relief

Pension contributions are taken from your salary before tax is worked out. As a member of the LGPS, if you pay tax, you will pay less tax on your salary.

Flexibility to pay more or less

You can pay half your normal contributions in return for building up half of your normal pension. This is known as the 50:50 section.

You can increase your pension by paying more contributions. You can read more about this in the **increasing your pension** section of this guide.

Life cover

If you die whilst still paying LGPS contributions, a death grant of three times your assumed pensionable pay is payable. Assumed pensionable pay is an estimate of your normal annual pensionable pay. The Clwyd Pension Fund will decide who to pay any death grant to but will take account of your wishes.

You can update your expression of wish through Member Self Service:

https://mss.clwydpensionfund.org.uk

Or you can get a form from us either by downloading one from the **forms and resources section** of our website or by calling the phone number at the end of this retirement guide.

More information

You can find out more about the benefits of LGPS membership on the **LGPS member website**. You can also watch the **Pensions made simple videos**.

How your LGPS benefits are worked out

The LGPS changed from a final salary scheme to a career average scheme on 1st April 2014.

From 1st April 2014, the benefits built up in the LGPS are worked out under the rules of the career average scheme.

If you joined the LGPS before 1st April 2014, you will have also built up benefits in the final salary scheme.

How your benefits are worked out on or after 1st April 2014

Each year, 1/49th of your pensionable pay is added to your pension record. Your pension is protected if your pay is lower than usual because of sickness or paid child related leave.

In the April after the end of each scheme year, your pension record is adjusted in line with the cost of living. The example on **table 1** shows how this works.

How your benefits are worked out between 1st April 2008 and 31st March 2014

For each year of LGPS membership between 1st April 2008 and 31st March 2014, you will receive a pension of 1/60th of your **final pay**.

Your **final pay** is usually the pensionable pay you earn in the year before you stop paying LGPS contributions. Pay from one of the two previous years can be used if it is higher.

How your benefits are worked out before 1st April 2008

For each year of LGPS membership before 1st April 2008, you will receive a pension of 1/80th of your **final pay** and a lump sum of 3/80ths of your **final pay**.

Working part-time

If you worked part-time before 1st April 2014, your LGPS membership is reduced to account for that. For example, if you worked 18.5 hours per week and the full-time equivalent hours for the job were 37 hours per week, your membership will be reduced by 18.50/37.00, which is half. We still use your full-time equivalent pay to work out your pension benefits.

The following example shows how LGPS benefits are worked out for a member:

- retiring at normal retirement age on 31st March 2026
- with 30 years LGPS membership
- whose final pay is £43,000
- who has also built-up career average pension since 1st April 2014 (as shown in the table)

Example 1: Working out LGPS benefits in the final salary scheme

Benefits based on 12 years' membership up to 31st March 2008:

Pension: 12 ÷ 80th x £43,000 = **£6,450**

Lump sum: 3 x 12 ÷ 80th x £43,000 = **£19,350**

Benefits based on 6 years' membership from 1st April 2008 to 31st March 2014:

Pension: 6 ÷ 60th x £43,000 = **£4,300**

Table 1: Benefits built up in the career average scheme from 1st April 2014

Scheme year	Pension at start of year	Gross pensionable salary and build up rate	Pension (for that year)	Inflation increase	Pension at end of year
2014/2015	£0	£27,600 ÷ 49 = £563	£563	£7 (1.2%)	£570
2015/2016	£570	£28,100 ÷ 49 = £573	£1,143	-£1 (-0.1%)	£1,142
2016/2017	£1,142	£29,900 ÷ 49 = £610	£1,752	£18 (1.0%)	£1,770
2017/2018	£1,770	£30,600 ÷ 49 = £624	£2,394	£72 (3.0%)	£2,466
2018/2019	£2,466	£30,900 ÷ 49 = £631	£3,097	£74 (2.4%)	£3,171
2019/2020	£3,171	£32,700 ÷ 49 = £667	£3,838	£65 (1.7%)	£3,903
2020/2021	£3,903	£33,400 ÷ 49 =£682	£4,585	£23 (0.5%)	£4,608
2021/2022	£4,680	£34,800 ÷ 49 = £710	£5,318	£165 (3.1%)	£5,483
2022/2023	£5,483	£35,800 ÷ 49 = £731	£6,214	£621 (10.1%)	£6,835
2023/2024	£6,835	£39,400 ÷ 49 = £804	£7,639	£512 (6.7%)	£8,150
2024/2025	£8,150	£42,150 ÷ 49 = £860	£9,010	£153 (1.7%)	£9,163
2025/2026	£9,163	£43,000 ÷ 49 = £878	£10,041	£201 (2.0%*)	£10,242

*assumed figure

The member has built up an annual pension of **£20,992**, made up of:

- before 1st April 2008: £6,450
- between 1st April 2008 and 31st March 2014: £4,300
- after 31st March 2014: £10,242

They have also built up a tax-free lump sum of **£19,350**

Underpin protection

When the LGPS changed from a final salary scheme to a career average scheme in 2014, older members were protected from the changes. The courts have found that younger members of other public service pension schemes were discriminated against because similar protections did not apply to them.

The LGPS rules changed in 2023 to remove this discrimination. These changes are known as the 'McCloud remedy'. Your LGPS pension may be protected by the underpin if you:

- joined the LGPS or a different public service pension scheme before 1st April 2012
- reach age 65 after 1st April 2014
- were a member of the LGPS between 1st April 2014 and 31st March 2022, and
- have not had a disqualifying break. A disqualifying break is a break of more than five years when you were not paying into the LGPS nor any other public service pension scheme

You do not need to make a claim for underpin protection. However, the Clwyd Pension Fund may need to ask you about previous membership of the LGPS or a different public service pension scheme to find out if you are protected.

If you are protected, when you retire, we will check whether the pension you built up in the underpin period would have been more under the final salary scheme. If it would have been, your pension will be increased. The underpin period runs from 1st April 2014 to 31st March 2022. Your protection ended earlier if you reached age 65 before 31st March 2022.

More information

For more information about how your LGPS pension is worked out**,** please visit the **national LGPS website.**

For more information about underpin protection, see the **McCloud remedy** section of our website.

When you can take your pension

You can choose to stop work and take your pension at any time between ages 55 and 75. Your normal retirement age is when you can take the pension you have built up without early retirement reductions.

For the pension built up from 1st April 2014, your normal retirement age is either your State Pension age, or 65 if later. You can find out your State Pension age by using the **Government's State Pension Age calculator**.

Any pension benefits you built up before 1st April 2014 have a normal retirement age of 65 (unless you meet the Rule of 85). You must take your whole LGPS pension at the same time.

Taking your pension before your normal retirement age

There is no reduction if you take your pension at normal retirement age. If you take your pension before your normal retirement age, it will be reduced. The reduction is based on the number of years and days from the date you take your pension to your normal retirement age.

Early retirement reduction factors

The Government sets the early retirement reduction factors. They are reviewed from time to time. The table below shows the reduction factors that are currently in use.

Table 2: Early retirement reduction factors

Number of Years Paid Early	Annual Pension Reduction	Automatic Lump Sum Reduction
0	0%	0%
1	4.9%	1.7%
2	9.3%	3.3%
3	13.5%	4.9%
4	17.4%	6.5%
5	20.9%	8.1%
6	24.3%	9.6%
7	27.4%	11.1%
8	30.3%	12.6%
9	33.0%	14.1%
10	35.6%	15.5%
11	39.5%	Does not apply
12	41.8%	Does not apply
13	43.9%	Does not apply

If you decide to take your pension before normal retirement age and if you were paying LGPS contributions on or before 30th September 2006, some or all of your benefits could be protected from reductions by the Rule of 85. You can read more about taking your LGPS pension and the Rule of 85 on the **national LGPS website.**

Taking your benefits after your normal retirement age

If you stay in work after your normal retirement age, you will continue to pay into the LGPS and build up further benefits. You must take your pension by age 75.

If you delay taking your pension, your benefits will be increased. The increase is based on how long after your normal retirement age you take your pension.

Ill health

If you have to leave work because of illness, you may be able to receive your LGPS pension straight away. Your employer must be satisfied that you are permanently unable to do your job until your normal retirement age **and** that you are not immediately capable of any gainful employment. This means paid work for 30 hours a week or more, for at least a full year. They must get an opinion from an independent occupational health doctor before they make their decision.

Ill health benefits can be paid at any age and are not reduced because of early payment. In fact, your benefits could be increased to make up for your early retirement.

Redundancy and business efficiency

The LGPS benefits you have built up will be paid immediately without any early retirement reductions if:

- you are age 55 or over, and
- you have been an LGPS member for at least two years, and
- your employer makes you redundant or you are retired on the grounds of business efficiency

Flexible retirement

From age 55, if you reduce your hours or move to a less senior position, and your employer agrees, you can take some or all of the pension benefits you have built up. However, your employer needs a policy on whether they offer flexible retirement.

You will receive wages from your reduced hours or less senior post and you will continue to pay LGPS contributions, building up further benefits in the LGPS.

Cost of living adjustment

Your LGPS pension increases in line with the cost of living every year throughout your retirement. If the cost of living goes up, so will your pension.

More information

You can read more about **taking your LGPS Pension**. You can also watch the **pensions made simple videos**: 'Life after work' and 'Protection for you and your family.'

Taking a lump sum when you retire

At retirement, you will have an option to turn some of your pension into a one-off lump sum. For every £1 of annual pension you give up you will get a lump sum of £12.

If you joined the LGPS before 1st April 2008, you will receive an automatic tax-free lump sum when you take your pension. You will also have the option to turn some of your annual pension into extra lump sum.

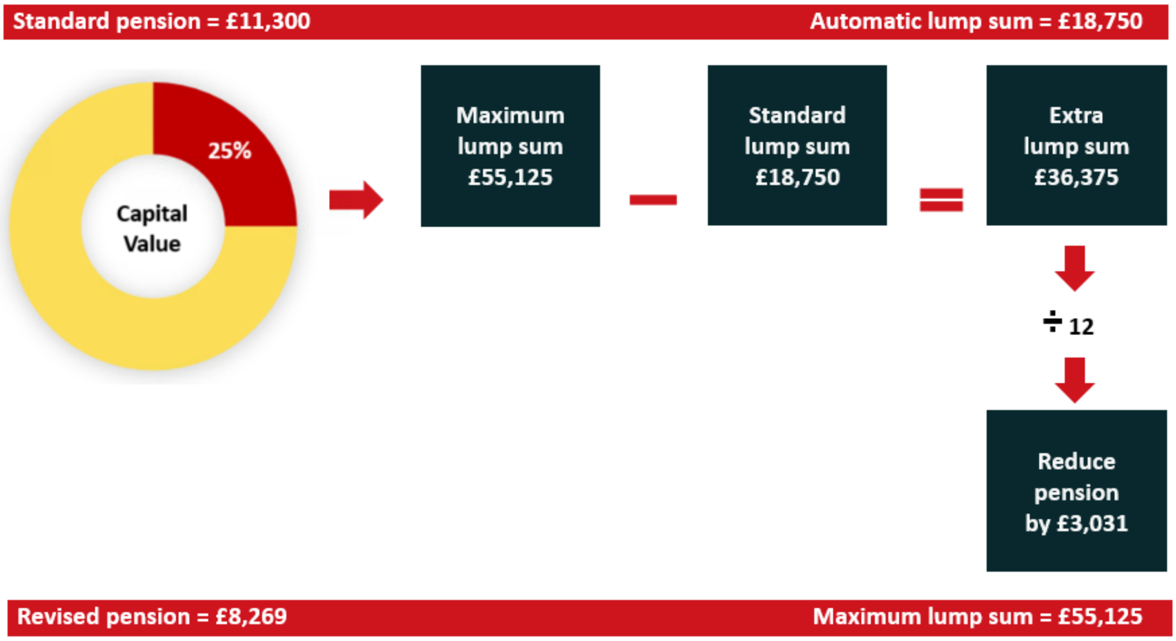
HM Revenue & Customs limits the amount of tax-free lump sum you can take when your pension is paid to you. This limit is called a lump sum allowance (LSA). Currently, the maximum lump sum is the lowest of:

- 25% of the capital value of your benefits
- £268,275*
- £268,275* less the total lump sums you have already taken

*If you hold a valid Lifetime Allowance protection, you may be able to take a lump sum that is larger than £268,275.

The lump sum will usually be tax-free, but if you go over the lump sum allowance, you will have to pay tax on the excess at your marginal rate.

Example 2: Turning annual pension into lump sum



When Liz retires, she has a standard annual pension of £11,300 and an automatic tax-free lump sum of £18,750. Liz can take up to 25% of the capital value as a lump sum, which is £55,125. If she does, she will receive an extra £36,375 lump sum and her annual pension will reduce by £3,031 to £8,269.

Taking a larger lump sum reduces **your** pension but does not reduce any survivor pensions payable after you die to your husband, wife, civil partner, eligible cohabiting partner or children.

It is very important that you think carefully about this option before you take your pension. It will not be possible to change your mind after your pension has been paid. The Clwyd Pension Fund will give you more information about turning annual pension into lump sum when you take your pension. Please see **taking your LGPS pension: the process** for more details.

The Clwyd Pension Fund will ask you for details of any lump sums you have already received when you take your pension.

Recycling

Using your lump sum to increase the contributions you pay to a pension scheme is known as recycling. This is a complex area. HM Revenue & Customs will decide that recycling has happened if all the relevant conditions are met. If HM Revenue & Customs considers that recycling has happened, you will have to pay extra tax.

You can find out more about **lump sum recycling** from HM Revenue & Customs. You may wish to get financial advice if you think you are affected.

More information

You can find out more information and use a lump sum calculator on the **national LGPS website.**

Increasing your pension

The **budget planner** at the end of this guide will help you work out what income you will need when you stop working. In this section, we look at ways you could increase that income.

You can pay extra contributions to increase your pension by paying:

- additional pension contributions (APCs)
- in-house additional voluntary contributions (AVCs)
- free-standing AVCs
- into a personal or stakeholder pension

Additional pension contributions (APCs)

If you pay full pension contributions in the main section of LGPS, you can pay extra contributions to buy additional annual pension. Any extra pension you buy is added to your LGPS pension. You can pay for this extra pension by regular contributions from your pay or by paying a lump sum.

On 1st April 2014, a limit of £6,500 per year was put in place to cap the amount of annual pension that you can buy in the LGPS. This limit has been inflation proofed every year since then. The current limit is shown on the online APC calculator. You can use the link below to work out the cost of an APC:

https://www.lgpsmember.org/help-and-support/tools-and-calculators/buy-extra-pension-calculator

In-house additional voluntary contributions (AVCs)

Additional voluntary contributions (AVCs) allow you to pay more to build up extra savings for your retirement. In-house AVCs are invested separately in funds managed by the Clwyd Pension Fund's in-house AVC providers, Prudential and Utmost Life. You would benefit from tax relief on the AVC contributions that you pay.

Your employer may offer a shared cost AVC through a salary sacrifice arrangement. If they do, both you and your employer would pay less national insurance contributions. Check with your employer if they offer a salary sacrifice scheme for AVC contributions.

When you take your LGPS pension, you can use your AVC pot to buy a guaranteed income for life (known as an annuity) or buy a top-up LGPS pension. Subject to HM Revenue & Customs limits, you may be able to take up to 100% of your AVC pot as a tax-free lump sum. You can transfer your AVC pot to another pension scheme at any time before you take your LGPS pension.

For more information, please go to the **paying extra contributions** section of our website.

Freestanding additional voluntary contributions (FSAVCs)

These are similar to in-house AVCs but they are not linked to the LGPS in any way. With FSAVCs, you choose a provider, usually an insurance company. You may want to consider their different charges, alternative investments and past performance. With FSAVCs, you can usually take 25% of the AVC pot as tax-free cash and the rest as an annuity, so they do work differently to LGPS AVCs.

Personal or stakeholder pensions

You can pay into a personal pension plan or stakeholder pension scheme at the same time as paying into the LGPS. You need to consider charges, alternative investments and past performance when you choose a provider.

You should think about getting financial advice before taking out any form of additional pension savings.

More information

You can find more information on paying more to increase your pension on the **national LGPS website**. You can also watch the **Pensions made simple videos**, including 'Managing your pension'.

Tax and your pension

One of the benefits of pension saving with the LGPS is that you receive tax relief on the contributions you pay. HM Revenue & Customs limits the amount of tax relief you can receive. Most people will be able to save as much as they wish because their pension savings will be less than these limits, known as annual allowance.

If you are thinking of paying extra, you should be aware of annual allowance. There is no limit on the amount of contributions you can pay. You will only get tax relief on contributions up to 100% of your taxable earnings in a tax year.

Annual allowance

The annual allowance is a limit on how much your pension benefits may increase in a tax year without you having to pay a tax charge.

In the LGPS, the amount of annual allowance used is the growth in the value of your pension benefits over the tax year.

For money purchase arrangements, such as AVC schemes, the annual allowance you use is the total contributions paid by you, and on your behalf, over the tax year.

We will let you know you if your LGPS savings go over the standard annual allowance by sending you a pension saving statement. We must send you the statement by 6th October after the end of the tax year.

Important: you may be paying into more than one pension scheme. It is your responsibility to check that your total pension savings across all schemes do not go over the annual allowance limit.

Further information

You can find more information on annual allowance, including tools to check your allowance, on the **national LGPS website**. You can also watch the **Pensions made simple video**, 'Your annual allowance'.

Cronfa Bensiynau CLWYD Pension Fund

After you have taken your pension

In this section, we look at events that may happen once you are receiving your LGPS pension.

You get a new job

If you get a new job in local government, or with an employer who offers membership of the LGPS, you must tell the Clwyd Pension Fund in writing. Your pension is not usually affected.

If you are receiving a tier three ill health pension, you must let your ex-employer know if you start any paid work.

If you return to work, your tax code may change. HM Revenue & Customs can answer **general enquiries about tax codes.**

You move abroad

Your LGPS pension can generally be paid to an overseas bank account. If you are thinking of moving abroad, please contact us to make sure your pension payments continue.

Your marital status changes

You need to let the Clwyd Pension Fund know of any change to your marital status by sending a copy of the certificate. This makes sure that, if you die, we have up to date details about any survivor pensions that may be payable.

You may also wish to complete a new expression of wish form to let us know who you would like any death grant to be paid to.

You change address or bank account

If you move house or change bank account, you must tell the Clwyd Pension Fund. Please contact us in writing as soon as possible to give us the new details.

Death Benefits

Once you take your pension, it is paid to you for the rest of your life.

If you die after you have taken your pension with us, payment of your pension will stop. Your next of kin or person dealing with your estate should let the Clwyd Pension Fund know about your death. They should do this as soon as possible so your pension is not overpaid.

If you die before age 75 and you have been a pensioner with us for less than 10 years, a lump sum death grant may be paid. The amount payable would be:

- ten times your annual pension (adjusted if you turned annual pension into lump sum)

- less the amount of pension already paid to you

This is worked out slightly differently for any part of your pension you built up before 1st April 2014.

A survivor pension will be paid to your husband, wife, or civil partner after you die. A survivor pension may be paid to your cohabiting partner and/or children, depending on certain conditions that must be met to qualify.

More information

You can find out more about death benefits in the LGPS on the **national LGPS website**. You can also watch the **Pensions made simple videos**, including 'Protection for your family.'

Taking your LGPS pension: the process

In this section we look at:

- what you should think about when you are planning to take your LGPS pension, and
- what happens next when you have made a final decision to take your pension

Pre-retirement training

Some employers offer courses for their employees who are close to retirement. Topics covered will vary depending on who is delivering the course. Attending this type of session can give you:

- useful information about what you should think about before retirement
- the chance to have an expert answer your questions
- a place to share your views and experiences with colleagues who are also close to retirement

Contact your employer to find out what training they may offer.

Notice period

You should speak to your employer to see how much notice period you need to give them. This may already be set out in your employment contract.

Income and spending after retirement

It is important that you think about your retirement income before you leave your job. Some costs will reduce after you stop working. Your travel costs may drop, you are likely to pay less tax and you will not pay national insurance contributions. Other costs such as household bills may increase when you stop working.

Depending on your age when you stop working, you may be able to take your State Pension. You can find more information about the **State Pension** in Part two of this guide.

There is also a basic **budget planner** at the end of this guide to help you plan ahead.

Pension Wise guidance

Pension Wise is a government service from MoneyHelper. It offers free, impartial guidance to members aged 50 and over on what they can do with their defined contribution savings, such as AVCs.

You must either attend a guidance appointment with Pension Wise or opt out of attending one before you can start receiving your AVCs. We encourage you to attend the appointment as it may help you understand your AVC options. If you wish, we can book the appointment on your behalf.

We will give you more information when we contact you about taking your LGPS pension and AVC.

Your LGPS pension

Your annual benefit statement shows the LGPS benefits you have built up to 31st March each year and an estimate of the benefits you would receive if you stayed in your job until your normal retirement age.

It is important that you know how much your pension benefits will be on your chosen retirement date before you make a final decision. The figures on your statement may not tell you:

- the reduced benefits that would be paid if you retire early
- the benefits that would be paid if your pay or working hours have changed recently or will change before you take your pension
- the effect of a pension sharing order (if part of your pension has been awarded to your ex-partner after a divorce or dissolution of a civil partnership)
- what your options are if you have an in-house AVC
- if you will be affected by HM Revenue & Customs limits on pension savings

You can get an estimate of the LGPS benefits payable on a certain date by logging onto Member Self Service to use the **pension benefits and projectors** and run your own estimates:

https://mss.clwydpensionfund.org.uk

However, online estimates do not take into account:

- Divorce debits
- AVCs
- Scheme pays

Alternatively, you can contact us asking for a pension estimate and one of our Pension Officers will calculate it for you. Please provide us with your name, National Insurance number and prospective retirement date when you ask for the estimate. Estimates can take 6 to 8 weeks before they are sent to you.

Your employer will need to request a pension estimate on your behalf if you:

- are considering flexible retirement
- may be leaving your job because of redundancy or business efficiency over age 55
- may have to leave your job because of ill health

Here is a basic outline of the process that will be followed once you have made a final decision to take your LGPS pension.

Step 1

Talk to your employer and agree your retirement date.

Step 2

Your employer gives the Clwyd Pension Fund information about your pay, leave date and reason for leaving.

Step 3

We calculate an estimate of your pension benefits and send this to you with forms for you to confirm:

- that you wish to take your pension (if this applies)

and, if you are taking your pension:

- your option to turn annual pension into lump sum
- information about pensions and lump sums that have already been paid to you
- AVC payment options, if you have an in-house AVC, and confirmation that you have attended a Pension Wise guidance appointment or opted out of attending one

You will also be asked for bank details and a copy of your birth certificate, driving licence, or passport.

Step 4

You return the pension claim forms and any documents that we have requested.

Remember: once you have made a decision on:

- whether to turn annual pension into lump sum, and
- how you want your in-house AVC to be paid

these decisions are final and cannot be changed later.

Step 5

We arrange payment of your pension and any lump sum after your retirement date.

Additional Information

We can only work out your pension benefits after your employer has given us the information we need. Once we have that information, we aim to provide you with a pension estimate within 10 working days.

Once we have received your completed forms, we aim to set up your pension and pay any lump sum within 15 working days of receiving the completed forms, or the day after your retirement, if later.

Steps 3 and 5 may take longer if you have an in-house AVC pot or you are affected by the annual allowance. You should think about these timings when deciding how much notice to give.

We will pay your LGPS pension on the 28th of every month. When your pension is first paid, we may use a tax code of 1257L on a month 1 basis. We will send details of your pension payments to HM Revenue & Customs. HM Revenue & Customs will send us an amended tax code, if needed. You can read more about tax in **Part Two** of this guide.

Getting extra help

The decisions you make when you take your pension will affect your income in later life. It is important that you make the right decisions. Many organisations provide support, guidance and information. You can find **contact information for support organisations** in Part two of this guide.

Help if you have a query or complaint

You should contact us if you:

- are in any doubt about your LGPS pension
- have a question about your LGPS benefits
- have experienced any problem with the LGPS

We will aim to address your issue as quickly as possible by:

- providing you with missing information
- correcting any mistakes, and
- taking any other action needed to put right the problem

If you are still dissatisfied, you can take further action.

- You can ask for your complaint to be formally reviewed under the Scheme's Internal Disputes Resolution Procedure (IDRP). The IDRP is a formal review of the decision, act or omission that you are complaining about. To find out more about the IDRP and the time limits that apply, please see the guide in **the forms and resources section** of our website.

- If you have a complaint about the administration or management of a pension scheme, you can contact the Pensions Ombudsman (TPO). You can find more information and submit an online complaint form on the **TPO website.**
- You can contact Moneyhelper who can assist with general queries about pensions. You can read more about the services they offer on the **Moneyhelper website.**

Part 2: Other Useful Information

State Pension

As well as your LGPS benefits, you may also qualify for a State Pension paid by the Government.

How much State Pension you will receive is based on your National Insurance record.

Please visit the Government website for more information about **receiving your State Pension** and how to claim it.

You can also **get a State Pension estimate** online.

Tax and your pension

The personal allowance is the amount of income you can earn before paying tax. The standard personal allowance for 2025/2026 is £12,570.

If your total taxable income is more than your personal allowance, you will pay tax. National Insurance contributions will not be taken from your LGPS pension payments.

Each year your employer or your LGPS fund (if you have a pension in payment) will give you a P60. Your P60 shows what you have been paid, and how much tax has been deducted. It is important that you keep your P60 in a safe place.

For more information about income tax, contact HM Revenue & Customs or visit their website:

Phone: 0300 200 3300

Website: **www.gov.uk/income-tax**

Tracing previous pension rights

There could be up to £30 billion in unclaimed, inactive or lost pension pots. People have saved this money for their retirement.

To plan for your retirement, you need to know how much income you will get. This includes income from workplace or personal pension plans and the State Pension.

If you have lost track of a pension, there is a Government service you can use to find contact details for:

- your own workplace or personal pension scheme
- someone else's scheme if you have their permission

You can access the service through the **Pension Tracing Service website**.

Remember to keep your pension providers up to date with any change in your home address.

Pension scams

You have worked hard to build up your LGPS pension. Scammers may try to get their hands on your pension savings.

Scams are hard to spot and are often disguised with what seem like genuine websites, customer feedback and materials which make them look like the real thing.

The Pension Scams Action Group can help you spot the signs and protect yourself from a scam. The Group is a multi-agency taskforce of law enforcement, government and industry working together to tackle pension scams. The Pension Scams Action Group has put together a checklist to go through if you are ever approached about your pension:

Step 1: Is the offer unexpected?
Legitimate pension providers are highly unlikely to contact you out of the blue about your pension. Be wary of free pension review offers and/or promises of high/guaranteed returns.

Step 2: Have you checked who you're dealing with?
The Financial Conduct Authority's (FCA) website has a Financial Services Register you can check to make sure that anyone offering you advice or services is authorised to do so.

A firm pretending to be an authorised firm is known as a 'clone firm' and may have a clone website that looks exactly like the real deal. **Tip**: double check their contact details against the register and see if they match. Always make sure a firm is FCA authorised or you won't be protected by the Financial Ombudsman Service or Financial Services Compensation Scheme if something goes wrong.

Website: register.fca.org.uk
Phone: 0800 111 6768

Step 3: Stop and think. Are you being rushed or pressured?
Pressure to act quickly or you will miss out is often a warning sign. Take your time to make all the checks you need and remember, if it sounds too good to be true, it probably is.

Step 4: Should you get impartial advice or guidance?
MoneyHelper
Free and impartial information and guidance available online, over the phone and via webchat.

Website: www.moneyhelper.org.uk
Phone: 0800 011 3797

Financial advisers
If you can, it's a good idea to invest in speaking to a financial adviser. Often large amounts of money are at stake and they will be able to help you make the right decision for you. **Tip**: check any adviser you choose to use is regulated by the FCA.

Stop! Think Fraud
Learn more about how to spot and avoid scams. Website: **stopthinkfraud.campaign.gov.uk**

If you suspect a scam, report it

You can report an unauthorised firm or scam to the FCA using the **online reporting form** or on **0800 111 6768.**

If you suspect a scam, report it to Action Fraud on **0300 123 2040** or at **www.actionfraud.police.uk**

Be ScamSmart with your pension. To find out more, visit www.fca.org.uk/scamsmart

Where to go for support

Pensionwise is a Government service from MoneyHelper that offers free, impartial guidance once you reach age 50, to help you understand your defined contribution pension options. Find out more on their website or by calling **0800 011 3797**.

MoneyHelper offers impartial money and pensions guidance that is backed by the UK government and free to use.

Which? is the largest independent consumer body in the UK. They provide unbiased advice and publish guides for consumers, including information on pension issues.

Unbiased is a website listing regulated and independent financial advisers, mortgage brokers, solicitors, and accountants. It checks that everyone is registered with the Financial Conduct Authority (FCA).

The Financial Conduct Authority (FCA) is the regulatory body for independent financial advisers. The FCA can help you with spotting the signs of investment and pension scams.

Citizens Advice is a network of 240 independent charities throughout the United Kingdom that give free, confidential information and advice to help people with money, legal, consumer and other problems.

Age UK gives information and advice on money and legal matters, health and wellbeing, care and support, and lots more.

Independent Age is an older people's charity based in the UK. They provide a variety of information such as help with council tax, pension credit, attendance allowance and lots more. You can view all their support on their website or you can phone them on **0800 319 6789**.

Budget Planner

It is important to understand where you are spending your income. This will help you to work out how much income you will need in retirement. You can use this budget planner as a starting point.

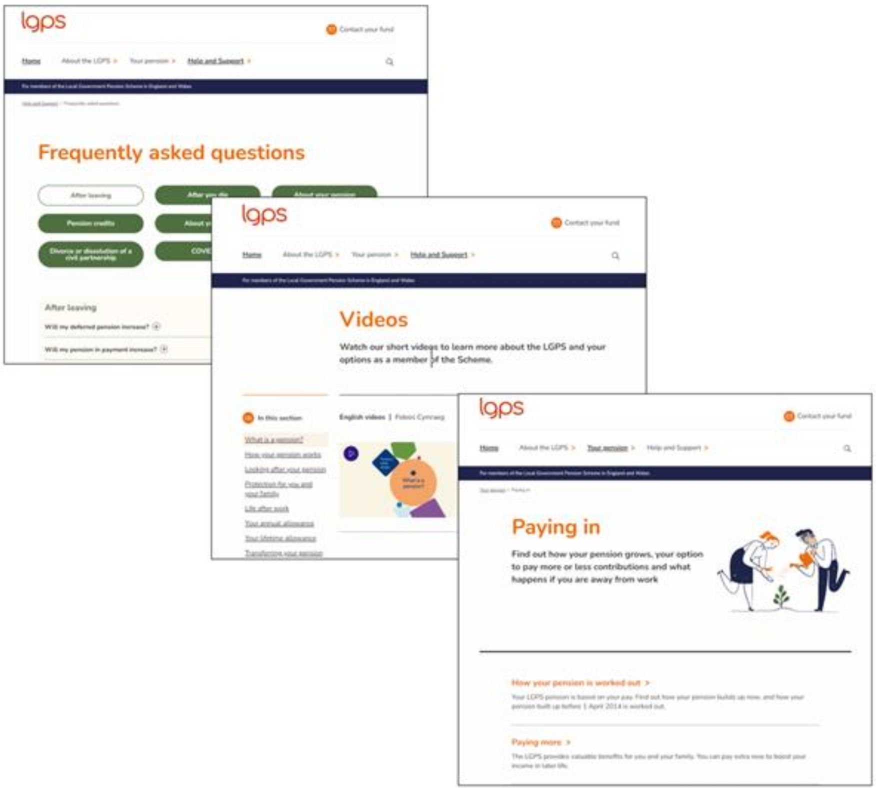
Income (weekly/monthly)	Amount
Wage / Salary	£
Wage / Salary (partner)	£
Benefits	£
Other 1	£
Other 2	£
Other 3	£
Total Income	**£**

Outgoings (weekly/monthly)	Amount
Mortgage / rent	£
Loan(s) / credit cards	£
Ground rent / service charge	£
Insurance	£
Council Tax	£
Gas	£
Electricity	£
Water	£
Food / housekeeping	£
Travel	£
Telephone / mobile phone	£
TV licence / TV subscriptions	£
Internet	£
Clothing	£
Prescriptions / health costs	£
Emergencies	£
Other 1	£
Other 2	£
Other 3	£
Total Outgoings	**£**

Total Income	**£**
Total Outgoings	**£**
Available Income	**£**

Where can you find more information?

You can find more information about the Local Government Pension Scheme on the **national LGPS member website.**



If you need more information about your pension record, please contact the Clwyd Pension Fund:

Phone: 01352 702950

Email: **pensions@flintshire.gov.uk**

Address: Clwyd Pension Fund, Tŷ Dewi Sant, St. Davids Park, Ewloe, Flintshire, CH5 3FF

Website: **https://clwydpensionfund.org.uk**

Disclaimer

The purpose of this guide is to assist members with their retirement planning. It is for general use and cannot cover every personal circumstance. The guide does not fully cover annual allowance and the tax implications for members who exceed it. This guide does not confer any contractual or statutory rights and is provided for information purposes only. In the event of any dispute over your pension benefits, the appropriate legislation will prevail. This document was correct at the date it was written. Factors and information may change; please visit the relevant websites if required.

Notes

Cronfa Bensiynau

CLWYD

Pension Fund

clwydpensionfund.org.uk

Clwyd Pension Fund, Tŷ Dewi Sant, St. Davids Park, Ewloe, Flintshire, CH5 3FF

Please note that Flintshire County Council is the administrative authority of the Clwyd Pension Fund and we use your personal data in accordance with Data Protection legislation to provide you with a pension administration service. For more information about how we use your data, who we share it with and what rights you have in relation to your data, please visit the Privacy Notice on our website.