



newsletter

ALL WALES PENSION FUNDS



Welcome...

to the latest edition of the All Wales Pension Funds Newsletter.

With the recent interest in Public Service pensions, the Local Government Pension Scheme has become a hot topic of conversation.

Some changes have recently been made to scheme regulations, which affect you, as an active member of the scheme. So here's a quick update...



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Combining Your Benefits...

*An amendment to scheme regulations has now given you the opportunity to join any previous period of **deferred Local Government (LG) membership** with your current period of membership, providing you make an election to do so by **1 October 2011**. This even applies if you have previously elected to keep your benefits separate. As an existing member this will be a chance to combine your Local Government Pension Scheme (LGPS) benefits, so it may be a valuable option and one worth considering.*

If you were a member of the scheme on **30 September 2010**, you now have the option to combine any previous **deferred LG pension benefits** with those that you are currently building.

If you have previously opted out of the scheme or terminated your employment, your benefits will have been deferred. You have the option to transfer to another tax approved pension provider, or, if still deferred, you now have the option to combine, providing you elect to do so before **1 October 2011**.

You also have the option to transfer any deferred benefits you may have with any other **LG Pension Fund**. It doesn't only apply to those benefits held with your current Pension Fund.

It may even be the case that you have deferred benefits with a number of **LG Pension Funds**, but you are still able to transfer and combine each of them with your current period of membership.

Things to consider...

The value of your deferred benefits, as shown by your 2010 benefit statement, should be compared with the current value of your pension benefits. In order to do so, your current Pension Fund will re-calculate the value of your deferred benefits in line with your current salary. You will then be able to compare against the uprated value of your deferred benefits.

Depending on when you previously deferred your pension benefits, you should consider whether combining your pension benefits will affect your eligible retirement date. It may be the case that you qualify to receive the payment of your deferred benefits earlier.

If you are age 55 or above and were to be made redundant or your employment is terminated on the grounds of efficiency, your current pension benefits will come into payment immediately. Should you therefore elect to combine your benefits, the total aggregated membership will be taken into account in the calculation of your retirement benefits.

If you were awarded retirement benefits on the grounds of ill health, only your current period of membership (plus any enhancement) will be taken into account, should you elect to keep your benefits separate.

In light of the recent Pensions Tax Reform announced by the Treasury, should you decide to aggregate your benefits, it may be worth doing so before 6 April 2011, to avoid any possible tax implication.

What to do next...?

Please note that you are under no obligation to combine your pension benefits. You should firstly consider whether it is in your best interests to do so.

To express an interest, simply **complete and return the attached form** to your current Pension Fund.

tax reform

The Treasury published plans for the restriction of tax relief on pensions on **14 October 2010**. Changes have been made to the maximum amount of tax exempt pension savings that can be built up in any given year, and during the time before your pension benefits come into payment.

You are currently provided with an **Annual Allowance** of £255,000 by which you may increase the accrual of pension benefits. From April 2011 this limit is to be reduced to **£50,000**.

To calculate the value of any annual increase in the LGPS you need to work out the difference in the total value of any accrued pension benefits between two '**pension input periods**', usually April to March. This is done by multiplying the value of the increase in pension by 16 and adding the increased value of any lump sum and AVC fund.

From **April 2012**, the **Life Time Allowance (LTA)** for tax-privileged pension saving will decrease from **£1.8 million** to **£1.5 million**.

This is the total value of all pension benefits you are able to build without triggering an excess benefits tax charge.

Upon retirement you are required to declare all non LGPS pension benefits in payment, or due to come into payment, so that your LTA can be assessed.

To find out more please contact your Pension Fund.

Please note that it may be worthwhile seeking Independent Financial Advice before you make your election to combine your pension benefits.



newyddlen

CRONFEYDD PENSIWN CYMRU



Croeso...

i'r rhifyn diweddaraf o Newyddlen Cronfeydd Pensiwn Cymru Gyfan.

O ganlyniad i'r sylw a roddwyd i bensiynau'r Sector Cyhoeddus yn ddiweddar, mae'r Cynllun Pensiwn Llywodraeth Leol wedi dod yn bwnc trafod brwd.

Yn ddiweddar newidiwyd rhai o reoliadau'r cynllun a allasai effeithio amoch chi fel aelod sy'n cyfrannu i'r cynllun. Felly dyma ddiweddiariad byr...



Cysylltwch â ni

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Cyfuno Eich Buddion...

Mae newidiadau yn rheoliadau'r cynllun yn rhoi cyfle i chi gyfuno unrhyw gyfnod aelodaeth ohiriedig Llywodraeth Leol (LIL) blaenorol gyda'ch aelodaeth bresennol, ar yr amod eich bod yn dewis gwneud hynny cyn 1 Hydref 2011. Mae hyn yn berthnasol hyd yn oed os ydych eisoes wedi dewis cadw'r buddion ar wahân. Fel aelod cyfredol mae'n gyfle i chi gyfuno'ch buddion Cynllun Pensiwn Llywodraeth Leol (CPLIL), felly mae'n gyfle gwerthfawr ac yn un sy'n werth ei ystyried.

Os oeddech yn aelod o'r cynllun ar 30 Medi 2010, mae gennych yn awr y dewis i gyfuno unrhyw gyfnod blaenorol o **fuddion pensiwn LIL gohiriedig** gyda'r rhai yr ydych yn eu hadeiladu ar hyn o bryd.

Os ydych wedi dewis gadael y cynllun neu wedi terfynu eich cyflogaeth yn y gorffennol, byddai eich buddion wedi cael eu gohirio. Mae gennych y dewis i drosglwyddo i ddarparwr pensiwn treth cymeradwy arall, neu os yw'n parhau yn ohiriedig mae gennych yn awr y dewis i gyfuno, ar yr amod eich bod yn dewis gwneud hynny cyn 1 Hydref 2011.

Mae gennych yn ogystal y dewis i drosglwyddo unrhyw fuddion gohiriedig i unrhyw **Gronfa Pensiwn LIL** arall. Nid i'r buddion sydd ynghlwm i'ch Cronfa Bensiwn presennol yn unig y mae hyn yn berthnasol.

Yn wir, gall bod gennych fuddion gohiriedig mewn nifer o **Gronfeydd Pensiwn LIL**, ond gallwch barhau i drosglwyddo a chyfuno pob un ohonynt gyda'ch cyfnod aelodaeth cyfredol.

Pethau i'w hystyried...

Dylid cymharu gwerth eich buddion gohiriedig a ddangosir yn eich datganiad buddion 2010 gyda gwerth presennol eich buddion pensiwn. I wneud hyn, fe ail gyfrifir gwerth eich buddion gohiriedig yn unol â'ch cyflog presennol. Byddwch wedyn yn gallu cymharu yn erbyn gwerth uwchraddedig eich buddion gohiriedig.

Yn dibynnu ar pryd y gohirioch eich buddion pensiwn yn flaenorol, dylech ystyried pa un ai y bydd cyfuno eich buddion pensiwn yn effeithio ar eich dyddiad ymddeol cymwys a'i peidio. Efallai y byddwch yn gymwys i dderbyn taliad o'ch buddion gohiriedig yn gynharach.

Os ydych yn 55 mlwydd oed neu hŷn ac eich bod yn cael eich gwneud yn ddi-waith neu fod eich gwaith yn dod i ben, bydd eich buddion pensiwn cyfredol yn cael eu talu yn syth. Felly, os ydych yn dewis cyfuno eich buddion, bydd cyfanswm cyfranred aelodaeth yn cael ei ystyried wrth gyfrifo eich buddion ymddeoliad.

Os dyfarnwyd buddion pensiwn i chi ar sail gwaeledd iechyd, dim ond eich cyfnod aelodaeth cyfredol (plws unrhyw godiad) a gymerir i ystyriaeth os ydych yn dewis cadw eich buddion ar wahân.

Oherwydd y Diwygiad Treth Pensiwn a gyhoeddwyd yn ddiweddar gan y Trysorlys, os ydych yn penderfynu cydgrynhoi eich buddion, efallai ei bod yn werth gwneud hynny cyn 6 Ebrill 2011 i osgoi unrhyw oblygiad treth posib.

Beth i'w wneud nesaf...?

Nodwch os gwelwch yn dda nad ydych dan unrhyw rwymedigaeth i gyfuno eich buddion pensiwn. Dylech ystyried yn gyntaf pa un ai yw o fudd gorau i chi i wneud hynny.

I ddatgan diddordeb **cwblhewch a dychwelwch y ffurflen atodol** i'ch Cronfa Bensiwn gyfredol.

diwygio treth

Ar 14 Hydref 2010 cyhoeddodd y Trysorlys gynlluniau ar gyfer cyfyngiad gostyngiad treth ar bensiynau.

Gwnaethpwyd newidiadau i'r uchafswm o gynilion pensiwn rhydd o dreth y gellir eu hadeiladu mewn unrhyw flwyddyn benodol, ac yn ystod yr amser cyn y bydd eich buddion pensiwn yn dod yn daladwy.

Ar hyn o bryd fe ddarparir **Lwfans Blynyddol** o £255,000 i chi y gallwch ddefnyddio i gynyddu crynhoed eich buddion pensiwn. O Ebrill 2011 fe ostyngir y cyfyngiad yma i **£50,000**.

Er mwyn cyfrifo gwerth unrhyw gynyddiad blynyddol yn y CPLIL mae angen i chi gyfrifo y gwahaniaeth yng nghyfanswm gwerth unrhyw fuddion pensiwn cronedig rhwng dau **'gyfnod mewnbwn pensiwn'**, fel arfer Ebrill i Fawrth.

Gwneir hyn trwy luosi gwerth y cynyddiad pensiwn gan 16 ac ychwanegu'r cynyddiad gwerth o unrhyw lwmp swm a chronfa CGY.

O **Ebrill 2012** bydd y **Lwfans Oes (LO)** ar gyfer cynilo pensiwn treth freintiedig yn lleihau o **£1.8 miliwn** i **£1.5 miliwn**.

Dyma gyfanswm gwerth yr holl fuddion pensiwn y gallwch eu hadeiladu heb achosi cost treth gormodedd buddion.

Ar eich ymddeoliad gofynnir i chi ddatgan yr holl fuddion pensiwn nad ydynt yn rai CPLIL sydd yn cael eu talu i chi neu sydd ar fin dod yn daladwy fel y gellir asesu eich LO.

I gael rhagor o wybodaeth cysylltwch â'ch **Cronfa Bensiwn**.

Nodwch os gwelwch yn dda y gallasai fod yn fuddiol i ymofyn Cyngor Ariannol Annibynnol cyn penderfynu dewis cyfuno eich buddion pensiwn.



elect to combine your membership

ALL WALES PENSION FUNDS



Local Government Pension Scheme 2007

Combining Previous Local Government Membership

Under the Local Government Pension Scheme (Miscellaneous) Regulations 2010, an active member, as at **30th September 2010** has the option to join any previous period of deferred membership with their current period of membership, providing an election to do so is made before **1st October 2011**. Any previous period of deferred membership is either held with your existing Local Government Pension Fund, or with a previous **Local Government Pension Fund**.

Please note that this is ONLY applicable to the aggregation of previous deferred Local Government membership.

If you wish to express an interest in combining your membership please complete and return this form to your **current Local Government Pension Fund**.

Your Personal Details

Name:	Date of Birth:
National Insurance No:	Payroll Ref:
Home Address:	
	Post Code:
Daytime Telephone Number:	

Details of Previous Deferred Membership (Local Government)

Previous LG Pension Fund:	
Previous LG Employing Authority:	
Address of LG Pension Fund (if known):	
Period of Membership:	

Member Declaration

I declare that the details given on this form are correct and to the best of my knowledge:

Signature:	
Date:	

Please attach, if available, a copy of any notification of benefits received from your previous Local Government Pension Fund.



dewis cyfuno eich aelodaeth

CRONFEYDD PENSIWN CYMRU



Cynllun Pensiwn Llywodraeth Leol 2007

Cyfuno Aelodaeth Llywodraeth Leol Flaenorol

O dan Reoliadau (Amrywiol) Cynllun Pensiwn Llywodraeth Leol 2010, mae gan aelod cyfrannog cyfredol, ar **30ain o Fedi 2010** y dewis i gydgrynhoi unrhyw gyfnod blaenorol o aelodaeth ohiriedig gyda'u cyfnod presennol o aelodaeth, ar yr amod y gwneir hynny cyn **1af o Hydref 2011**. Mae'n rhaid i'r cyfnod aelodaeth gohiriedig yma gael ei ddal, unai gan eich Cronfa Bensiwn Llywodraeth Leol bresennol, neu mewn **Cronfa Bensiwn Llywodraeth Leol** arall.

Nodwch os gwelwch yn dda bod y dewis yma yn berthnasol i gydgrynhoad aelodaeth ohiriedig flaenorol Llywodraeth Leol YN UNIG.

I fynegi diddordeb mewn cyfuno eich aelodaeth cwblhewch y ffurflen isod a'i dychwelyd i'ch **Cronfa Bensiwn Llywodraeth Leol bresennol**.

Eich Manylion Personol

Enw:	Dyddiad Geni:
Rhif Yswiriant Cenedlaethol:	Cyfeirnod Cyflog:
Cyfeiriad Cartref:	
	Côd Post:
Rhif Ffôn yn Ystod y Dydd:	

Manylion Aelodaeth Gohiriedig Blaenorol (Llywodraeth Leol)

Cronfa Llywodraeth Leol (LIL) Flaenorol:	
Awdurdod Cyflogi LIL Blaenorol:	
Cyfeiriad Cronfa Bensiwn LIL (os gwyddys):	
Cyfnod Aelodaeth:	

Datganiad Aelod

Rwyf yn datgan, hyd y gwyddwn fod y manylion ar y ffurflen hon yn gywir:

Llofnod:	
Dyddiad:	

Os ar gael, atodwch gopi o unrhyw hysbysiad o fuddion a dderbyniwyd gan eich Cronfa Bensiwn Llywodraeth Leol flaenorol os gwelwch yn dda.