

Avon Pension Fund



Your pension, your future

Annual Deferred Pension Statement 2025

Guidance notes and FAQs

These notes have been designed to accompany your Local Government Pension Scheme (LGPS) **Annual Deferred Pension Statement 2025**. It helps to explain the various sections of the statement. However, these notes cannot cover every personal circumstance and in the event of any dispute over your statement, the appropriate legislation will prevail. They do **NOT** confer any contractual or statutory rights and are provided for information purposes only.

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Section 1. Your personal information

Please check that these details are correct. If they are not, then please [contact the Fund](#).

Email address

Your email address is important if you have elected to receive communications from us digitally. Please ensure this is kept up to date and is a personal email address.

Partnership status

Your partnership status on this statement has been taken from our records. If these details are incorrect, or if your partnership status has changed, please contact the Fund. It is important that we are kept informed of any changes to your status as it may affect your partner's entitlement (if any) to a survivor's pension in the event of your death.

Date of joining and leaving

These are the dates your employer told us that you joined and left the pension scheme for this employment. If your date of leaving is after 31 March 2014, the date that your benefits will be payable unreduced will be age 65 or your State Pension age, whichever is the later, unless you are protected under the rule of 85. Please note this may change as and when the Government changes State Pension Age.

Date unreduced benefits payable from

This is the date when your deferred benefits become payable to you without reduction. If your benefits are brought into payment before your normal pension age they will be reduced for early payment.

Section 2. Your deferred pension benefit details as at 07/04/2025

Annual pension

This is the current value of your deferred annual pension as at 7 April 2025. It shows the annual pension and includes the cost of living increase.

How your deferred benefits are calculated:

If you left the LGPS before 1 April 2014, your Final Salary benefits will have been based on your membership to the date of leaving and your full time equivalent final pay. Your annual pension will have been calculated as:

1/80th x your membership to 31 March 2008 (if applicable) x your final pay;
plus 1/60th x your membership from 1 April 2008 to 31 March 2014 (if applicable) x your final pay.

If you left after 31 March 2014, your Career Average Revalued Earnings (CARE) benefits for the period from 1 April 2014 to your date of leaving will be calculated as:

1/49th (or 1/98th if in the 50/50 section) x the CARE pensionable pay received during this period.

If you paid Additional Pension Contributions (APC) / Shared-Cost APC / Additional Regular Contributions (ARC) or if you purchased Added Years, the proportionate value of your contract has been included in your benefits.

If you made Additional Voluntary Contributions (AVC), you will receive a separate statement from the AVC provider.

Automatic tax free lump sum (if applicable)

For membership before 1 April 2008 you will automatically receive a lump sum based on three times your 80ths pension. However if you joined after 1 April 2008, you won't receive an automatic tax free lump sum, but you will have the option to give up some of your pension for tax-free cash when you retire.

Annual survivor (partner/spouse's) pension

This is the current value of a survivor's pension if, when you die, you are married/have a civil partner or eligible cohabiting partner. Please note that if you left the LGPS before 1 April 2008 a survivors pension is only payable to a surviving spouse or civil partner.

Expression of wish nomination form held (for your death grant)

It is important to check this statement to see if you have made a nomination as to who you would like your lump sum death grant to be paid. If you would like to make or change the nomination we hold for you, you can do this by [signing up to "my pension online"](#) or [downloading the form](#).

You can nominate whoever you wish to receive your death grant but please remember that as this is an expression of wish it is not legally binding as the Fund has absolute discretion.

When can you claim your pension benefits?

If you left the LGPS after 31 March 2014, your Normal Pension Age (NPA) will be linked to your State Pension Age (minimum age 65) and the date unreduced benefits payable from shown under Section 1 may therefore change in the future. If you left before 1 April 2014, your NPA will more than likely be age 65.

Benefits can be taken before your NPA, but they will be actuarially reduced according to the number of years you retire before your NPA, for they would be paid over a longer period.

Currently the minimum pension age for pension schemes is age 55, but you should note that with effect from 6 April 2028 the new minimum age will increase from age 55 to 57. At this present time, it is unknown whether the LGPS will allow any protection for an earlier retirement once these regulations come into effect.

Your benefits must be paid before age 75.

Re-joining the Local Government Pension Scheme (LGPS)

If you re-join or have already re-joined the LGPS in another Fund in England or Wales, you must:

- a) notify the administering authority of the Fund in which you are an active member that you have deferred benefits in another LGPS Fund in England or Wales;
- b) notify the Fund in which your deferred benefits are held that you are an active member in another LGPS Fund in England or Wales, and;
- c) notify the administering authority of the Fund in which you are an active member of any intervening service in any other public service pension scheme (even if you have completed a transfer out of benefits in respect of that service to a non public sector scheme).

Items (a) and (b) are required to ensure that you are given the appropriate options regarding the aggregation of your benefits. Failure to comply with item (c) could lead to certain statutory rights not being applied to your circumstances.

McCloud Remedy Protection

McCloud Judgment and underpin pensions

Following the age discrimination case commonly known as McCloud, your pension has been tested to see if you are affected by the judgment. If you are a qualifying and protected member and entitled to additional pension (known as the underpin) your statement will confirm this protection and the **estimated** underpin will be included in the annual pension and annual survivor pension figures shown on the statement (See section 2).

An underpin amount will only be included if the notional pension calculated for the final salary scheme is **higher** than that of the pension accrued under the CARE Scheme. The underpin is the difference between the two values where the notional final salary pension is greater.

For the majority of members, the estimated underpin amount is zero. This is because the CARE pension accrued is higher than it would have been in the final salary scheme, due to the CARE scheme having a better accrual rate (1/49 pension accrual versus 1/60 under the final salary scheme).

This estimated underpin pension value is based on the pay information at date of leaving and is then revalued annually each year in line with the pension increase. We will work out the actual figure when you take your pension. Please note, if you retire earlier than your normal pension age under the scheme, an early retirement factor will be applied which will impact the underpin calculation. The final value could be higher or lower than the amount included in the statement, or it could remove the underpin altogether. **Any underpin value that is currently showing is not guaranteed.**

The dates of your membership within the Avon Pension Fund are shown on your statement, and 'other service' dates held can be checked if you [log onto our online portal – My Pension Online](#).

If our records show that you are not protected, your statement will confirm this.

However, you may be protected if you were a member of the LGPS or another public service pension scheme before your current membership started. We have issued communications to members who could qualify for protection if there is earlier public sector service. If you have not yet let us know about this other service, you can by completing the [McCloud remedy: Public service pensions history form](#) on our website.

The key dates for McCloud qualification and protection are:

- you were paying into the LGPS or another public service pension scheme before 1 April 2012.
- you were paying into the LGPS between 1 April 2014 and 31 March 2022 and
- you have been a member of a public service pension scheme without a continuous break of more than 5 years.

You can [find out more about the McCloud judgement](#) by visiting our website.

Other information

Pension Sharing on divorce

If your pension is subject to a Pension Sharing Order (following a divorce/dissolution of a civil partnership) then any debit will not have been deducted from your Annual Pension amount on your statement. We will write to you separately with the debit figures if our records show you have a pension debit.

Additional Voluntary Contributions (AVCs)

If you paid into an AVC arrangement whilst a member of the Avon Pension Fund, then your AVC provider will be sending you a separate statement.

Pension Scams

Pension Scams are becoming more credible, and scammers are using more sophisticated ways to communicate with members. Please make sure you keep your pension safe by reading the [Pension Scams Action Group \(PSAG\) leaflet](#).

If you are approached about your pension and about transferring this away from the Local Government Pension Scheme, we recommend you review the PSAG checklist. Don't become a victim of a pensions scam.