

Nuvos benefits on death in service

A brief guide to what is available



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Who should read this booklet

We have prepared this booklet to give you a brief guide on the benefits that may be available following the death of a **nuvos** pension scheme member. We understand that it may be difficult to concentrate on practical issues at this time, but there are steps that you need to take to claim any benefits that may be payable.

Note: We have tried to use as little jargon as possible but, where we have had to use technical terms, they are shown in bold and explained at the back of the booklet.



The booklet does not cover every aspect of benefits on death in service. Full details are contained in the rules, which are the legal basis of the scheme. Nothing in this booklet can override the rules and, in the event of any difference, the rules will apply.

If you are a member, a dependant of a member or **personal representative** and would like more information when you have read this booklet, please contact us.

What do we mean by 'benefits'?

nuvos provides death benefits in the form of:

- a lump sum
- an adult dependant pension, and
- children's pensions.

Lump sum death benefit

How much is the lump sum?

The lump sum is either equal to:

- two years of the deceased member's **final pay** or
- five times the pension the member had built up in **nuvos** if this gives a higher figure than two years' final pay.

We will reduce the lump sum if the member had already received a lump sum from the Civil Service Pension Scheme; for example, if he or she took a lump sum on partial retirement. The amount of the reduction will mirror the amount of the lump sum previously paid.

The lump sum will count towards the member's **Lump Sum Allowance**.

Who gets the lump sum?

If the member nominated someone to receive the death benefit lump sum, we will usually pay it to that person. If the member did not nominate anyone, we will pay the lump sum to the member's **personal representative**. If the member had nominated more than one person, we will split the lump sum according to their wishes.

Adult dependant pension

What are the conditions for getting an adult dependant pension?

We pay an adult dependant pension to an eligible widow, widower, civil partner or **declared partner** as long as the member had built up at least one year's scheme membership. Where the member had not built up this amount of service, we might still be able to pay an adult dependant pension. Please contact us to find out more.

How much is an adult dependant pension?

The adult dependant pension is 37.5% of the pension we would have paid to the member had they retired on the day they died. We may also increase this amount using the lower of:

- 10 years (or the number of years to age 65 if less) times the basic pension built up on average each year by the member
- the member's basic pension
- the amount required to bring the member's pension to the **75% limit**.

We cannot enhance the adult dependant pension if the member took **partial retirement**.

Please note that we reduce the pension if the dependant is more than 12 years younger than the member.

Is the adult dependant pension paid for life?

Yes.

Children's pensions

We pay pensions for children who are the member's natural or adopted children or any other child who was financially dependent on the member at the date of death.

How much are children's pensions?

The level of pension depends on the member's circumstances and how many children there are.

Adult dependant pension payable?	Pension paid for up to two children*
Yes	30% (each) of member's pension
No	50% (each) of member's pension



Please note: that there is a financial limit, based the amount we can pay for two children. If there are more than two children, we will pay an equal proportion of the limit for each child.

How long are the pensions paid for?

Children are eligible for a pension up to age 18 or, if they stay in full-time education, up to age 23. We will need to see a letter from the school, college or university where they are studying, confirming the start and end dates of the course.

A child can receive a pension for life if they were financially dependent on the member and, in the opinion of the scheme medical adviser, they have a physical or mental disability which means they are likely to be permanently unable to engage in gainful employment.

All pensions are increased in line with rises in the cost of living and any increases due will be included, as appropriate, each year.

Your questions answered

Following my son's death, I am now the guardian of my two grandchildren. Am I entitled to any benefits?

We may pay a child's pension for each of your grandchildren. We cannot pay you a pension.

My husband [wife, civil partner or declared partner] was paying into the Civil Service Additional Voluntary Contributions Scheme (CSAVCS). What happens about this?

We will tell the CSAVCS provider that your husband has died and act as the first point of contact with them about the benefits payable.

My husband [wife, civil partner or declared partner] was paying into a stakeholder pension through the Civil Service arrangements with Standard Life. What happens about this?

You should contact Standard Life. They will advise you about benefits due under the scheme following individual arrangements your husband made.

My husband [wife, civil partner or declared partner] was paying added pension. What happens to this?

If your husband had bought added pension for you as well as for himself, we will include the added pension when we work out the adult dependant pension. We will also apply this to any children's pensions that may be payable.

I am pregnant. Can I claim a pension for my unborn child?

As long as the conditions for receiving a child's pension are met, then yes. You will need to bear in mind that we have to take account of all eligible children against the financial limit.

Will you continue to pay my adult dependant's pension if I move abroad?

Yes.

I, too, am a civil servant - does this make any difference?

No. If you are entitled, we will pay you the lump sum and/or a pension.

My husband [wife or civil partner or declared partner] was divorced from a previous marriage [civil partnership]. Are the benefits affected?

A court may, at the time of a divorce or dissolution, make 'earmarking' orders against benefits under a pension scheme. This may include paying some or all of the death benefit lump sum to the former spouse or civil partner. We will pay any balance that may be due to the nominee or (in the absence of a valid nomination) to the member's **personal representative**.

My husband [wife or civil partner] had preserved benefits from a previous period of employment in the Civil Service. What happens in this case?

If your husband left **nuvos** with **preserved benefits** and rejoined **nuvos** at a later date, he may have opted to join his earlier service with his current service. If so, the dependants' pensions are worked out based on the single combined figure. If he chose to keep them separate, we will work out separate awards of pension and lump sum. If your husband was in a different Civil Service pension scheme, we will work out any entitlement using the rules of that scheme.

What happens now?

How quickly are benefits paid?

We aim to authorise payment of the lump sum within one week of receiving the death certificate and any other evidence or information we need. We ask the executor or **personal representative** to complete pensions claim form and to provide any other relevant documentation so that we can then work out and pay any pension benefits that may be due. We cannot process any benefits without this form and supporting documentation.

How are the benefits paid?

The lump sum is paid into the bank or building society account of the nominated beneficiary.

We authorise payment of the adult dependant pension into your bank or building society if you are the widow, widower, civil partner or **declared partner** of the deceased member. We normally authorise payment of children's pensions into the bank or building society account of the child's parent or guardian. Alternatively, we may pay a pension into an account in the name of the child.

If a pension is to be paid directly into the bank or building account of a child, you will need to include the account details when you return the pensions claim form.

Please note that if you want a pension paid into a bank in the Irish Republic or overseas, you will need to contact us to discuss this.

We cannot pay a pension direct to an account with the NS&I (National Savings & Investment).

What if I have a query about my pension once it is in payment?

We can deal with any queries you may have about your pension. We will give you a unique Pension Reference number when we first write to you. Please quote that number should you need to contact us for any reason.

We suggest you make a note of your number here and keep this booklet for reference:

You must let us know if your circumstances change, for example, if

- you move address
- wish to change your bank details
- any of your children reach the age of 18 or are aged 18 or over and leave full-time education or vocational training
- the end date of any full-time education or in vocational training that any of your children aged 18 or over are undertaking, changes
- if any child undertaking education or vocational training reaches the age of 23.

Technical terms

75% limit is the limit of pension a member can take. The pension cannot be more than 75% of a member's final pay.

Added pension is an amount of extra annual pension a member can buy to boost their nuvos pension.

Declared partner is someone who lived with the member as if they were married or in a civil partnership and who had jointly completed a partner declaration form with the member.

Final pay is the amount of pay used to work out the lump sum. It will generally be the member's pensionable earnings in their last 12 months of service.

Lump Sum Allowance is the limit on the total amount of certain tax-free lump sums that you will be able to receive before marginal rate taxation applies.

Partial retirement allows members who are approaching, or over scheme pension age, to reshape their job and take some or all of their pension while they carry on working. Conditions apply, and job reshaping must be approved by the employer.

Personal representative is the person who has the power to dispose of the deceased member's estate. This can be more than one person. If the member left a will when they died, the personal representative will be the executor(s). If the member died without leaving a will, the personal representative(s) will be named in the Letters of Administration (Confirmation of Executor in Scotland) which your solicitor will apply for.

Preserved benefits are pension benefits that the member built up during an earlier period of Civil Service employment and which we hold (preserve) for payment at the scheme pension age. (We only do this if the member built up more than 2 years' worth of benefits and chose to leave their pension benefits preserved rather than transfer them to another pension scheme.)

Appendix A

Payment process

We will pay the pension monthly, in arrears. We will tell you what your monthly payment date will be, either before or with the first payment of the pension. When a payment date falls on a weekend or an English bank holiday, the payment date will be the preceding working day.

The amount due for part of a month is worked out proportionately according to the number of days in the full pension month.

We will not send you a monthly payment advice note; we will only send you an advice note when the amount of your pension or your tax code changes. The note will show the monthly gross amount payable and the tax that will be deducted from next month's payment. The net amount may vary slightly due to the effect of the PAYE tax tables.

Our contact details are:

Civil Service Pensions
Capita Pension Solutions

PO Box 713

Darlington

DL1 9JZ

Telephone 0300 123 6666

What about income tax?

Pensions are assessed as earned income. We will deduct income tax using the tax code notified by HM Revenue and Customs. The deduction may be provisional until we receive the proper code.

We have no part in deciding your tax liability or code, so you should direct any enquiry about your tax code to:

Civil Service Pensions
HMRC
Customer Operations PO 4000
Cardiff
CF14 8HR
Telephone 0845 300 0627

We will send you a P60 form each year to show the amount of pension paid and tax deducted in the previous tax year.

