



Annual benefit statement notes

We have provided these notes to explain your annual benefit statement (ABS) 2025. They cannot cover every circumstance and if there is a dispute, the appropriate legislation will apply. They do not give you any rights, under a contract or by law.

Section 1: your personal and employment information at 31 March 2025

Full name

If you have changed your name, we will need a copy of your marriage certificate or change of name deed so that we can update your pension record.

Partnership status

Your partnership status shown on your pension fund records is shown here. If it is not correct, it will be corrected when final benefits are calculated at retirement or on leaving the fund.

Reference number

This is the reference number shown on your pension record for this annual benefit statement.

Employer

This is your employer at **31 March 2025**. If you were paying into the scheme for more than one job at this date, you will receive an annual benefit statement for each job. If you left employment after 31 March 2025 you will receive a separate notice of your benefits built up to your date of leaving.

Date joined scheme

This is the start date for your pension record. This is not necessarily the date you joined the Fund in your current employment as it may have been amended if you have aggregated previous pension rights from another LGPS employment.

Section of scheme

Since 1 April 2014, the LGPS has been a career average revalued earnings (CARE) scheme and there have been two sections to it - the main section and the 50/50 section. The section you were a member of on 31 March 2025 is shown on your statement.

Your CARE pensionable pay - main section

From 1 April 2014, your CARE pension is calculated on your CARE pensionable pay during a scheme year (1 April to 31 March), which is provided by your employer.

If you paid into the main section of the scheme during the year to 31 March 2025, the figure given for 'CARE pensionable pay - main section' is the pensionable pay you received while paying into the main section. If you work part-time, your pensionable pay represents your actual pay and is not a full-time equivalent.

The definition of pensionable pay in the CARE scheme includes any pay received for extra hours worked, such as overtime and additional hours. This part of your earnings is not included in the final salary calculation of your pensionable pay, unless overtime or additional hours formed part of your contract.

If you are (or have been) off work due to sickness or injury, and you received reduced or no pay (nil pay), the pensionable pay figure used to work out your pension for this period is your assumed pensionable pay (APP). APP is worked out as the pay you were receiving before your pay reduced or stopped. This means that you will continue to build up a similar pension to that you would have had if you had been working normally and receiving pay.

If you have any period of relevant child-related leave (for example, ordinary maternity leave, paternity leave or adoption leave, or paid shared parental leave and any paid additional maternity or adoption leave), the pensionable pay figure used to work out your pension is again your APP. 'Ordinary' maternity leave is the first 26 weeks of maternity leave and 'additional' maternity leave is the last 26 weeks.

Any period of unpaid additional maternity or adoption leave will not count for pensionable pay purposes. You can buy pension 'lost' during these periods by choosing to pay additional pension contributions (APCs).

If you are a member of the 50/50 section who goes onto nil pay while on child-related leave or sick leave, you will be put back in the main section from the beginning of the next pay period (if you are still on nil pay at that time).

Note: your employer gives us information about your pay, so please contact them if any of the details are wrong.

Your CARE pensionable pay - 50/50 section

If you paid into the 50/50 section of the scheme during the year to 31 March 2025 the figure shown here is the pensionable pay you received while paying half rate contributions.

The pay in this section is based on the definition of CARE pensionable pay above. If a figure is shown here, it means you have chosen to be in the 50/50 section. Your 50/50 section CARE pensionable pay is split from your main section CARE pensionable pay so that you can check the pension you have built up in each section. If you were a member of both the main section and the 50/50 section of the scheme at different times during the scheme year, you will have figures shown for both.

Your final salary pensionable pay

If you became a member of the LGPS before 1 April 2014 or have transferred in membership with a final salary link, your final salary pensionable pay shown in your statement is your full-time equivalent pay for the year to 31 March 2025. This information has been provided by your employer.

Please note: if you joined the LGPS on or after 1 April 2014 and have not transferred in membership with a final salary link, this section will show as zero.

If you worked part-time before 31 March 2014, your final salary is converted to its full-time equivalent and your membership is then adjusted to the contractual hours you worked (including term-time weeks). The membership used in the final salary calculation includes any pension rights transferred-in from previous pension schemes.

Section 2: summary of your total benefits at 31 March 2025

The following sections show separately the values of your final salary benefits (if this applies) and your CARE pension. Although the final salary and CARE pension parts are worked out differently, they form a single benefit, with both parts being linked and paid together (section 2).

Please note: the benefit figures shown in this section assume that you will take your pension benefits at your normal pension age (NPA), which is the date you reach age 65 or your state pension age (whichever date comes later). Your NPA is the date at which you can take the benefits you have built up in full, without any reductions. The benefits shown in this statement will be reduced if they are paid before your NPA. This reduction is not included in this statement.

Please see our early retirement page for information about what reductions may apply: www.staffspf.org.uk/Members/Active-Members/Leaving-the-Scheme/Retirement/Early-Retirement/Early-Retirement.aspx

Our benefit calculators in the online portal can help you work out how much your pension might be with these reductions. If you have not already registered, you can apply for an activation code on the Staffordshire Pension Fund's website: www.staffspf.org.uk/Calculator/Self-Service-Calculator.aspx

To qualify for LGPS pension benefits, you have to pay into the LGPS for at least two years, or transfer pension benefits from another scheme into the LGPS. If you leave the scheme with less than two years' membership, you may not qualify for LGPS pension benefits and will usually be able to choose to have a refund of your contributions.

Annual pension

This is the total value of your pension at 31 March 2025, including your final salary pension (membership up to 31 March 2014) and CARE pension (for membership from 1 April 2014), which is due to be paid unreduced at your normal pension age (NPA).

Automatic lump sum retirement grant

This is the lump sum relating to your membership before 1 April 2008 and is paid when you take your pension benefits. If you were not a member of the LGPS in this fund before 1 April 2008, this section will show as zero.

Reduced annual pension

This is the current value of your reduced pension if you choose to take the maximum lump sum retirement grant allowed under HMRC rules. This is due to be paid unreduced at your normal pension age.

Increased lump sum retirement grant

When you draw your pension benefits you will have the option to exchange part of your pension for a lump sum, within certain limits set by HMRC. Every £1 of pension you give up provides £12 of tax-free lump sum.

The 'increased lump sum retirement grant' figure is the maximum lump sum retirement grant you can receive if you reduce your annual pension. This is due to be paid unreduced at normal pension age.

These figures do not include any 'in-house' additional voluntary contribution (AVC) fund you may have. Scottish Widows, Standard Life or Utmost will issue a separate statement showing any in-house AVC fund value. This can be found in the [My Pension Portal \(MPP\)](#) "My Documents" section.

Death in service benefits

Lump sum death grant

If you die while you are an active member of the LGPS, a death grant is paid. The amount of the death grant would be three times your assumed pensionable pay at the date you die.

However, if you die while you are an active member and also have deferred benefits in the LGPS, or are receiving an LGPS member pension (that is, not a survivor's pension) or a suspended 'tier 3' ill-health pension (or both), the amount of the death grant would be:

- the total of all death-in-service lump sums
or
- the total of all death grants from the deferred pension, pension in payment, or suspended tier-3 ill-health pension records

whichever is more.

Annual survivor's pension

A survivor's pension is paid if, when you die, you are married or have a civil partner or eligible cohabiting partner (someone you live with who would be entitled to a survivor's pension).

We have used the partnership status we have on our records to decide the survivor's benefit shown on your statement. If your partnership status is incorrect, it will be checked prior to the payment of any benefits or when you leave the scheme.

If you have not told the fund your partnership status, when you die any eligible survivor's pensions will still be paid if the fund receives the relevant marriage or civil partnership certificate or, in the case of cohabiting partners, evidence that they meet the requirements for receiving a survivor's benefit.

If you die after leaving the LGPS, a survivor's pension is still paid but could be a lower amount.

Tax and pension

Two lump sum limits were introduced from 6 April 2024:

- **Lump sum allowance (LSA)** - the LSA is set at £268,257. It limits the amount of tax-free cash an individual can take from their pension.

- **Lump sum and death benefit allowance (LSDBA)** - the LSDBA is set at £1,073,100. It limits the amount of tax-free cash that can be taken by an individual and paid in respect of them when they die.

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. Tax on any excess is charged at your marginal rate.

In the LGPS, you can generally take up to 25% of the value of your benefits as a lump sum. Most members will not be affected because the maximum lump sum they can take is much lower than the limits. If you have built up a large pension in the LGPS or a different scheme, the new limits may affect you.

For further information about the lump sum limits, please see our website: www.staffspf.org.uk/Members/Lump-sum-limits.aspx

Nomination details for lump sum death grant

If a date is shown in this section, this will be the date Staffordshire Pension Fund received your paper nomination form. However, if this field is blank, you have either not made a nomination at all or have made a nomination via the My Pension Portal previously.

If you would like to make a nomination, and you are already signed up to My Pension Portal (MPP), you can log on and complete your nomination details using your online account (If you've not already registered for My Pension Portal and want to do so, you will first need to apply for an Activation Code). Going forward, you will then be able to view/amend nominee(s) without needing to contact the Fund.

Alternatively, you can download and complete a copy of the nomination form from our website: www.staffspf.org.uk/Members/Forms/Nominate-Beneficiary.aspx

You can nominate whoever you like to receive your lump sum death grant (but, as a 'nomination', this is not legally binding). The Fund decides who to pay the lump sum to.

Section 3: how your pension is calculated

You **must** check the pensionable pay figures quoted in the statement. If you think they are incorrect, contact your **employer**, not the Fund, as the figures quoted have been supplied by your employer.

Amount of pension built up in the year to 31 March 2025

The amount shown here is the total annual pension you have built up in the last year i.e. 1 April 2024 to 31 March 2025.

Total career average (CARE) pension in the year to 31 March 2025

Previous year's closing balance

Your CARE pension balance as at 31 March 2024.

Adjustment or increase for cost of living

Your total CARE pension is adjusted from 6 April 2024 in line with HM Treasury revaluation orders. The adjustment can increase or reduce the value of your CARE pension.

In-year build-up

For membership from 1 April 2014, you will have built up CARE pension. Each scheme year you are a member, your CARE pensionable pay will be divided by either 49 (if you are in the main section) or by 98 (if you are in the 50/50 section). The resulting amount (or amounts) is added to your pension account for that year. This figure is the 'in-year build-up' for the year to 31 March 2025.

Any additional pension that you have bought during the scheme year under an additional pension contribution (APC) or shared-cost additional pension contribution (SCAPC) arrangement will also be shown here as well as any CARE 'earned pension' credited as a result of you transferring in pension rights from other schemes will be shown in 'transfers in'.

If you chose to buy additional service or pension, or if you transferred in other benefits before 1 April 2024, these are not shown in this section but will be included in the calculation of your total pension benefits.

Section 4: Final salary benefits at 31 March 2025 (payable from your normal pension age - NPA)

This section shows separately the values of your final salary benefits (if this applies).

Your final salary pension scheme

If you joined the LGPS on or after 1 April 2014 and have not transferred in membership with a final salary link, the final salary pension amount on your statement will be shown as zero.

Final salary benefits are worked out as shown below.

If you worked part-time before 31 March 2014, your final salary is converted to its full-time equivalent and your membership is then adjusted to the contractual hours you worked (including term-time weeks). The membership used in the final salary calculation includes any pension rights transferred in from previous pension schemes.

For membership to 31 March 2008

1/80th of your final salary pensionable pay for each year you were a member of the scheme.

For membership from 1 April 2008 to 31 March 2014

1/60th of your final salary pensionable pay for each year you were a member of the scheme.

Automatic lump sum based on membership to 31 March 2008

3/80ths of final salary pensionable pay for each year you were a member of the scheme.

Section 5: projections if you remain contributing to the scheme until your normal pension age

The age shown is your current normal pension age (NPA), which is your state pension age or age 65, whichever comes later. Your normal pension age may change if your state pension age changes in the future, before your benefits are paid. Your normal pension age only applies to benefits built up in the CARE scheme. The normal pension age for benefits built up in the final salary scheme is 65.

You can take your benefits earlier than your normal pension age, from age 55 onwards, although the amount may be reduced if you do. The figures in this statement do not take account of any reductions that would be applied.

If your normal pension age is after age 65 and you have final salary benefits, an increase will apply to these benefits for the period from age 65 to your normal pension age. Any increases are included in this statement. The increases are based on the rates in the current guidance issued by the Ministry of Housing, Communities and Local Government (MHCLG). This guidance is reviewed and the rates may go down or up. The rates in place at the date you retire will apply.

When you leave the scheme, your final salary benefits will be based on your final salary pensionable pay. This is generally the contractual pay you received for the 12 months before leaving, or for one of the two years immediately before then, if that amount is higher.

The estimate of your benefits is based on your CARE pensionable pay for the scheme year that ended on 31 March 2025. It assumes that your pay will stay at the 2024/2025 rate until your normal pension age and does not assume pay inflation or inflation under HM Treasury revaluation orders for future benefit built up under the final salary or CARE schemes.

The estimated CARE benefits include any additional pension contributions (APCs) or shared cost additional pension contributions (SCAPCs) bought. They do not take account of any deductions that would be due as a result of your decision to have an annual allowance tax charge recovered from your pension benefits. The estimate assumes that you stay in the same section of the scheme that you were in at 31 March 2025.

Survivor's pensions from members who marry or enter civil partnerships while active members of the LGPS are based on all scheme membership. However, survivor's pensions for cohabiting partners and for those who marry or enter a civil partnership after leaving active LGPS membership may not be worked out on the same basis.

Section 6: Your membership details for Final Salary Benefits

If you joined the LGPS before 1 April 2014 or have transferred in membership with a final salary link, your final salary membership will be shown in this section. This includes any other pension scheme membership transferred to the Staffordshire Pension Fund. **Please note that only the Period of Membership up to 31 March 2014 will be shown.**

Part-time employees who contributed to the LGPS Final Salary Scheme

Remember if you worked on a part-time basis before 31 March 2014, your Final Salary is converted to its full-time equivalent. The part-time membership is then proportioned to the contractual hours you worked (including Term-Time weeks).

Service Breaks

If you have had a break in service, this will be detailed in the Breaks in Service Details section. The period of membership will have been reduced for the service breaks.

Section 7: McCloud Values

From 2025, Staffordshire Pension Fund is required to reflect a member's underpin protection in annual benefit statements. If your pension is protected by the McCloud remedy, details of the underpin will be shown in this section.

Estimated Provisional Underpin Amount

This is the notional final salary benefits that you would have built up had you remained in the final salary scheme for the underpin period 1 April 2014 to 31 March 2022 (or age 65, if earlier).

Revalued Underpin Amount

If you are over your final salary Normal Pension Age (which for most members will be age 65), actuarial increases will be applied to the provisional underpin amount. In addition, this figure will usually also need to be adjusted for cost-of-living changes i.e. pensions increase applied from date provisional underpin amount calculated, age 65. The adjusted figure will be shown here as a revalued underpin amount.

Estimated Provisional Assumed Benefits

This is the amount of pension built up in the career average pension scheme (CARE) for the underpin period and includes any remediable service transferred in from another public service pension scheme, including a previous LGPS administering authority.

Revalued Assumed Benefits

If you are over your career average Normal Pension Age (linked to your State Pension Age but minimum of age 65), actuarial increases will be applied to the provisional assumed benefits. In addition, the figure will usually need to be adjusted for cost-of-living changes. The adjusted figure will be shown here as a revalued assumed benefits.

Estimated Final Guarantee Amount

If the estimated final underpin amount is more than the estimated final assumed benefits, the increase will be added to your pension. The estimated final guarantee amount is included in the annual pension figure(s) shown in section 2 (pension at 31 March 2025) and in section 5 (projection of pension to Normal Pension Age).

Please be aware that this is not a guaranteed figure. We will work out your final guarantee amount when you take your pension. The final amount depends on a number of factors, including your age when you retire. The final guarantee amount may be higher, lower or may not apply when you retire. **Please note that very few of our members will see an increase in their pension.** This is because the career average pension (1/49 accrual rate) will be more than the pension they would have built up in the final salary scheme (1/60 accrual rate). Where an increase is applied, it is likely to be small.

Estimated Survivors Guarantee Amount

If your pension qualifies for underpin protection, this will also apply to any survivor pension that may be payable on your death. If the underpin amount is more than the assumed benefits, the excess will be included in the survivor's pension.

Please note that in some limited cases, although your pension is protected by the underpin under the McCloud remedy, it was not possible for us to reflect your protection in this year's statement. This will include members who have transferred in remediable service from a different public service pension scheme or LGPS administering authority and Staffordshire Pension Fund are yet to receive the final salary details for the remedy period. In addition, we still have to review a number of records where previous LGPS benefits have been aggregated. For affected members, the McCloud remedy will be reflected in your 2026 statement.

For further information on the McCloud judgment, please see the dedicated page on our website: www.staffspf.org.uk/Members/Active-Members/McCloud-Case.aspx.