

Your life in retirement – A guide for new pensioners



About this guide

This guide is intended for members of the Environment Agency Pension Fund (EAPF) who've retired and are in receipt of their pension. If you're still a contributing or deferred member, you should check out the following resources at www.eapf.org.uk/publications:

- Scheme Guide for members
- A guide for members with deferred benefits
- Thinking about or approaching retirement

How and when will my pension be paid?

Your pension will be paid directly into your bank account on the last working day of each month for the rest of your life. We'll post to you:

- A pensioner payslip when your pension commences and again when your net pension changes by more than £5.00 per month.
- A letter telling you what your new annual pension will be before the April payment each year.
- A P60 each year around early May showing all of your pension and tax details for the previous tax year.

You'll also be able to access your monthly payslips and annual P60s via [EAPF Online](#). If you've not registered for an online account, don't worry it's really simple. Visit portal.eapf.org.uk with your National Insurance number and some personal details to get started.

Will my pension increase?

From age 55, your pension is revalued in April each year. The increase is generally based on the change in the cost of living to the previous 30 September, as quoted in the annual Pensions Increase (Review) Order. If you've retired due to ill health, your pension may be revalued before you reach age 55 (providing you meet certain ill health conditions). For more details see our factsheet called 'Pension revaluation - a guide for pensioner members' at www.eapf.org.uk/publications

What if my circumstances change after retirement?

Address or bank account changes

Please let Capita know immediately if you change address to avoid any problems with your pension payments. If you change your bank account, please inform Capita and keep your old account open until you receive the first payment to your new account to avoid the possibility of delays to your payments. The easiest way to update your details is by logging into your [EAPF Online](#) account.

Marital/civil partnership status changes

Please let Capita know if you get married/divorced or enter/dissolve a civil partnership. You'll need to provide the relevant certificates for registration and return.

You may also wish to review your [Expression of wish](#) form to let us know who you'd like to receive any potential death grant lump sum that may become payable. See page 3 for more details about this.

Moving overseas

You can continue to receive your pension if you move overseas but you'll need to contact the Pensions Payroll Section at Capita to arrange this. You may also need to complete an application for exemption from UK income tax. For more details about tax and moving overseas contact your local tax office or go to www.gov.uk/personal-tax/income-tax

Working after retirement

If, after taking your EAPF pension benefits, you get a job with an employer that doesn't participate in the LGPS, there'll be no change to your pension. If you get a job with an employer or council that participates in the LGPS, you must inform Capita, even if you don't join the LGPS in this job. We'll check to see whether your pension is affected by your new employment.

What protection does the LGPS offer for my family if I die?

Benefits payable on your death

When you die, your surviving dependants may be entitled to receive LGPS benefits. The benefits may vary depending on the date you left the scheme, but could include:

- A death grant of up to 10 times your pension.
- A pension for your spouse, civil partner or cohabiting partner.
- A pension for your eligible children.

The benefits are explained in more detail below.

Death grant

Death grants are only payable if you're under age 75 at the date of your death and you've been receiving your pension for less than 10 years. If you've completed an Expression of wish form, the EAPF will usually pay any death grant due to your nominated person or persons (but please see 'Expression of wish form', below).

The amount of the death grant payable will depend on the date you left the Scheme. If you left the Scheme with deferred benefits, the amount will depend on the date your benefits were deferred and not the date the benefits came into payment. If you left:

1. On or after 1 April 2014 - the death grant is 10 times your pension (before any commutation for lump sum made at retirement), less any pension you've been paid and any additional lump sum acquired through commutation of pension.
2. Between 1 April 2008 and 31 March 2014 (inclusive) - the death grant is 10 times your pension, less any pension you've been paid.
3. Between 1 April 1998 and 31 March 2008 (inclusive) - the death grant is 5 times your pension, less any pension you've been paid.
4. Before 1 April 1998 - you should contact Capita for details of the death grant that may become payable.

If your pension relates to periods before and after 1 April 2014 then the death grant will be calculated using methods 1 and 2 above for the respective periods.

Expression of wish form

We encourage you to complete an 'Expression of wish' nomination form to indicate who you wish to receive any death grant that may be payable in the event of your death. You can nominate any person, persons or organisation, including your favourite charities, and you can split the total amount into whatever percentages you wish for each recipient. If you haven't completed a nomination form, any death grant due may result in it being paid to your estate and may be assessed for inheritance tax.

Although not binding on the EAPF, an Expression of wish will make your wishes clear and help decide who should receive the death grant.

The quickest and easiest way to nominate someone is by logging into your personal [EAPF Online](#) account and clicking on 'My Nominations'. If you don't have an account, simply visit portal.eapf.org.uk and click on 'Register'. You'll need your National Insurance number to hand. Alternatively, you can download a form from our website at www.eapf.org.uk/forms or by calling Capita on **0800 121 6593**.

A pension for your spouse, civil partner or cohabiting partner

The EAPF also provides a potential survivor's pension for your spouse, civil partner, or eligible cohabiting partner; however, their entitlement may vary depending on the date you left the EAPF. Please refer to the 'Scheme guide for members' on www.eapf.org.uk for more details.

A pension for eligible children

An eligible child (or eligible children) may be entitled to a pension subject to meeting qualifying criteria. Children are eligible if, at the date of your death, they are:

- Your natural or legally adopted children, or
- A dependent step-child, or a dependent child accepted by you as a member of the family.

Children's pensions are payable up to age 18, or up to age 23 if the child continues in full time education or training. A child who is physically or mentally impaired, where the impairment is also permanent, may be entitled to a pension for the rest of their life. Eligible children don't include children born 12 months or more after your death.

The child's pension payable will be a proportion of your pension, though the 'proportion' and amount payable is dependent on:

- the date you left the Scheme,
- the number of eligible children, and
- whether a survivor's pension is also payable

For more information on survivors' or children's pensions, please see our [Scheme guide for members](#).

Is there anything else I should think about now that I've retired?

Making a will

If you haven't yet made a signed, legally binding will, then you should consider making one as soon as possible. Having a will may save unnecessary delay, expense and financial hardship for those you leave behind at a difficult time, but you should make sure you review it regularly.

If you're married and die without a will, your assets won't automatically pass to your surviving partner. The estate will be divided according to intestacy laws. If you're cohabiting, your partner may not be included in the people entitled to inherit from you.

Making a will is straightforward and may be done by a solicitor or other qualified person. Banks, building societies, and insurance companies also commonly offer will writing services. Voluntary organisations such as your local [Citizens Advice Bureau](#) or [Age UK](#) may also be able to help.



Some points you may think about when you make your will:

- Who will you appoint as executor(s) of your will (i.e. the person(s) who'll take charge of your affairs when you die)?
- Do you want to make specific gifts to people, such as a favourite piece of jewellery, or cherished possession
- How will you divide your estate between your chosen beneficiaries?
- If any of your beneficiaries are under 18, when should they receive their inheritance?

So act now, if you haven't already done so, and remember to review your will from time to time if your circumstances change.

Nominating someone to look after your affairs

You may worry about ill health in later life preventing you from managing your property and savings, or carrying out day to day activities you currently take for granted.

If you're worried, you may want to think about creating a Lasting Power of Attorney. This is a simple form that allows you to specify who you want to act on your behalf, and under what circumstances. You can restrict the powers you give a person(s), or allow them complete freedom. For example, you can arrange for your spouse or partner to act on your behalf if you become too ill to do so yourself.

The forms are available to download from the Office of the Public Guardian at www.justice.gov.uk/about/opg or you can get in touch with your solicitor or local Citizens Advice Bureau.



Where can I get more information or advice?

State pension and other benefits

The Pensions and Retirement Planning section of the Government's website www.gov.uk/browse/working/state-pension contains a wealth of information about state pensions and various benefits that may be available depending on your personal circumstances. It can help you:

- Check when your state pension is payable
- Check the rules on deferring payment of your pension
- Get a state pension forecast
- Trace previous pension rights
- Find out about other age related or means tested benefits, for example, pension credit or winter fuel payments

Other pension issues

You can also ask the Money and Pensions Service for help. They're an independent non-profit organisation providing free information, advice and guidance on the whole spectrum of pensions, including state, company, personal and stakeholder schemes. For more details, you can visit their website at www.moneyadviceservice.org.uk

Guaranteed minimum pension (GMP)

GMP is the minimum pension that schemes had to provide as a condition of being contracted-out of the State Earnings Related Pension Scheme (SERPS, a type of additional state pension) from 6 April 1978 to 5 April 1997. If your EAPF pension includes a GMP, the pensions increases applied to your pension in April each year may be calculated differently.

More details on increases to your GMP can be found in our factsheet called 'Pension revaluation - A guide for pensioner members' at www.eapf.org.uk/publications

Between 6 April 1997 and 5 April 2016, GMP was replaced by the Reference Scheme Test, which defines the minimum level of pension benefits that schemes must provide in order to contract out of the additional state pension. On 6 April 2016, the ability to contract out of the additional state pension was removed due to the introduction of the new 'Single tier' state pension, which came into effect for all new state pensioners on or after this date.

Income tax

You'll have an individual personal allowance that governs the amount of income you can receive before you have to pay tax. Each year you'll be given a tax code by HM Revenue & Customs (HMRC) which takes account of your own particular allowance.

Income from most sources such as salary, pension, and investment income for example – is paid to you after tax has been deducted. In such cases, tax is said to have been deducted 'at source'.

Your tax code and allowances may change depending on your age and your total earnings. It's important you check your tax code each year. If any of the details are wrong, or you believe you should be receiving additional allowances, you should immediately inform your tax office. Details of your tax office can be found on your latest tax code notification or a recent payslip. Always quote your National Insurance number when contacting the tax office.

HMRC's website www.hmrc.gov.uk has information about tax and personal allowances and other tax charges such as capital gains tax (CGT) and inheritance tax.

Married couple's allowance

If you're married, or are in a civil partnership and either you or your partner were born before 6 April 1935, a separate married couple's allowance will increase your joint allowance and so reduce the amount of income tax you pay as a married couple.

For all pensioners born on or after 6 April 1935, the married couple's allowance has been abolished.

Tax planning

Taxation is a complex area. As your circumstances change, your personal tax situation may also change and it's important you regularly check where tax savings could be made. Such tax planning may involve some of the following:

- Using all your income tax allowances each year.
- Using tax free investments (such as ISAs) if appropriate to your circumstances.
- Transferring assets between you and your spouse to reduce your income tax liability (particularly where one spouse is a higher rate taxpayer).



Financial advice

Good financial planning is important if you want to make the most of your finances in retirement. Tax planning, appropriate choice of investments and budgetary control may all be areas where it's worth considering taking specialist advice.

If you decide to see an independent financial adviser (IFA), there'll be a cost for your adviser's service. Your adviser will provide you with full details of the costs involved depending on the service you require. For details of IFAs in your area, please go to www.unbiased.co.uk

For more information to help you decide if you need professional advice it may be worth taking a look at the Money Advice Service - www.moneyadvice.org.uk

Is there anything else I need to know?

Mortality checking and fraud prevention

This is for information only – you don't need to take any action.

The EAPF has a range of measures in place to ensure that pensions are paid correctly and fraud is minimised. These include various database comparisons to highlight unreported deaths and the mailing of life certificates to groups of pensioners.

If you receive a life certificate you shouldn't be alarmed, just complete and return it to Capita and your pension will be unaffected.

The EAPF has participated in the Cabinet Office's biennial National Fraud Initiative (NFI) since 2004. It is a biennial data matching exercise designed to help public bodies detect erroneous payments from the public purse and compares our non-financial pensioner data with registered deaths to identify pensions that are still being paid after the pensioner's death. Capita and the EAPF investigate the results of these checks, making contact with relatives or representatives of deceased members as necessary.

The NFI protocols were agreed with the Information Commissioner to comply with Data Protection legislation. No financial information is disclosed, and the Cabinet Office ensures all submissions are destroyed in a controlled, secure environment at the end of each exercise. We'll inform you before any information is used.

Contact details

If you have any questions regarding your pension entitlement you can contact our pension administrator, Capita, by:

 Using the **'Contact the EAPF'** button on the website at **www.eapf.org.uk**

 Emailing **info@eapf.org.uk**

 Following on twitter
[@EAPensionFund](https://twitter.com/EAPensionFund)

 Calling **0800 121 6593**

 Sending your query to
Capita
11b Lingfield Point
Darlington, DL1 1AX

Disclaimer - This guide isn't intended to cover every personal circumstance, nor does it confer any contractual or statutory rights and is provided for information purposes only. In the event of any dispute over your pension benefits the appropriate legislation will prevail.

The EAPF is part of the Local Government Pension Scheme (LGPS) which is governed by the LGPS regulations.