

YOUR ANNUAL BENEFITS STATEMENT 2007



Once again, this year's annual benefits statement contains information of forthcoming changes to the Local Government Pension Scheme (LGPS) from 1 April 2008.

As someone once said, the only certainties in life are death and taxes. I think we can now add to that changes to the LGPS. From 1 April 2008, it is proposed to introduce a new look LGPS where future benefits will accrue on a 1/60th basis rather than the current 1/80th plus lump-sums of 3/80ths.

Whilst this statement has been prepared on the basis of the existing regulations, we have enclosed details of the intended changes. These will not affect the benefits that you will have accrued up to 31 March 2008.

We still await details of a significant number of the regulations under which the new Scheme will operate. My own view is that April 2008 is too soon to implement the new Scheme and it should be delayed until April 2009, as has been agreed for Scotland.

However, I am not confident that this will happen.

If the new Scheme is implemented from April 2008, it is unlikely that we will have sufficient time to amend our computer systems in order to allow next year's benefits statement to reflect the new regulations. It may be that we have to continue with the current format and provide a mechanism by which the individual can calculate future benefits using the information provided.

One of the major impacts of the new regulations will be to change the

employee contribution regime. Instead of a fixed contribution rate of 6% (5% for protected former manual employees) a tiered contribution rate of between 5.5% and 7.5% will be used, dependant upon pensionable pay levels, and an incremental increase for protected former manual employees over a three year period.

At the end of that period, contribution rates will be consistent for all Scheme members.

We are confident that in 2009, we will be in a position to issue benefits statements which reflect the new regulations, although it may be necessary to use the previous year's pensionable pay figures, increased by any percentage pay award that may have been agreed, in order to meet the proposed regulatory requirement of issuing them before June of that year.

It should be remembered, however, that after the new Scheme has been implemented, the LGPS will remain a defined benefit scheme guaranteed by statute, and one which provides not only an excellent range of benefits, but does so at excellent value for the member when compared to alternative arrangements, and is the only arrangement your employer will contribute to on your behalf.

This is a valuable and important document, and as it lists the benefits you have within the Fund, we would suggest that you check the details we hold for you.

If they do appear to be incorrect, use the

enclosed update form to tell us of any changes that may be required.

You can also use this form to inform us of any 'changes of name' which your employer may not yet have notified us about – but remember to include the relevant original certificates when sending the form to us (certificates will be returned after registration in our records).

If you are happy for the Fund to continue with the intended production of a combined statement, showing the benefits from the West Midlands Pension Fund, along with details of your state pension entitlement, you do not need to take any further action.

However, if you would prefer us not to issue you with a combined statement, you should complete the relevant section of the enclosed update form and return it to us at the address indicated.

The ability to produce combined statements has been affected by the Pensions Bill currently going through Parliament. The Pension Service will be unable to provide state pension forecasts until its computer systems have been reprogrammed, and it is not intended to produce combined statements until 2009, at the earliest.

Mike Woodall
Chief Pensions Officer

Extended opening hours will be in operation for the period immediately following the dispatch of statements. Our opening hours for this period will be 8.30am-7.30pm Monday to Friday and 8.30am-12.30pm on Saturday.

ANNUAL BENEFITS STATEMENT 2007

IMPORTANT

This statement contains personal information – KEEP IT SAFE!

Estimated Pensionable Pay

Figures calculated at 30 September 2007
(see page 4)

These figures do not take account of any reductions that may apply.

Current
(as at 30/9/07)
Format: YY/DDD

At age 65
Format: YY/DDD

Membership Under the Pension Reference Number quoted

Period of Membership: (Your membership is detailed overleaf)

Additional Membership: (Purchased or being purchased)

Total Period of Membership:

(Under the Pension Reference Number quoted)

Remember, if you retire before age 65, your benefits may be reduced.

Retirement Benefits

	Current (as at 30/9/07)	At age 65	Accrual rate (£)
Annual Pension:	Box A		Box D
Retirement Grant:	Box B		Box E
Spouse's/Civil Partner's Pension: (Payable after your death to your husband/wife/civil partner)	Box C		Box F

Death Benefit as at 30/9/07

Nomination Form Received

See the accompanying FAQs

Calculating your pension to another date between now and age 65 (Based on your current conditions of service)

<input type="text"/>	X	<input type="text"/>	=	<input type="text"/>	+	<input type="text"/>	=	<input type="text"/>
This is the figure from Box D - the amount of extra pension you will get for each year's membership		Multiply this by the number of complete years between now and when you want to retire		The additional pension you will have attained by then		This is the figure from Box A - the amount earned to date		Total pension accrued at your selected date*

Calculating your retirement grant to another date between now and age 65

<input type="text"/>	X	<input type="text"/>	=	<input type="text"/>	+	<input type="text"/>	=	<input type="text"/>
This is the figure from Box E - the amount of extra retirement grant you will get for each year's membership		Multiply this by the number of complete years between now and when you want to retire		The additional retirement grant you will have attained by then		This is the figure from Box B - the amount earned to date		Total retirement grant accrued at your selected date*

Calculating your spouse's/civil partner's pension to another date between now and age 65

<input type="text"/>	X	<input type="text"/>	=	<input type="text"/>	+	<input type="text"/>	=	<input type="text"/>
This is the figure from Box F - the amount of extra spouse's/civil partner's pension you will get for each year's membership		Multiply this by the number of complete years between now and when you want to retire		The additional spouse's/civil partner's pension you will have attained by then		This is the figure from Box C - the amount earned to date		Total spouse's/civil partner's pension accrued at your selected date*

* Remember that if you calculate your benefits to an alternative retirement date, the figures will not take account of any reductions that may apply.

The details we hold for you under this pension reference number are:

Employer:	<input type="text"/>	Hours Worked:	<input type="text"/>
Pension Reference Number:	<input type="text"/>	Date of Birth:	<input type="text"/>
Pay Reference:	<input type="text"/>	National Insurance Number:	<input type="text"/>

Your Membership (see notes on page 4)

Shown below are the dates of your membership within the LGPS. Breaks in membership (e.g. unpaid maternity leave, strike action or where you were not a member of the West Midlands Pension Fund) are also indicated.

Employer Due to printing restrictions a maximum of 20 lines of membership is shown. However, all membership is included in the figures shown.	Period Start Date	FT = Full-Time PT = Part-Time Hours	Standard Hours	Membership to be used in the calculation of benefits	Membership to be used in determining benefits entitlement	Break in Membership Reason

NOTE: Your membership continues to accrue in line with the employer/hours worked shown above.

Recorded periods of membership from a previous scheme

These are periods transferred from another pension scheme or other type of pension arrangement. These are included in your total period of membership shown on page 2.

Employer/Pension Scheme Due to printing restrictions a maximum of six lines of membership is shown. However, all membership is included in the figures shown.	Membership to be used in the calculation of benefits Format: YY/DDD	Membership will be used in determining entitlement to benefits Yes/No

NOTES

Extended opening hours will be in operation for the period immediately following the dispatch of statements. Our opening hours for this period will be 8.30am-7.30pm Monday to Friday and 8.30am-12.30pm on Saturday.

The Fund aims to provide a service of the highest quality to all of its members. In 'Notes' we give you an update on our latest developments.

HAVE WE GOT IT RIGHT?

We hope that you find the information in this statement useful and informative. However, we would ask that you carefully check the details it contains. If it appears that information is incorrect, please notify us or your employer, where applicable, of the changes required. You are reminded that this statement is an illustration of the values and benefits provided by the Local Government Pension Scheme (LGPS). You should not make any decisions based on the information provided.

ESTIMATED PENSIONABLE PAY

Your employer provides us with an annual update of your pensionable pay as at 31 March each year. For illustration purposes only, we have added 2% to the figure supplied by your employer to reflect the intended 2007 pay award (this does not apply to members of the PTA Fund). For simplicity, the figure has been rounded down to the nearest £100. Remember, pensionable pay is the pay on which Scheme contributions have been made. This may mean that it is slightly lower than your current annual rate of pay. If you are a part-time employee, your benefits are calculated on full-time pay and the figure shown should be higher than the pay you actually receive. If you do not agree with your pensionable pay figure, please contact your employer.

HOURS WORKED

If you do not agree with the hours of work stated, please contact your employer (we are unable to change our records, unless instructed to do so by your employer).

MEMBERSHIP

Your total period of membership is used in the calculation of your benefits. All periods of membership include any membership credited following the receipt of a transfer value payment from another fund or scheme, and any additional membership purchased. If you work part-time the total length of each period of membership is first worked out. This is then converted into a fraction, or percentage (full-time equivalent), by comparing the hours you work to the normal hours of someone who works full-time in the same job.

ARE YOU HAVING DIFFICULTY CONTACTING THE FUND?



Immediately following the issue of annual benefits statements, we receive a significantly increased volume of telephone calls. We have a number of lines available to take your calls, but if you cannot get through first time, please try again later. You can also contact us in a number of other ways which are shown below.

Write to us at:

West Midlands Pension Fund
PO Box 3948
Wolverhampton
WV1 1XP

Telephone our Helpdesk on:
0845 230 1665

Fax us on:
0845 230 1565

Minicom/Typetalk:
01902 554607

Visit our website at:

westmids-pensions.com

Email us on:

PensionFundEnquiries@wolverhampton.gov.uk

Send us a text on:

Text WMPF + your message to 60066.
Standard short code network charges apply.

Please see above for our opening times for the period following the dispatch of statements.

Calls may be monitored for training purposes