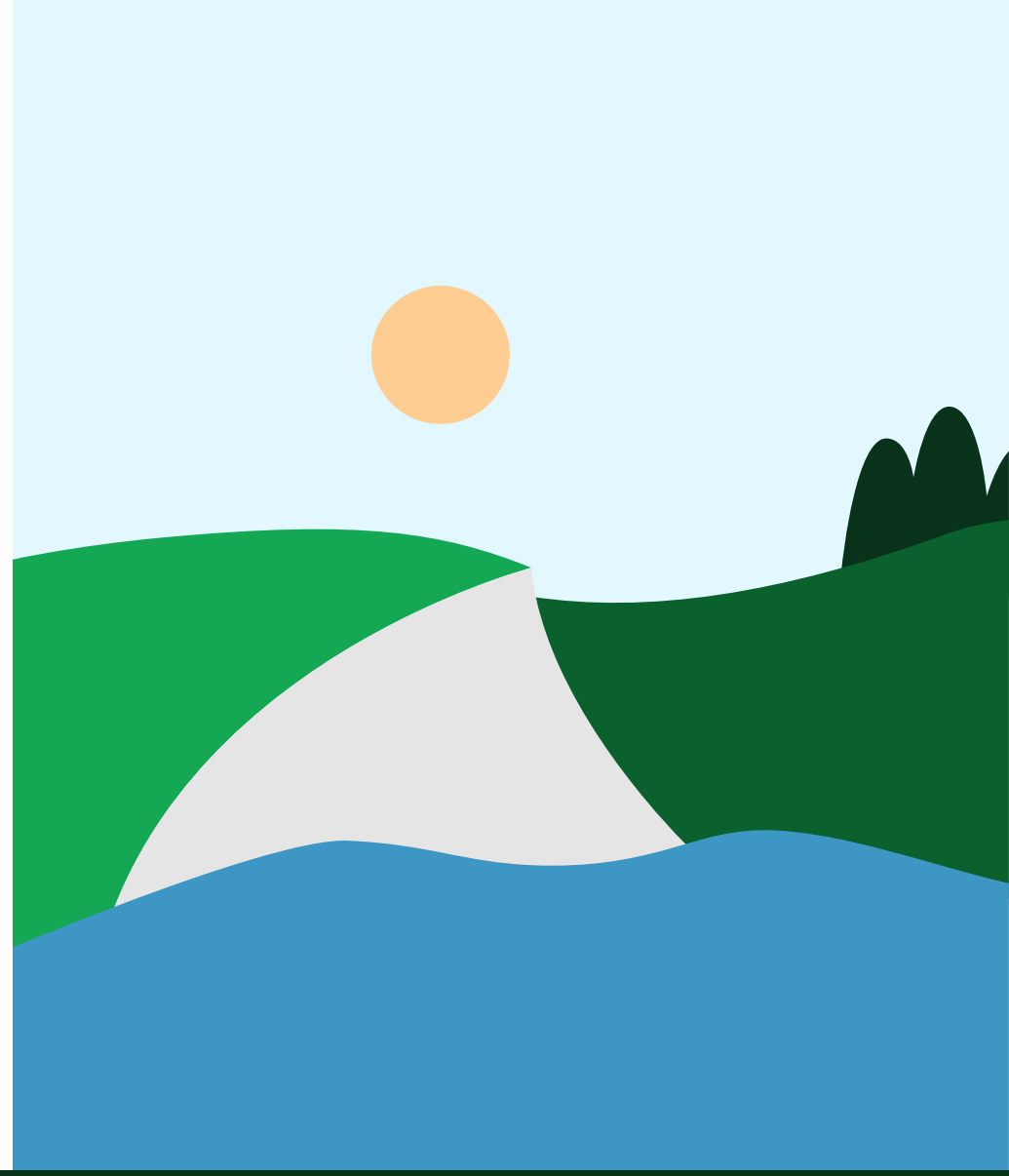


Local Government Pension Scheme

Understanding your Annual Benefit
Statement



Agenda

- What is an Annual Benefit Statement?
- How your pension is calculated
- Your ABS explained
- Further information



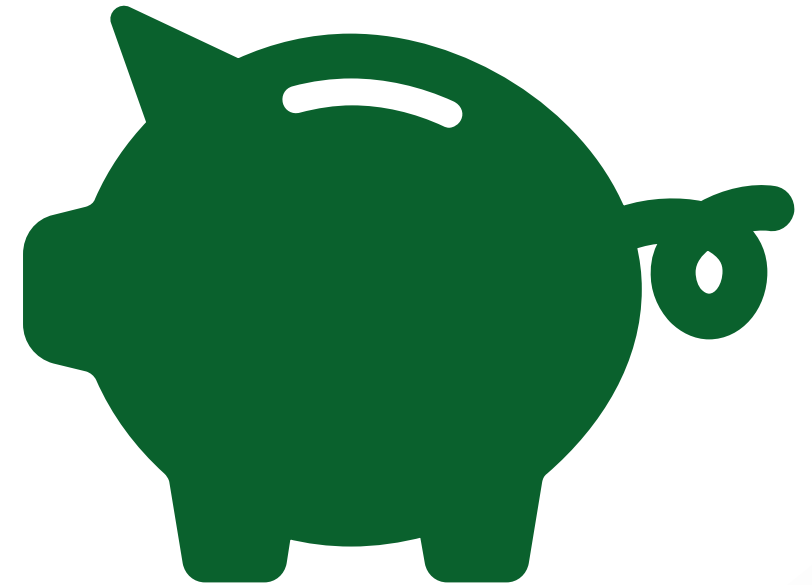


Kent Pension Fund

What is an Annual Benefit Statement?

1

- Your Annual Benefit Statement (ABS) is an annual summary of your pension benefits.
- It tells you the current value of your pension and what it could be worth in the future.
- The LGPS is an occupational pension scheme, so is linked to the job that you do. If you have more than one job, you will receive a statement for each role.
- Your ABS is a handy way to help plan ahead to what your lifestyle could be like in retirement.



What is not in your statement

The value of your pension is not linked to your contributions

Your pension is not linked to stocks and shares

Guaranteed pension for life – no need to buy an annuity

Contributions made to an Additional Voluntary Contribution arrangement (AVC)

Statement only shows details as at 31/03/2024








Kent Pension Fund

How Your Pension is Calculated












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How Your Pension is Calculated

From 1 April 2014	CARE Scheme	 Annual Pensionable Pay	 Divide by 49 (98 if in 50/50 scheme)	 Add to your pension account	 Revalue in line with Inflation	 Pension




















How Your Pension is Calculated

<p>From 1 April 2014</p>	<p>CARE Scheme</p>	 <p>Annual Pensionable Pay</p>	 <p>Divide by 49 (98 if in 50/50 scheme)</p>	 <p>Add to your pension account</p>	 <p>Revalue in line with Inflation</p>	 <p>Pension</p>
<p>Between 1 April 2008 & 31 March 2014</p>	<p>Final Salary Scheme</p>	 <p>Length of Membership</p>	 <p>Whole time pensionable pay</p>	 		 <p>Pension</p>



How Your Pension is Calculated

From 1 April 2014	CARE Scheme	 Annual Pensionable Pay	 Divide by 49 (98 if in 50/50 scheme)	 Add to your pension account	 Revalue in line with Inflation	 Pension	
Between 1 April 2008 & 31 March 2014	Final Salary Scheme	 Length of Membership		 Whole time pensionable pay			 Pension
Up to 31 March 2008	Final Salary Scheme	 Length of Membership		 Whole time pensionable pay			 Pension + Tax Free Lump Sum



CARE Pensionable Pay

- CARE Pay is used to calculate your benefits **from 1 April 2014**.
- Actual pay (part time if applicable)
- Includes any fees you may receive or any overtime (contractual or non-contractual) for the period 1/04/2023 to 31/03/2024
- If during the year you were receiving a reduced amount, or no contractual pay, due to illness, paid child related leave or reserved forces leave, the CARE figure should include an amount of Assumed Pensionable Pay (APP) for those periods, so your pension account is not reduced because of the reduction in your pay.



Final Salary Pensionable Pay

- Final Pay is used to calculate benefits you have built **up to 31 March 2014**
- Whole time equivalent pay
- The figure is based on your pensionable earnings for the period 1/04/2023 to 31/03/2024 including any fees that are pensionable
- Not include any non-contractual overtime or additional hours
- Should not be reduced due to sickness, child related leave or reserved forces service leave.



Pensionable Pay

Final Salary Pensionable Pay

Example:

Mr Test works 10 hours a week

$\text{£}5135.14 / 10 \text{ hrs} \times 37\text{hrs} = \text{£}19,000$

CARE Pensionable Pay

Example:

Mr Test works 10 hours a week

$= \text{£}5,135.14$

**Please note that both pay figures are supplied by your employer.
If incorrect, you will need to contact your employer.**





Kent Pension Fund

Your ABS Explained

3

Section 1

- Check your details
- Any changes contact us on [Annual Benefit Statement \(ABS\) - Kent Pension Fund](#) or call us.
- **And notify your employer or payroll provider**
- Query with your membership details, i.e., start date or section of the scheme – contact your employer.
- Full membership can be found on MyPension Online:

[MyPension Online - Kent Pension Fund](#)



Your Details

Employer Kent County Council	Pension Reference 0123
Pension Holder A B Test	Date of Birth 01/01/1990
National Insurance Number TN123456C	Date Joined Kent Pension Fund 01/01/2020
Section of scheme Main	Pensionable Pay CARE: £20,000 Main Section: £20,000 50/50 Section: £0 Final Salary: £20,000



Section 1

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Section 1

Pension Forecast

What you could get when you retire

You joined Kent Pension Fund on 01/01/2020.

If you retire at your Normal Pension Age on 01/01/2058 you are on course to receive:



Total Annual Pension
£6000 per year



Tax-free lump sum
£0



Survivor's Pension
£2000

- The **Total Annual Pension** = Final Salary + CARE
- The benefits shown do not include any reductions that may apply for early retirement
- **Lump Sum** – option to swap part of your pension to increase your lump sum
- **Survivor Pension** – the amount shown is what would have been payable if you had left 31/03/2024 and then died as a **deferred** member
- This projection does not assume any pay increases or changes in working pattern.



Scheme Pays and Pension Sharing Orders

If you have at any time exceeded the Annual Allowance tax limits and have chosen for the Scheme to pay the tax charge, or your pension benefits are subject to a Pension Sharing Order due to divorce, the reductions applied to your benefits have not been taken into account in the figures supplied in this illustration. The current value of these deductions are shown below.

Pension Sharing Order

Pension Deduction £0.00

Lump Sum Deduction £0.00

Survivor Pension Deduction £0.00

Scheme Pays

Final Salary Pension Deduction £0.00

CARE Pension Deduction £0.00

Only applies if you have had a pension sharing order applied to your benefits, for example due to a divorce settlement, or if you have applied to pay tax due via the scheme pays option.



Section 2

Pension Breakdown

This is a summary of how your pension changed between 01/04/2023 to 31/03/2024. All figures shown were correct as of midnight on 31/03/2024.



At 31 March 2024 your pension is worth:
£7218.62 a year



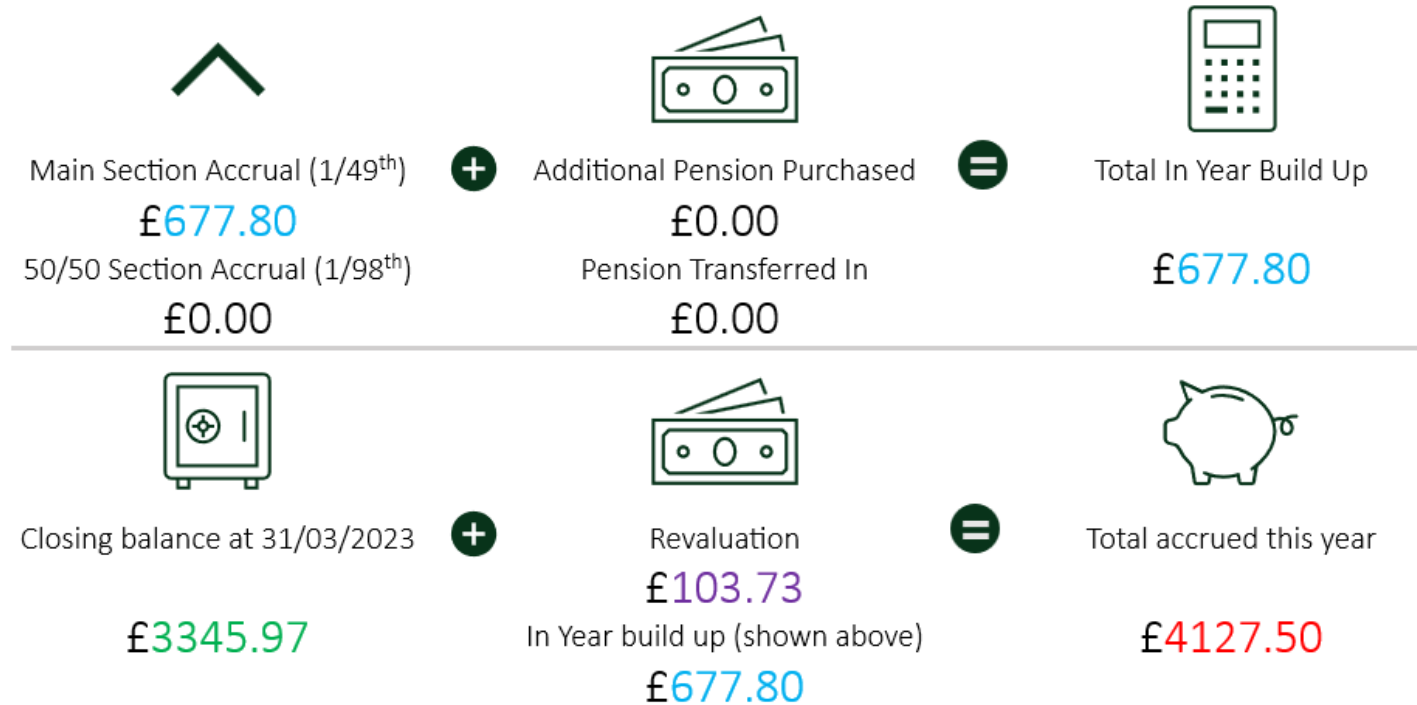
With a tax free lump sum of:
£1839.19

- This is your total pension (Care element and Final Salary Pay element)
- At the retirement you will be provided with an option to commute some of your pension into a lump sum



How we've calculated your pension

CARE Pension



Please note that if you are transferring in benefits, and these were not completed by 31 March 2024, then the details will appear on the next year's ABS.

The pension is revalued in line with the cost of living.



How we've calculated your pension continued...

Final Salary Benefits



This section shows the Final Salary Pensionable Pay figure provided by your employer.

The total final salary pension and any automatic lump sum will be shown here.



Section 3

Lump Sum Death Grant

This is payable if you die whilst still in employment and the amount is normally based on three times your annual pensionable pay.



£99637.26

Annual Survivor's Pension

In addition, if you have any dependants, they will receive a yearly paid income. This figure is calculated after debits are applied, for example like remaining mortgage or divorce settlements.



£6621.28

Death Grant

- In the event of this happening, your nominated dependents will receive a lump sum death grant and an annual survivor's pension

Survivor Pension

- A survivor's pension is due to a spouse, civil partner, or a cohabiting partner in certain circumstances.
- For illustrative purposes, survivor's pension has been calculated on the assumption you are married. This has no impact on your pension.





Kent Pension Fund

Further Information

4

Further Information

For queries regarding your Annual Benefit Statement:

- notes within the Statement
- website [Annual Benefit Statement \(ABS\) – Kent Pension Fund](#)
- Complete the [online ABS enquiry form](#)
- Helpline 03000 413488



Kent Pension Fund

Thank you for your time

For more information, please visit

www.kentpensionfund.co.uk