DECEMBER 2024

your pension

A guide for new members

GREATER MANCHESTER PENSION FUND

Tameside Metropolitan Borough

Please see page 8 for details of important paperwork you need to fill in

Introduction

We have produced this guide to introduce you to your employer's official staff pension scheme - Greater Manchester Pension Fund, or GMPF for short.

We look at the benefits you can look forward to as a member, what age you can access them, and we also look at the cover you have in case the unexpected happens.

GMPF is part of a nationwide scheme called the Local Government Pension Scheme (LGPS).

Especially if you've never been in a pension scheme before, there is quite a lot to take in, so if you need to know more, you are welcome to visit our website or call our friendly Customer Services team on 0161 301 7000.

And finally, please remember, this guide is based on our understanding of the scheme rules, but these may change over time.

Contents

your pension choices

Here are the three main types of pensions - the State Pension, your staff pension scheme, and personal pensions.

Most working people are paying into the State Pension through their National Insurance.

The Government's auto enrolment rules mean that most working people are automatically put into a staff pension scheme when they start - yours is GMPF.

Here are some of the benefits you get by joining GMPF.

Benefits for you

A pension paid for life, plus a chance to access some of your pension package as a tax free lump sum.

Family benefits

Pensions for your partner or spouse and dependants if you die.

Life cover

Lump sum life cover of three times your normal yearly pay - and you can have a say in who it goes to.

Inflation proofing

Our pensions are adjusted each year in line with inflation.

Shared costs

Your employer pays into the scheme as well.

Joining

Membership of the scheme is open to you if you work for one of the local authorities in Greater Manchester, and a whole host of other organisations too. It doesn't matter whether you are full time, part time, or temporary - you are welcome to join as long as you are under 75.

Police, fire, NHS, teachers, or other pension schemes not part of GMPF. Visit the 'Other schemes and pension providers' webpage for more information.

How to join

Our scheme rules, and the Government's automatic enrolment rules, mean that in most cases you will be brought into the scheme automatically, as soon as you start work for your employer. This is generally the case unless your contract is for less than three months, in which case you will have to ask your employer if you wish to join. Once you have joined, your employer will let us know, and with your help, we will set up your pension records.

Sorting out the paperwork

As a new member, or even if you are just moving between employers within the scheme, we will provide you with some information including a new member declaration (form P2).

Please help us set up your pension record correctly by completing this form. This is the best way of letting us know if you have previously been in any other Local Government Pension Scheme or Public Sector Pension Scheme and wish to look at transfer in options which are subject to time limits.

Been in the LGPS* before?

If you have benefits on hold (also known as deferred benefits) from a previous LGPS membership, we will normally combine these automatically. If you would rather keep them separate, that's fine - just let us know within your first 12 months.

But if you have benefits on hold because you opted out of the scheme from 11 April 2015 onwards, you may not be able to combine these.

If you have an unpaid refund from previous LGPS membership, we will automatically link this with your new pension account.

The options for members who have been in the LGPS before are especially complicated, and depend on how long ago you left, and how long you were a member. For this reason, it's especially important you fill in your new member declaration so we can explain your options.

**LGPS in England and Wales*

Additional voluntary contributions (AVCs)

If you have been paying AVCs, you may be able to transfer them into our in house AVC scheme - please ask if you need to know more.

Public sector pensions

If you have been in a public sector scheme before, such as the Civil Service, the NHS, or the Teachers' Pension Scheme, we will normally accept a transfer from them.

The way the transfer will work depends when you left that scheme - to find out more, just fill in your new member declaration so we can explain your options.

Personal pensions

We cannot accept a transfer from this type of pension.

Private company pensions

We don't normally accept transfers from private company pension schemes. We may make an exception if you are returning from a private company which had been carrying out local authority services, as long as you ask in your first 12 months.

If you already receive an LGPS pension

Whether or not you choose to join the scheme, you must tell the fund who pays your LGPS pension about your new job. They will then check to see whether they have to reduce your pension.

What if I don't want to join?

Although membership is automatic in most cases, it isn't compulsory, so you can cancel your membership at any time – this is known as opting out.

If you want to opt out, you must let your employer know in writing, and they will cancel your membership from your next pay period.

There is an opt out form on our website which you may wish to use: go to www.gmpf.org.uk and visit the 'Download a form or booklet' webpage.

But before you opt out, have you considered our 50/50 option?

The 50/50 option

As well as the main scheme, we also offer something called the 50/50 scheme - a low cost form of membership.

When you first join the scheme, you are automatically put into the main scheme, you pay in the standard contribution and you get the standard benefits in return.

But if you prefer, at any time, you can choose to be put in the 50/50 scheme instead. The way this works is that you pay in 50 per cent of the standard cost - in other words half the standard cost.

In return you then build up half the pension for yourself, for as long as you are in the 50/50 scheme. But the good news is, there is no effect on some of the other valuable benefits that we offer - for example the lump sum life cover you have as a member, or pensions for dependants if you die.

Once you're in the 50/50 scheme, it's very easy to switch back to the main scheme again, and start building up full benefits once more.

If you do take up the 50/50 scheme option, as part of the Government's auto enrolment rules, your employer will have to put you back into the main scheme after you have been in the 50/50 scheme for a certain amount of time. But you can switch straight back if you prefer.

To move from the main scheme into the 50/50 scheme, or vice versa, please let your employer know in writing by using our 50/50 option form. Go to www.gmpf.org.uk and visit the 'Download a form or booklet' webpage.

Pay and your pension

Both the cost to you and your benefits are based on your pay. We use a particular type of pay for this, and it's called pensionable pay. We'll just call it pay for ease from now on, but here's a run down of what it includes:

Pensionable pay is your pay before deductions and includes:

- Basic pay
- Bonus
- All overtime
- Shift allowance
- Standby allowance

So, this should include most or all of your pay, other than things like car mileage. And extras like rent free accommodation will only be included if detailed in your contract. If you are unsure about what makes up the pensionable pay for your job, your employer's payroll or pensions section should be able to help.

Assumed pay

Sometimes we have to work out your benefits on assumed pay, rather than actual pay. This is to make sure you don't lose out if you have a period of reduced pay or no pay, for example due to illness.

To work out your assumed pay, first we work out your yearly pay by looking at your average pay over a period before the reduction. (The period is 12 weeks or 3 months depending how you're paid). We then use this annual pay to work out the assumed pay for the period of time you were on reduced or no pay. For example, if the annual pay figure we worked out was £12,000, and you were on no pay for 3 months, the assumed pay for this period would be £3,000. Whenever we use the term pay throughout this guide it means assumed pay for all breaks except strike breaks.

The COST to you

The cost to you is set by a range of pay bands, as shown opposite. Simply take your pay, see which band it falls into, and that tells you what percentage of your pay you pay in. We've shown both the standard main scheme contributions and the 50/50 scheme contributions.

Part timers

If you are part time, we use your actual part time pay to decide which band you fall into. You then pay that percentage of your actual part time pay.

Changes in pay

If you change jobs and get a higher or lower pay, this could mean you move into a different pay band. But the bands normally change year by year, so an ordinary annual pay award shouldn't mean you move to a higher band.

Tax savings

As a member of the Scheme you automatically get tax relief on your pension contributions, so it actually costs less in 'take home pay' than the amount shown on your payslip.

Bands for 2024/25

Band	Yearly pay	Main section	50/50 option
1	Up to £17,600	5.5%	2.75%
2	£17,601 to £24,600	5.8%	2.9%
3	£27,601 to £44,900	6.5%	3.25%
4	£44,901 to £56,800	6.8%	3.4%
5	£56,801 to £79,700	8.5%	4.25%
6	£79,701 to £112,900	9.9%	4.95%
7	£112,901 to £133,100	10.5%	5.25%
8	£133,101 to £199,700	11.4%	5.7%
9	£199,701 or more	12.5%	6.25%

The cost to your employer

One of the benefits of joining is that your employer pays in too. Their cost goes up or down and is set every three years to make sure we have enough in the pot to pay out your benefits. **How much your employer pays does not affect how much pension you receive.**

See the next page for examples of the cost to you...

Example

Steve earns £28,000 a year before deductions so he falls into band 3.

He is paying into the main scheme (rather than the 50/50 scheme) so this sets his contribution rate at 6.5 per cent. This works out at just over £151 a month.

As a tax payer, Steve gets tax relief at the standard rate of 20 per cent, so this brings the cost in take home pay down to just over £121 a month.

Band	Yearly pay	Main section	50/50 option
3	£27,601 to £44,900	6.5%	3.25%

Example

Jane earns £29,000 a year before deductions so she also falls into band 3.

She has chosen the 50/50 scheme option (rather than the main scheme) so this sets her contribution rate at 3.25 per cent. This works out at just over £78 a month.

As a tax payer, Jane gets tax relief at the standard rate of 20 per cent, so this brings down the cost in take home pay down to just under £63 a month.

So, she earns more than Steve, but is paying less in, because she has chosen the 50/50 scheme option. But remember, she is building up smaller benefits as a result.

Band	Yearly pay	Main section	50/50 option
3	£22,901 to £37,200	6.5%	3.25%

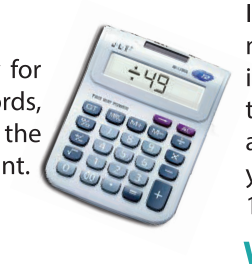
Your pension benefits

Your pension scheme is what's called a career average pension scheme.

Every year you pay in contributions based on your pay for that year, and you also build up a portion of the same pay in pension benefits. Those benefits are then banked in an individual account for you.

Each April we adjust the value of your account in line with the previous September's change in prices. This normally means an increase, but on the rare occasion there is negative inflation, it would mean a decrease.

How much do I build up each year?



Each year you build up 1/49 of your pay for that year in pension benefits. In other words, take your pay, divide it by 49, and that's the amount we will add to your pension account.

What pay are my benefits based on?

They are based on your pensionable pay. There's a full description earlier in this guide, but briefly it's your pay before deductions, including extras like overtime, but not car mileage.

If you also have LGPS benefits from before April 2014, these are normally worked out differently. Please ask if you need to know more.

The 50/50 option

If you choose the 50/50 scheme option, this means you don't build up 1/49 of your pay - instead you build up exactly half that. But the good thing is there is no effect on things like the life cover you have as a member - see later. Having been in the 50/50 scheme, if you switch back to the main scheme, you start building up 1/49 again.

What if I'm part time?

It doesn't matter whether you are part time or full time - you simply build up 1/49 of whatever your pay is for the year. If you change hours during the year, your total pay for the year takes that into account.

Swapping pension for lump sum

The standard package of benefits includes a pension but not an automatic lump sum. But close to retirement you can choose to create a lump sum by giving up some pension. If you want to do this, every £1 of yearly pension you give up creates a lump sum of £12. So, for example, giving up £1,000 a year would mean you taking £12,000 as a one off tax free cash lump sum. There are limits on how much tax free cash you can take, but we will check this close to retirement for you.

See the next page for an example...

Example

Remember Steve from before? He earns £28,000 a year before deductions and he is paying into the main scheme, so in one year he builds up 1/49 of his pay towards his pension - that's just over £571.

Then the next year, assuming his pay has gone up a little, he will build up 1/49 of that pay, and so on.

To keep the example simple, let's just illustrate Steve's benefits in today's money - in other words we won't try and guess future pay awards or future inflation.

So, if he pays in for 35 years by the time he retires, his pension would be around £19,985 a year in today's money.

Swapping pension for lump sum

Suppose Steve decides he wants to take £36,000 as a one off tax free lump sum, this would reduce his yearly pension by £3,000, leaving him with a pension of £16,985.

Based on current tax limits, Steve could take an even bigger lump sum. But these rules could change, so we will check the limits in your case as you approach retirement.

Your pension

and the cost of living

As you can see, each year you build up 1/49 of your pay in pension benefits. Then each April, we adjust the value of your pension account in line with the previous September's change in the cost of living.

What measure of inflation do you use?

We use the Government's preferred measure of inflation which is the consumer prices index (CPI).

Once you're receiving your pension...

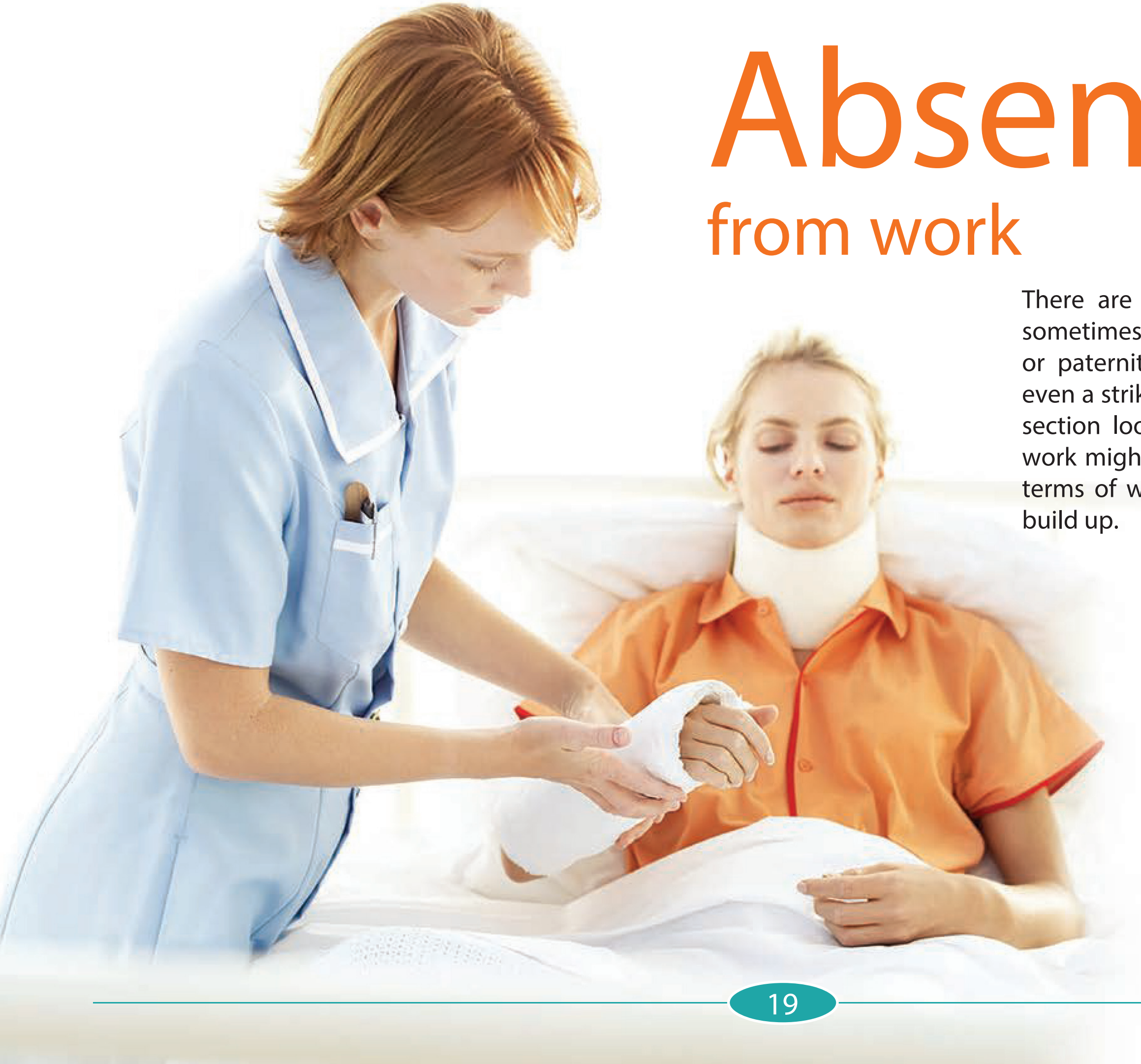
Once you are receiving your pension, as long as prices have gone up, we will increase its value in line with inflation, by using CPI. This helps it keep its buying power when prices rise.

What if there is negative inflation?

In this case the annual change to the pension you are building up has to be set by a Treasury Order. This is very rare, but did happen in April 2016 when the rate of CPI applying was -0.1 per cent. At that time the Treasury decided pensions being built up should indeed be reduced in line with inflation.

However, in times of negative inflation, pensions in payment just stay at the same level.

Absence
from work



There are all kinds of reasons why we sometimes need time off work - maternity or paternity leave, long term illness, or even a strike are just some examples. This section looks at how any absence from work might affect your pension - both in terms of what you pay in and what you build up.

Sickness absence

During any paid periods of sickness absence, you pay pension contributions on whatever pay you receive. Even if this is a reduced pay, you carry on building up your normal pension benefits - main scheme benefits or 50/50 benefits (depending which scheme you are in). That's because we use assumed pay to work out your benefits (see earlier).

If you go onto unpaid sick leave, you will stop paying into the pension, but you will carry on building up pension benefits. In fact, if you were in the 50/50 option, we will put you back into the main scheme, so you start building up main scheme benefits again. As explained before, to make sure you do build up these benefits during unpaid sick leave, we use assumed pay to work out your benefits.

Child related leave

This covers the following types of leave:

- Maternity and paternity leave.
- Shared parental leave.
- Adoption leave.

For ease, we'll just call these child related leave from now on...

During any paid periods of child related leave (whether ordinary or additional) you pay pension contributions on whatever pay you receive. Even if this is a reduced pay, you carry on building up your normal pension benefits - main scheme benefits or 50/50 benefits (depending which scheme you are in). That's because we use assumed pay to work out your benefits (see earlier).

During any periods of unpaid child related leave, you won't build up any pension benefits. But if you like you can buy back this lost pension by paying additional pension contributions (APCs). We'll look at these later, but if you choose to pay them, your employer will pay two-thirds of the cost.

The amount of lost pension is worked out based on your lost pay for the unpaid period. For example, if you had been in the main scheme, the pension would be 1/49 of your lost pay for that period.

There are strict time limits for paying APCs on a shared cost basis following unpaid child related leave.

Authorised unpaid leave

During any periods of authorised unpaid leave, you stop paying pension contributions, so you don't build up any pension. But if you like you can buy back this lost pension by paying additional pension contributions (APCs). We'll look at these later, but if you choose to pay them, they are made on a shared cost basis, so your employer will pay two-thirds of the cost.

The amount of lost pension is worked out based on your lost pay for the unpaid period. For example, if you had been in the main scheme, the pension would be 1/49 of your lost pay for that period.

There are strict time limits for paying APCs on a shared cost basis following authorised unpaid leave.

Reserve forces leave

If you take reserve forces leave, you will normally stop being paid by your employer, and will be paid by the MoD instead. If you choose to stay in the scheme, the MoD will carry on collecting your normal pension contributions, so there will be no effect on your benefits. That's because we will use assumed pay to work out your benefits (see earlier). If your employer also pays you something, this will not count for pension purposes at all.

Strike breaks

During a strike break you stop paying pension contributions, so you don't build up any pension. But if you like, you can buy back this lost pension by paying additional pension contributions (APCs). But in this case your employer will not pay towards them.

The amount of lost pension is worked out based on your lost pay for the unpaid period. For example, if you had been in the main scheme, the pension would be 1/49 of your lost pay for that period.

Unauthorised unpaid leave

During any periods of unauthorised unpaid leave, you stop paying pension contributions, so you don't build up any pension, and there is no option to buy back the lost pension.

Shared cost APCs

Where shared cost APCs apply, your employer will pay two-thirds of the cost and you will just pay one-third. But you normally only have 30 days from returning to work to take up this option, unless your employer extends the deadline, which they sometimes do, for example where someone has several short absences.

Accessing
your benefits

There are many different ways of retiring in the LGPS, and we'll look at these over the next few pages. You can choose to retire and access your benefits as young as 55, or as late as 75 - so you have quite a lot of choice, as this section explains.

Two year requirement

Before we look at the various ways of retiring, we need to remind you that generally you need to have been a member of the LGPS for two years or more before you can retire and access your benefits.

Minimum

two

years required

But we also regard you as meeting the two year requirement if any of the following apply:

- You have brought in a transfer from any UK staff pension scheme or a European pensions institution.
- You have brought in a transfer from any scheme or arrangement where you weren't allowed a refund when you left.

We also regard you as meeting the two year requirement if any of the following apply:

- You have previously transferred LGPS pension rights* to a pension scheme abroad.
- You already have benefits on hold in the LGPS*.
- You already receive a pension from the LGPS* (other than a dependant's pension or pension from a pension sharing order).
- You have paid National Insurance whilst a member of the LGPS* and stop paying in during the tax year of reaching pension age.
- You have paid into the LGPS* for less than two years, but reach age 75.

*LGPS in England and Wales

Normal pension age

Rather than there being one set retirement age for all members, instead you have an individual normal pension age. This is age 65 or your State Pension age (SPA) if later. You can find out your current SPA on the Government's website www.gov.uk - but please remember your SPA may change in the future.

If you do retire at your normal pension age, then your benefits will be worked out as we have shown, and there will be no extras, and no early retirement reductions.

But if you retire at some other age or in some other way, there may well be implications - in some cases benefits are boosted, and in other cases, benefits are reduced for early retirement.

We will look at these in more detail over the next few pages, but briefly the various ways of retiring are:

Retiring early at your own choice

Retiring through redundancy or efficiency

Retiring early through ill health

Flexible retirement

Late retirement

Retiring early at your own choice

two
year
requirement

You can choose to retire any time from age 55.

Because it's your choice to access your benefits early, your pension will normally be reduced by a percentage to take account of the fact we will be paying it for longer.

The reduction is roughly five per cent for every year early you choose to access your benefits. Here is an extract from the reductions table which you can find on our website at www.gmpf.org.uk, on the 'Early retirement factors' webpage.

Years early	Pension reduction	Lump sum reduction
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%

Example

Norman is choosing to access his pension at age 61, but his normal pension age is 66. So he is choosing to retire and access his benefits five years early. So, this means we will reduce his pension by 20.9 per cent.

- One way of facing smaller reductions is to retire early, but delay accessing your benefits. The closer to your normal pension age you access them, the smaller the reduction.
- Your employer can choose to waive the reduction, but this is unlikely. They should have a policy on this.
- Remember, early retirement reductions don't apply in cases of ill health or redundancy/efficiency which we'll look at next.
- If you were in the LGPS before October 2006 and have long service, you may have some protection from the reductions through something called the 85 rule, but this normally only applies to retirement from age 60.

Retiring early through redundancy/efficiency

If your employer makes you redundant or retires you in the interests of efficiency, then we have to pay you your pension immediately, as long as you are age 55 or over. What's more, if you retire in this way, there are no early retirement reductions in your ordinary scheme benefits.

Additional pension contributions (APCs)

If you have paid APCs to buy some extra pension (see later) these will be reduced for early payment.

What if I'm under 55 when I leave?

If your employer makes you redundant or retires you in the interests of efficiency, and you are under age 55 when you leave, then you will just be treated as a normal leaver. See Leavers' choices later for more information.

Retiring early through ill health

Your employer can retire you on ill health at any age as long as you meet various conditions.

The two main criteria

- Your employer must be satisfied that you are permanently unable to do your own job, and
- They must also be satisfied that you have no immediate capacity for what we call gainful employment.

Using an approved doctor

Your employer must consult a specially qualified doctor in assessing your case, and if they agree you meet the conditions for ill health retirement, they will then class you as a tier 1, tier 2 or tier 3 ill health case as explained on the next page.

- Permanently unable means at least until your normal pension age.
- Gainful employment means paid employment for at least 30 hours a week for at least 12 months.

Reducing your hours

If you are thinking of reducing your hours because of your medical condition, you must tell your employer, as this could affect your pension.

The three ill health tiers

Whichever tier your employer decides you should receive, your benefits will be based on the level of benefits you have built up so far, and there will be no early retirement reduction. And in the case of tiers 2 and 3, you will be given some extra benefits too, as explained below.

Tier 1

is unlikely to be capable of undertaking gainful employment before normal pension age (NPA).

We will pay you the benefits you have built up so far, plus an enhancement equal to the number of years until your normal pension age multiplied by 1/49 of your pay.

Tier 2

is unlikely to be capable of undertaking gainful employment within three years of leaving the employment, but is likely to be able to undertake gainful employment before reaching NPA.

We will pay you the benefits you have built up so far, plus an enhancement equal to 1/4 of the number of years until your normal pension age multiplied by 1/49 of your pay.

Tier 3

if the member is likely to be capable of undertaking gainful employment within three year.

We will pay you the benefits you have built up so far, but without any enhancement. The tier three pension is a temporary payment and will be paid for a maximum period of three years. It will stop before the three years if:

- you take up gainful employment
- you are considered fit for gainful employment at an 18 month medical review.

Remember, if you have had a period of reduced or no pay, and you then retire on ill health, your benefits will be based on assumed pay.

If you think you meet the criteria for ill health retirement, you may wish to get a copy of our separate ill health retirement booklet, available on our website.

Flexible retirement

If you are 55 or over, your employer can allow you to reduce your hours or move to a lower grade and access all or part of your benefits, whilst carrying on working for them.

But watch out, the benefits you access will normally be reduced if you haven't reached your normal pension age - unless your employer waives this reduction.

Having flexibly retired, you carry on paying into the scheme, and building up a further set of pension benefits - unless of course you choose to opt out.

Remember, flexible retirement is an employer discretion, and it is up to them whether or not they offer it.

two
year
requirement

Late retirement

Late retirement means staying in the scheme beyond your normal pension age up to age 75. Naturally your benefits will be higher because you have paid in for longer and as an added bonus, your benefits will normally be enhanced by a percentage too.

Once you reach age 75 you must stop paying into the scheme, and we will have to pay you your benefits - even if you carry on working.

Lump sum
life cover

From the moment you join the Scheme you have valuable lump sum life cover.

Death in service

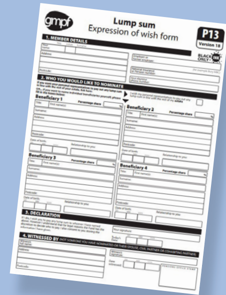
If you die whilst still paying into the Scheme, we will pay out a one off lump sum of three times your pay (or assumed pay).

Other LGPS membership

If you also have other separate LGPS membership, there may only be one lump sum if you die. An example is if you pay into the scheme but also have benefits on hold, there would just be one lump sum payment - from whichever membership pays the most.

Lump sum life cover for pensioners

Different rules apply - please ask if you need to know more.



Who will you pay the lump sum to?

We will decide who to pay the lump sum to, but we will always take your wishes into account. To help us to decide, you can tell us who you would like us to pay.

If you complete an expression of wish

We will always give great weight to your expression of wish, and will generally follow it unless this isn't possible, or we feel there are exceptional circumstances.

An example of when we can't follow your expression of wish is if a beneficiary has died, or we can't trace them within two years. Also, we may choose not to follow your expression of wish if your circumstances have changed, for example you had nominated a spouse or partner, but you have now separated.

And there will always be a short delay to allow for any claims from family or dependants who wouldn't benefit if we followed your expression of wish. But they would have to put forward a good case for us to pay them instead.

If you don't complete an expression of wish

We will look at your personal circumstances, such as whether you have an immediate family member (a spouse or partner with or without children) and whether you have children from a previous relationship. We must consider any claims for the lump sum from anyone appearing to us to have been one of your relatives, or dependent on you at any time. Having taken everything into account that is relevant, we then make our decision as to who should benefit from the lump sum. But as, for example, ex-partners and estranged relatives have the right to apply for payment, you may wish to make an expression of wish after all, so that we know your wishes.

Want to make an expression of wish?

You can create or amend your expression of wish by logging into your My Pension account and visiting the 'Life Cover' section or you can contact our Customer Services team and ask for a form to be sent to your address. We can only pay the lump sum life cover if you are under 75 when you die.

You can register for your My Pension account on the GMPF website. You can use your account to update your details and run pension estimates. Visit our 'What is My Pension' webpage for more information.

Pensions for dependants

These are a totally separate benefit to the lump sum life cover - they are worked out in a different way and may be paid to different people. When it comes to dependants' pensions, we have absolutely no discretion. The scheme rules tell us who is - and who isn't - a dependant. We will pay a pension to the following dependants.

Your spouse: Someone of the same sex or opposite sex you are married to.

or

Your cohabiting partner: Someone of the same sex or opposite sex you are living with (see terms and conditions).

or

Your civil partner: Someone of the same sex you have formed a civil partnership with.

Plus...

Your dependent children: Normally under 18 - see later for more.

How much will my dependants get?

This is tricky to explain, but to give you the general idea.

Spouses, cohabiting partners or civil partners

Their pension will be based on the years you have built up when you die, plus the years you would have built up by your normal pension age multiplied by 1/160 of your pay.

Total years to normal pension age x Pay x 1/160

Cohabiting partners:
We can only count membership from 6 April 1988 unless you have paid extra to make it count.

Eligible dependent children

Their pension will be a portion of a pension based on the years you have built up when you die, plus the years you would have built up by your normal pension age. But the fraction used in the calculation depends how many children we pay, and whether we pay other dependants too.

- One child: a pension based on 1/320
- Two or more children: An equal share of a pension based on 1/160

If there is no dependants' pension:

- One child: a pension based on 1/240
- Two or more children: An equal share of a pension based on 1/120

For example, if you have one dependent child plus a spouse, the child's pension would be worked out as:

Total years to normal pension age x Pay ÷ 1/320

See next page for more about dependants...

Who counts as an eligible child?

This means your natural child, adopted child, or a child you have accepted into your family. The child needs to be:

- under 18, or
- over 18, but under 23 and in full time education, or vocational training (for example an apprenticeship), or
- permanently dependent on you and unable to carry out gainful employment because of a disability.

Please ask if you need to know more.

More about dependants' pensions

- If you have had any periods of reduced pay or no pay, dependants' benefits will be based on your assumed pay instead so they don't lose out.
- If you die in service, and the illness which caused it had led to you reducing your hours and therefore your pay, we can use assumed pay before the reduction to work out dependants' benefits, as long as this is certified by a specially qualified doctor.
- Dependants' pensions also include a value to reflect any transfers into the scheme you have had.
- If you get married, form a cohabiting partnership or form a same sex civil partnership after you retire, then different rules may apply.
- If you also have LGPS benefits from before April 2014, dependants' pensions relating to this period are normally worked out differently.

Do I need to register my dependants with you for them to get a pension?

You don't need to do anything now, but if you do die, your dependants will need to provide the right kind of proof that they are a dependant.

If you are married or in a same sex civil partnership

Once we are informed that you have died, we will ask to see a marriage certificate or a civil partnership certificate.

If you have dependent children

Once we are informed that you have died, we will ask to see the original full birth certificate showing the parents, or in the case of children accepted into your family, some kind of proof of this.

More about cohabiting partners

To qualify as a cohabiting partner:

- Your partner must be someone you can legally marry or form a civil partnership with, and
- Neither of you can be married to, or in a civil partnership with someone else.

Once we are informed that you have died, we will ask your cohabiting partner to provide proof that:

- Your partner must be someone you can legally marry or form a civil partnership with, and
- Neither of you can be married to, or in a civil partnership with someone else.

Leavers' choices

If you leave and you aren't entitled to access your benefits at the time, then you have various choices, and these generally depend on how long you have been a member at the point you leave.

Less than two years

A refund

This is normally open to you if you have been a member for less than two years. To be more precise it means you mustn't have met any of the 'two year requirements' explained in the 'Accessing your benefits' section.

What do I get back?

We simply pay you back the amount you have paid in, less any tax relief that you got on your pension contributions. You don't get back any of the money your employer paid in.

How long does the process take?

The earliest we can pay your refund is a month and two days after you leave. But if we pay it more than 12 months after you leave, we will add interest to cover the period from the date you leave.

Also, a refund must be paid within five years of you leaving the LGPS (or age 75 if earlier).

If you rejoin

If you join the LGPS again before we have paid your refund, we will have to cancel the refund and automatically link the benefits with the benefits in your new job instead.

Optants out

If you opt out of the scheme in your first three months and request a refund, then this will be dealt with by your employer, rather than ourselves.

The other choices are transfers and benefits on hold, and we'll look at these on the next page.

A transfer

This is where we work out the 'cash value' of your benefits then pay them over to the pension scheme of your choice - for example another company pension.

It's open to you as long as:

- you have been a member at least three months, and
- you are at least 12 months off your normal pension age, and
- we haven't already started paying your benefits.

How much is the transfer?

The value reflects what you have built up so far, including your own pension and also a pension for a spouse, civil partner, or eligible cohabiting partner. This is based on factors from the Government Actuary which take account of inflation, investment returns, and life expectancy.

If you meet the conditions above, we will provide you with a statement within three months of your request, and you then have another three months to decide whether or not to go ahead.

Even if you don't ask for a transfer statement at the point you leave, you can ask for one at any time in the future (subject to a maximum of one request each year).

Benefits on hold

This is where we work out the value of your benefits, then hold them for you until a later date. See the 'Your pension benefits' section for how we do this. If you leave and don't ask for a transfer, we will automatically put them on hold.

- We will normally increase them each year in line with the cost of living and will send you a statement each year.
- You can generally access them at the same age as you would have done had you stayed in the scheme. The exact details depend on the rules that were in place at the time you left, but generally you can access them from 55, although there are normally reductions for accessing them early.
- If you access them early on the grounds of ill health, there will be no enhancement (as there often would be with a current member).
- If you join another pension scheme in future, you can ask us about transferring your benefits on hold into it.
- If you join the LGPS in future, please ask what the rules are at the time about linking your benefits on hold (any unpaid refunds will be linked automatically).
- If you die with benefits on hold, we will pay a lump sum and pensions to your dependants.

MULTIPLE JOBS: If you have more than one job and leave one of them, you can ask for a transfer to the other job, or you can choose benefits on hold.

Freedom and choice in pensions

As part of a Government initiative called 'freedom and choice in pensions', you are allowed to leave the scheme even if you aren't leaving your employer, and transfer them into a totally different type of pension scheme. Doing this may offer more freedom over when and how you can access your benefits, but there can be pitfalls.

How does it work?

At least 12 months before your normal pension age, you can transfer your safeguarded benefits from the LGPS into a defined contribution scheme such as a personal pension which is termed as offering flexible benefits.

This is open to you as long as:

- We haven't paid you benefits yet.
- You opt out of the scheme and stop paying into it as a current member.
- You are not retiring with immediate benefits on the grounds of redundancy/business efficiency or ill health.

Buyer beware

The idea of transferring out of the LGPS even if you aren't leaving your employer isn't without its risks. So, you will be required to take independent financial advice (at your own expense) if the outward transfer fee is £30,000 or more.

This also applies to you if you are a pension credit member (in other words, you were given part of your ex spouse's pension pot as part of a pension sharing order).

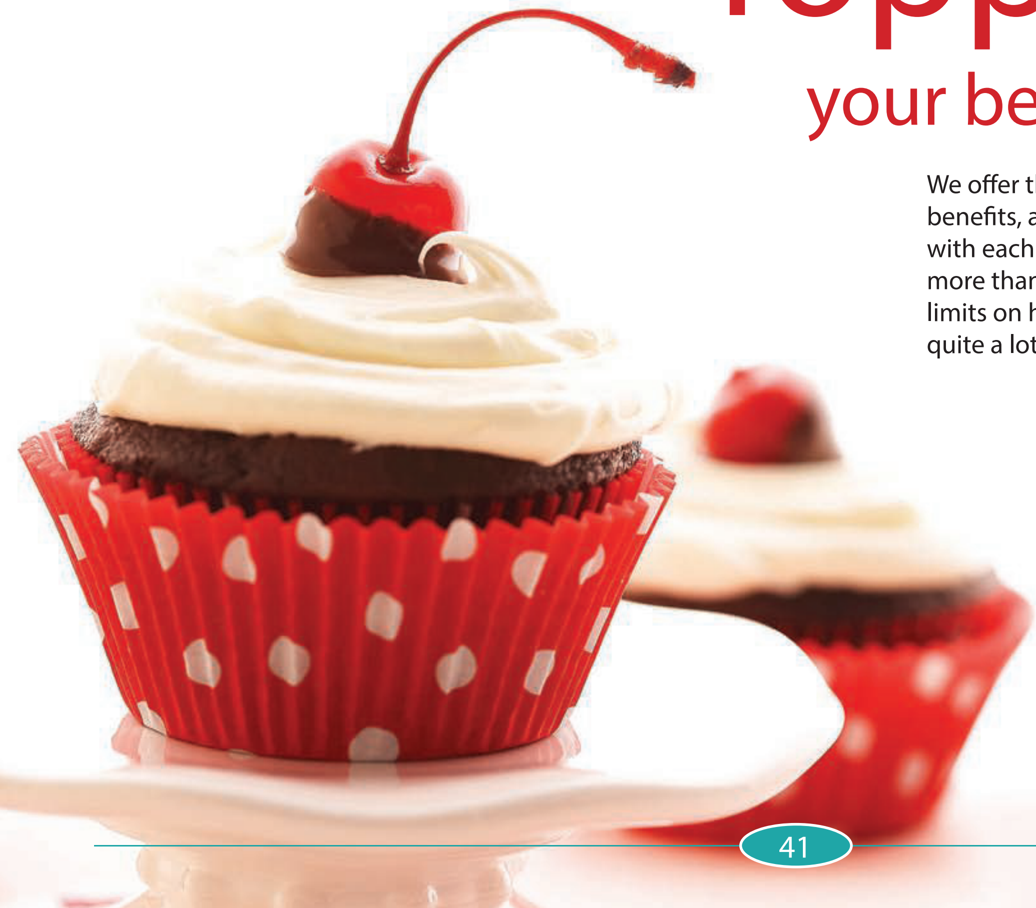
AVCs

Freedom and choice also applies to additional voluntary contributions (AVCs), meaning you can transfer your AVCs as long as you have stopped paying them and you have not received any payment from an LGPS AVC fund. With AVCs there is no requirement to have stopped paying them at least 12 months before normal pension age, nor is there any requirement to have asked about a transfer at least 12 months before normal pension age. If you do decide to transfer your AVCs, then you must transfer any other AVCs that you may have with any other LGPS fund. The LGPS does not impose a charge for transferring your AVCs but the AVC provider may make an adjustment to the fund value.

Please see our website for more about Freedom and choice.

Topping up
your benefits

We offer three easy ways of topping up your benefits, and just like your normal contributions, with each of them you get tax relief. You can pay into more than one at a time if you like, and there are few limits on how much you can pay in, so this gives you quite a lot of choice when it comes to topping up



Buying extra pension with APCs

APCs stands for additional pension contributions and is a way of topping up your pension directly with us. You pay in a set amount, and that tops up your pension by a set amount.

You can pay APCs to buy extra pension - simply because you want to boost your benefits. Or you can pay APCs to buy some lost pension - for example following unpaid child related leave, as explained earlier.

With either type of APCs, you can boost your pension by up to £8,344.

How much does it cost?

You can choose to pay APCs by instalments (so you spread the cost over a period), or you can pay it all in one go. The following external LGPS website has a ready reckoner: https://www.lgpsmember.org/help-and-support/tools-and-calculators/buy-extra-pension-calculator/

Will my employer pay in too?

If you are just paying APCs to boost your benefits because you want to, then no they won't. But if you are paying APCs to buy back some lost pension, then in many cases they will pay in as well. Where they do have to pay towards the cost, they have to pay two-thirds of it. Please see the 'Absence from work' section for more.

Can anyone pay APCs?

Generally, yes, but if you want to pay APCs by instalments, we will need a doctor's certificate to confirm that you are likely to be fit enough to complete the payments.

For more about APCs please see our website.

Paying AVCs with Prudential

AVCs stands for additional voluntary contributions and is simply a form of investment to build up separate pension benefits, either in the form of a pension or a lump sum.

Funds like us use outside companies to run their in house AVC schemes, and Prudential have been our provider since AVCs began in the 1980s.

How much does it cost?

There is no minimum amount, and you can either pay a fixed amount in each month, or set it up as a percentage payment - so the amount changes automatically if your pay goes up or down.

There is no upper limit specifically with AVCs, but there are overriding tax rules which may limit pension benefits if you are better paid and/or have long service.

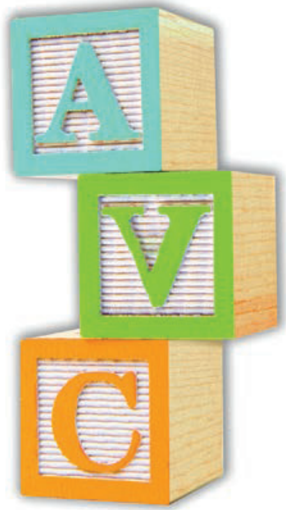
To help you check these limits, or for any general information about AVCs, please visit the Prudential website:

www.pru.co.uk/rz/localgov

How to access your AVCs

As an LGPS member you have four main choices when it comes to accessing your AVCs.

- Buy an annuity from our in house AVC provider Prudential.
- Buy an annuity from a different insurance company of your choice - this is known as the open market option.
- Buy an annuity from ourselves at GMPF - a scheme annuity as this is known.
- Take all or some of it as a one off tax free lump sum.



Freedom and choice

As part of the Government's 'freedom and choice in pensions' initiative, there are other choices such as draw down pensions and uncrystallised funds pension lump sum - in other words receiving pensions or AVCs in stages rather than all at once. These options don't currently apply to in house AVCs like ours, unless you transfer the AVC out to a personal pension or similar arrangement that permits this.

Additional death benefits with Prudential

This is quite different to the other ways of topping up your benefits, as it is a way of providing extra life cover and more protection for your family on top of the valuable cover you already enjoy as a member.

Most members use it to provide an extra lump sum payment if they die, but you could also use it to provide extra pensions for dependants too.

This extra cover is also provided through Prudential and is open to all members.

To find out more about additional death benefits with Prudential, please visit the Prudential website:

www.pru.co.uk/rz/localgov

Tax limits
and your pension

Pensions are a tax efficient method of saving for your future, since you normally get tax relief on your pension contributions. But there are two key tax limits which you may need to know about - and these are called annual allowance and lumpsum allowance.

Most scheme members will not be affected by these allowances, but if you are one of our better paid members or you have long service, then you could be affected.

Annual allowance

This is set by HMRC and is the amount by which the value of your pension benefits can grow in any one tax year, without you having to pay a tax charge.

The current standard annual allowance is £60,000. Remember, this isn't a limit on the size of your pension pot - it's a limit on how fast it can grow. We will automatically send you a statement if your pension savings with us exceed the standard annual allowance in any tax year.

HMRC have introduced the tapered annual allowance. This may affect you if your total income after pension contributions is £200,000 or more and you exceed the annual allowance of £60,000 in the same tax year.

If you think the taper may apply to you, please see our website for more information, including details on how to test if you are affected and how to calculate your reduced allowance.

Important notes

- The annual allowance applies to your pension savings for all tax registered pension arrangements you pay into.
- They are measured during the pension input period - see top right.
- You may be subject to an annual allowance tax charge if your pension savings are more than the annual allowance for that tax year. However, you can carry forward any unused allowance from the previous three tax years if you have been a member of a tax registered scheme for those years.

PENSION INPUT PERIOD

The pension input period falls in line with the tax year, so it runs from 6 April to the following 5 April.

MONEY PURCHASE ANNUAL ALLOWANCE

If you have flexibly accessed money purchase benefits from 2015/16 you will have triggered the money purchase annual allowance and must notify us of this. If you currently pay AVCs this may affect you.

Lumpsum allowance

Two lump sum limits were introduced from 6 April 2024, replacing the lifetime allowance (LTA). These are the lump sum allowance (LSA) and the lump sum and death benefit allowance (LSDBA). If the total of all lump sums you take from UK pensions is more than one of these limits, you will have to pay extra tax.

When you take a lump sum with your pension benefits, we will ask you if you have already received a lump sum from any UK pension scheme, as this will have used up some of you LSA. If you have additional pensions to take from other schemes, they may also ask you to provide details of any lump sum you have already received from us.

Most people will not be affected by the LSA, but if you have a long membership and you are a high earner then you may be at risk of exceeding when you retire.

There are three types of lump sums which use up your lump sum allowance:

- pension commencement lump sum
- uncrystallised funds pension lump sum
- stand alone lump sum.

Find out more...

The lump sum allowance for 2025/26 is £268,275 or 25 per cent of the capital value of your benefits, depending on which is lowest.

To find out more about tax limits and your pension please visit our 'The current pension tax limits' webpage at www.gmpf.org.uk.

Or you can visit the 'Tax on your private pension' webpage on the GOV.uk website at:
https://www.gov.uk/tax-on-your-private-pension

Divorce or dissolution of a civil partnership

Your pension benefits can be worth a considerable amount. So, if you go through a divorce or dissolution, they are regarded as 'money in the bank' whose value must be taken into account.

The first step is to put a value on your benefits. You can ask us for this, or you can give your solicitor permission to contact us for you. In special circumstances, the court can ask us for this information. But your spouse, civil partner or their solicitor cannot.

How are my pension benefits used as part of the settlement?

There are three main ways of doing this and these are:

Offsetting: this is where the value of your benefits is offset against other assets. So, for example, you might keep your £100,000 pension pot, but your 'ex' would keep the £100,000 house.

Earmarking: this is where part of your pension is paid to your 'ex' at the point you access it.

Pension sharing: this is where the value of your benefits is reduced by an amount following the divorce or dissolution. If this applies to you, you will see this referred to on your annual benefit statement as you being classed as a pension debit member. This debit is then used to set up your 'ex' with a pension in their own right.

Time limits

There are strict time limits for taking your pension benefits into account as part of a divorce or dissolution. So, if you or your solicitor need more information from us, please call us on 0161 301 7000.

How to complain

If you are at all unhappy, first of all talk the problem through with whoever you think is at fault - either us or your employer. Many problems are caused by simple misunderstandings, and can be put right simply and easily this way.

But if you want to take matters further, we have a two stage internal dispute procedure, as explained here. And at any stage of the dispute process you can turn to an outside organisation called TPAS for free confidential help (see opposite).

Making your complaint

We recommend you use our How to Complain factsheet, as this gives further details of the process, and includes a form to help you explain your complaint clearly.

The quickest way of getting one of these is to download it from our website. Or you can call our Customer Services team and we will post you a copy: 0161 301 7000.

Formal complaint

Stage 1

Stage 1 is to put your complaint in writing to whoever you think is at fault - either us or your employer. Please make sure you do this within six months of the problem taking place, as your complaint can only be looked at later than this in special circumstances.

Complaints against your employer

Please write to your employer's pensions officer.

Further appeal

Stage 2

If you are unhappy with the stage 1 decision, you have six months to appeal to a stage two referee, who we have appointed. You can also do this if you have gone through stage 1 but not had a reply within three months.

Complaints against GMPF: Stage 1 or 2 Pension Referee, c/o GMPF, Guardsman Tony Downes House, 5 Manchester Road, Droylsden, M43 6SF

Outside organisations

The Pensions Ombudsman is an independent watch dog. If you have a complaint concerning your pension, you should first make a formal complaint to us. You can access our full complaints procedure here If we are unable to resolve the complaint with you, then you can refer your complaint to The Pensions Ombudsman.

The Pensions Ombudsman can be contacted at:

10 South Colonnade, Canary Wharf, E14 4PU

0800 917 4487

www.pensions-ombudsman.org.uk

Enquiries@pensions-ombudsman.org.uk

Independent advisers are not tied to selling the products of just one company, but will charge a fee for their advice. To find an adviser near you, go to:

www.unbiased.co.uk

The Pensions Regulator is a watchdog which makes sure pension schemes are run properly, and protects members against fraud. Anyone who is worried about a scheme can report them to the Pensions Regulator.

Napier House, Trafalgar Place, Brighton, BN1 4DW

0845 600 7060

www.thepensionsregulator.gov.uk

The Pension Tracing service holds the details of all pension schemes including ourselves. If you were in a scheme in the past and you have lost touch with them, the Tracing Service may be able to help you track them down.

0345 6002 537

www.gov.uk/find-pension-contact-details

Money Helper Money and Pensions Service

120 Holborn, London, EC1N 2TD

0800 011 3797

www.moneyhelper.org.uk

Data protection statement

Tameside MBC is registered as the data controller for the details we hold about members of the GMPF. We use these details for all aspects of administering the membership responsibilities under the LGPS, not least the calculation and payment of benefits.

We hold these details on computer, with larger employers being able to see and use some of this data, for example, to produce retirement estimates, but only for their own employees. They cannot see the details of any death grant nominations.

We also share data with other organisations as explained on the next page:

Our actuary

We are required by law to have the funding level of the Fund assessed every three years. To do this the actuary must use information about members as well as information about contribution income and investments.

Club Vita

This is a wholly owned subsidiary of our actuary, which helps the actuary in forecasting the lifespans of members.

The HMRC and other statutory organisations

These include other LGPS administering authorities if we are, or may be, paying or receiving a pensions transfer.

South Yorkshire Pensions Authority

South Yorkshire maintains a database of National Insurance numbers, and the funds where people are members, for LGPS funds in England and Wales. This database is necessary as in the event of someone dying who has more than one LGPS pensions account, only one lump sum - the largest – can be paid. The database enables a fund dealing with a death to check for other LGPS pension accounts elsewhere.

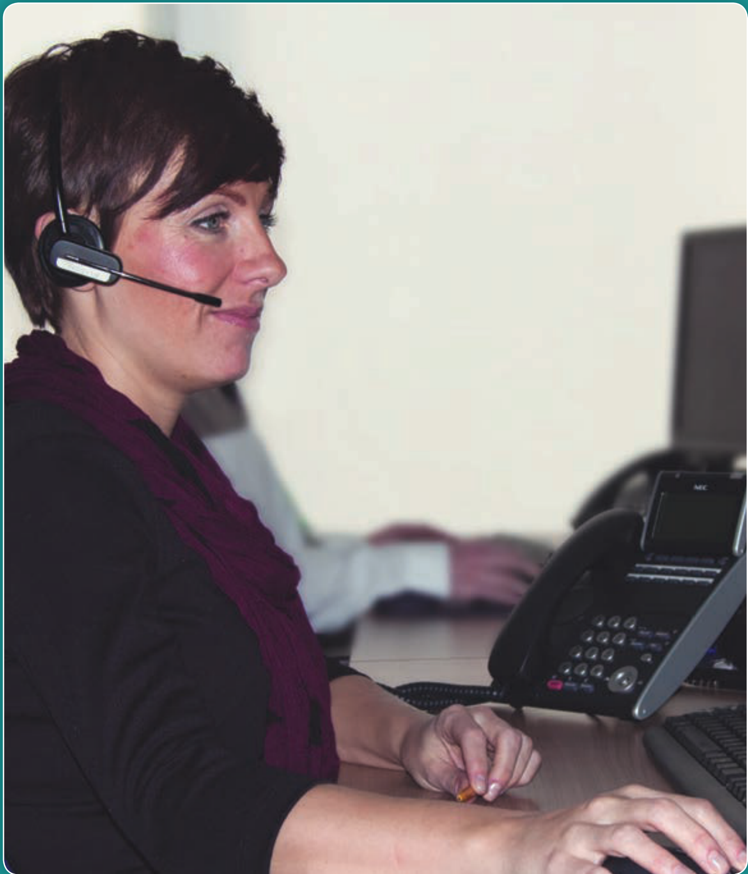
External printers

We use one or more external printing firms for the production of items such as pensioner P60s and annual benefit statements.

We do not share the details of any death grant nominations made by employee members, with the exception of the external printers who produce the annual benefit statement.

When we do share data, the organisation we share it with is also bound to protect it, as we are, by the Data Protection Act 1998.

If you have any comments or questions about this statement, please use the contact us form on our website at www.gmpf.org.uk or telephone our Customer Services team on 0161 301 7000.



Can we help?

Here are the ways you can find out more or get in touch with us. If you do contact us, please quote your pension number.

Visit our website to find out more

www.gmpf.org.uk

Call our friendly Customer Services team:

0161 301 7000

Write or call in at our offices:

GMPF, Guardsman Tony Downes House, 5 Manchester Rd, Droylsden M43 6SF

It may be possible to produce this booklet in other formats - please contact us for more information.

lgps

The LGPS is a tax registered scheme and is registered with HMRC.