

MY PENSION IF I LEAVE

JANUARY 2023

Defined Benefit Scheme (DBS)

Church Workers Pension Fund



THE CHURCH
OF ENGLAND

PENSIONS BOARD

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My pension at a glance

This is one of four booklets that explain the Defined Benefit Scheme (DBS). DBS is a traditional defined benefit, final salary pension scheme.

<p>My membership</p>	<p>Although the DBS is usually closed to new members, your employer would have enrolled you either when you first started employment, or shortly after.</p> <p>Your employer decides whether you must contribute, and how much.</p>
<p>My retirement</p>	<p>When you retire, we will pay you a pension for life, in monthly instalments minus PAYE tax.</p> <p>You do not have to take a pension from us, there are choices you can make to suit your retirement needs.</p>
<p>My pension if I leave</p>	<p>If you leave after 2 years, we will keep your pension with us and increase it before you retire. You can transfer your pension.</p> <p>If you leave within two years, you can transfer your pension to another provider or you can choose a refund of any contributions you paid, less tax.</p>
<p>My pension if I die</p>	<p>If you die before you retire, we will pay half your pension to your spouse or civil partner.</p> <p>If you die while still an active member, we will also pay a tax-free lump sum of two times your salary.</p> <p>Your pension is guaranteed for five years. If you die within this time, we will pay the remaining amount as a lump sum to your beneficiaries.</p>

My pension if I stop working

Leaving with 2 years' pensionable service

If you leave after completing 2 years' pensionable service, we will automatically keep your pension here with us. Your pensionable service might not be the same as your employment with your employer.

While your pension is with us, we will increase it until you retire, die, or transfer it to another pension provider.

If you have pensionable service in another section of the Church Workers' Pension Fund (CWPF), and this is with the same employer, this counts towards the 2 years' test.

How does my pension increase?

Your pension will increase at different rates, depending on when you earned it.

Where we say 'prices' before, this was the Retail Prices Index (RPI) before 2010 when it changed to the Consumer Prices Index (CPI).

Guaranteed Minimum Pension (GMP)

If your employer 'contracted out' of the Additional State Pension (also known as State Second Pension, or SERPs) your National insurance contributions were lower. Instead of earning additional State Pension, you were provided with a Guaranteed Minimum Pension from the DBS.

If this applies to you, your GMP could increase at a range of different rates.

Pension earned before 6 April 2009

This part of your pension increases in line with 'prices' up to 5% a year.

Pension earned after 6 April 2009

This part of your pension increases in line with 'prices' up to 2.5% a year.

Your pension will increase differently when you retire. Find out more about this in our 'My retirement' guide.

Leaving with less than 2 years' service

If you complete less than 2 years' pensionable service, you usually have two choices.

1. Transfer your pension to another provider.
2. Choose a refund of any contributions you have paid.

Transferring your pension is usually the best option, as your money stays in a pension. You also get to keep the contributions your employer paid in.

If you choose a refund, we will deduct tax. We will also refund any contributions your employer paid back to them.

Can I carry on paying into my pension?

You can only earn DBS pension while you are an active member. Once you leave, contributions stop and you stop earning pension.

How do I take my pension?

When can I take my pension?

You can take your pension any time from age 55. This is the current minimum age the Government allow people to access a pension.

This will increase to age 57 from April 2028.

Remember, if you take your pension before your Normal Pension Age, we need to reduce your pension for early payment. Your Normal Pension Age could be 60, 62, 65 or 68.

If you have left DBS and you take your pension after your Normal Pension Age we will increase it for late payment.

You can always ask us for a retirement estimate so you can see the effect of retiring early or late.

How can I take my pension?

When you are ready to take your pension, get in touch with us and we will guide you through your options. There are a few forms to complete.

If you don't get in touch with us, we will contact you about 6 months before your Normal Pension Age.

In the meantime, you can find out how you can access your pension in our 'My retirement' guide.

Transferring my pension

You can transfer your pension to another pension provider.

This could be a new employers' pension scheme, or you might want to consolidate your pensions.

If you leave before completing 2 years' pensionable service, there is a time limit on transferring. This type of transfer is known as a 'cash transfer sum' and there are different rules from normal pension transfers.

You must tell us within three months of leaving if you want to transfer and the transfer needs to be completed within 6 months of leaving.

In all other circumstances there is no time limit on transfer and you can transfer at any time before you retire.

If you would like to transfer, let us know and we will send you the forms to complete. These forms will include your transfer value and all the information your new pension provider will need.

Should I transfer?

Think carefully before you transfer.

Other pension schemes may provide a different type of benefit, so it can be difficult to make a comparison. If you are in doubt whether a transfer is in your best interests, we strongly recommend that you take independent financial advice.

Here are a few things you should consider:

- Before you transfer, check your new pension provider's Annual Management Charge. Higher fees mean more of your money is taken as charges.
- If you want to move your money out of your new pension scheme, can you easily do this?
- What are your new investment choices, and if you would like to invest ethically, do they have an ethical option?
- Check what will happen to your pension if you die.

Further information

Your pension on divorce

If you divorce or your civil partnership is dissolved, the court may take your pension into account as part of your settlement.

The court may decide you must share your pension with your ex-partner. Please let us know if you need information about your pension and divorce.

State pension

Your State Pension is separate to your DBS pension. We recommend you find out more about your State Pension entitlement to help you plan for retirement.

For more information and a forecast visit



[gov.uk/check-state-pension](https://www.gov.uk/check-state-pension)

Family leave

This includes:

- Maternity
- Paternity
- Shared parental leave
- Adoption leave

Ask your employer what their policy is on pension contributions during family leave. You can also find out more about pensions during this period at



[churchofengland.org/pensions-technical](https://www.churchofengland.org/pensions-technical)

Sick leave

If you are too ill to work, you will receive Statutory Sick Pay (SSP) if you normally earn more than the Lower Earnings Limit. SSP is treated as part of your earnings, or basic pay so you will keep earning pension while you receive SSP.

During sick leave, any contributions you pay will be based on your actual earnings. If your SSP is less than your usual pay, your contributions will go down too.

Unless there is something in your employment contract that sets a contribution rate, or your employer agrees to pay more, their contributions will decrease as well. This means you will build up pension at a slower rate until you come back from SSP.

You will still be covered for life cover while you receive SSP.

Once your SSP runs out, it is up to your employer whether contributions continue.

Disputes and complaints

We make every effort to provide you with an efficient and effective service. However, if you are unhappy with our service, please contact us first and we will do our best to resolve your issue.

If you are still dissatisfied, you can contact us at:



Chief Executive
Church of England Pensions Board
PO Box 2026
Pershore
WR10 9BW

If we cannot resolve your issue to your satisfaction you can ask for a 'formal complaint form' under our internal dispute process. This will include the full details of our complaint process.

Pensions Ombudsman

If you have a complaint or dispute concerning your workplace or personal pension arrangements, you can contact the Pensions Ombudsman.



10 South Colonnade
Canary Wharf
London
E14 4PU



0800 917 4487



pensions-ombudsman.org.uk

If you have general requests for information or guidance concerning your pension, head to the MoneyHelper website.



moneyhelper.org.uk

Contact us

The Church of England Pensions Board is the trustee and administrator of DBS.

Our office is located at Church House, 29 Great Smith Street, SW1P 3PS.

You can also contact us at:



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