



**Nationwide**

Building Society

# Nationwide Pension Fund

A guide to taking your pension



# Contents

Understanding your pension statement	Page 2
Payment of Pension	Page 3
Tax Free Cash Lump Sum	Page 4
The State Pension	Page 4
Income Tax	Page 5
Lifetime Allowance	Page 5
Pensioner Groups	Page 5

# Forms

Retirement Checklist	Page 6
Pension Decision Form	Page 7
Pension Commencement Form	Page 8

**Nationwide Pension Fund is run on a day to day basis by the Employee Pensions team. If you have any questions after reading this guide then we're here to help you.**

## How to contact us



By post: **Employee Pensions Nationwide  
Building Society Nationwide House,  
Pipers Way Swindon SN38 2GN**



By phone: **01793 655131**



By email: **pensions.team@nationwide.co.uk**



On the website: **[nationwidepensionfund.co.uk](https://nationwidepensionfund.co.uk)**

# Understanding your pension statement

This guide is designed to help you with any questions you may have about taking your pension. It should be read in conjunction with your pension statement.

## Your pension statement

**Your pension statement presents you with two main pension examples:**

1. Your full pension if you decide not to take a cash lump sum when you retire.
2. A reduced pension, along with the maximum tax free cash lump sum, which you're able to take when you retire. You can take the maximum lump sum which is 25% of your full pension or you can choose to take less.

If you have not left Nationwide's employment and wish to take some (or all) of your pension, your incapacity and death-in-service pension benefits may be reduced as a result.

Alternatively, you have the option to transfer your benefits to another registered pension arrangement. You can find more information in your covering letter. If you have any questions, please contact Employee Pensions.

## Additional Contributions

The Nationwide Pension Fund (the Fund) has various additional contribution pension options:

### Pension credits

If you've purchased pension credits through additional contributions, the value of these have been included in the figures on your pension statement.

## Individual retirement funds

**If your additional contributions are invested in the Fidelity or Prudential funds, you have the following options:**

1. The current value of your additional contributions can be used to buy additional pension (excluding a dependant's pension) and/or tax free cash from the Fund. Please note, we cannot close your additional contribution fund until your retirement date and full payment of your benefits cannot be made until we have received confirmation of your final fund value.  
The benefits included in your pension statement are based on the current value of your additional contributions and we may need to recalculate the benefits when your additional contribution account is closed and we have received the final fund value.
2. You can start receiving your main Nationwide pension and leave your additional contributions invested for any period up to age 75. You will then still have the option of taking 25% of the fund value as a tax free cash lump sum.
3. You can transfer the value of your additional contributions to another pension scheme.

## Added years (closed to new members)

The 'added years' additional contribution provides you with extra years and months of Pensionable Service. Any 'added years' you may have bought is included in the figures on your pension statement.

## Nationwide Group Personal Pension (GPP)

If you've made additional contributions to the Nationwide GPP, your money is held separately from your Nationwide Pension Fund benefits. You'll need to contact Aviva to request a quote of the available retirement benefits.

## Bonus Saver / Sharing in Success

If in any year you exchanged some or all of your employee bonus or Sharing in Success award for additional pension contributions (excluding GPP), they will be included in your pension statement and will be treated in the same way as above.

# Payment of Pension

Pensions are paid on the 22nd of each month. Each year in March, you'll receive a payslip showing your end of tax year figures. You'll also get a payslip each time your net pension amount changes by more than £1.

Pension payments are made by the same method as Nationwide's salary, where applicable, using the PAYE details currently available to the Payroll Department. If you still receive a salary from Nationwide, your pension must be paid into the same account as your salary.

You'll find a pension decision form at the back of this guide to allow you to change your bank account details if required.

Once we've received your completed forms and the identification documents required, you'll be allocated a new pension number which you should quote on all correspondence. We'll send you this number when we send you confirmation of your first payment date.

## Dependant's pension

This is a pension which only becomes payable upon your death, and is normally payable from the first of the month following the date of death. It's payable in accordance with the Fund rules to a person who is financially dependent on you or with whom you're financially interdependent.

The dependant's pension is quoted on your statement as it's an automatic Fund entitlement. Even if you have no dependants at the time of your retirement, your circumstances may change in the future.

If the person to receive the dependant's pension is more than 10 years younger than you (other than a child), for each complete year over the 10 year threshold, the dependant's pension is reduced by 2.5% up to a maximum of 25%.

The reduction will not be reflected in your statement and if it's to be applied, it will be calculated at the date of death based on the age of your dependant at that time.

## Third party checks

The Trustees are under a duty to protect the funds they administer so therefore participate in anti-fraud checks. Sometimes we'll provide your details to a tracing agency to run a check to make sure that no unauthorised person is receiving your pension.

We also use a third party to trace for accurate addresses and mortality checks.

## Screening for money laundering

Nationwide screens for Politically Exposed Persons (PEP), their relatives and close associates. A PEP is someone appointed to a high profile position by a foreign government or international organisation, or anyone related to them. These people are at a higher risk for involvement in money laundering, bribery and corruption, and all banks are obliged to have screening processes to identify any PEP customers.

As all pensioners are paid via the Nationwide payroll system, they must be included in the PEP screening as well as regular checks against external sanction lists.

## 5 year guarantee

The Fund guarantees to pay your pension for a minimum of 5 years. Should you die within 5 years of taking your pension, a payment representing the outstanding balance is payable to your beneficiaries at the discretion of the Trustee; this is payable in addition to any dependant's pension.

The example below shows how the 5 year guarantee lump sum would be calculated if death occurs 2 years after the pension started (i.e. 3 years out of the 5 year guarantee remain).

### Example:

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Pension in payment = **£6,000** a year

**£6,000** x 3 years (period outstanding) = **£18,000**

If you contact the Payroll department regarding your pension payments, always have your payslip reference number ready.

If you have any queries as a Nationwide customer about your mortgage, investments, loans or insurance, please contact the relevant department or Customer Service team.



## Tax Free Cash Lump Sum

If you've opted to receive a tax free cash lump sum on retirement, this payment will be made within seven working days of receiving all the required documents or your retirement date, whichever is later.

If you have an additional contribution fund and have chosen to receive the maximum tax free cash lump sum, then the amount built up from your main pension fund will be paid first. A top up in respect of your additional contributions will be paid once we've received confirmation of the closing value of your account.

## The State Pension

Don't forget to take the State Pension into consideration when making your later life plans.

The State Pension Age is currently age 65, but this is due to rise for both men and women to age 66, 67 and 68 depending on when you were born.

The full new State Pension is £168.60 per week (2018/2019). The actual amount you get will depend on your National Insurance record.

You can find out your State Pension Age and what you're likely to get on the Government website: [www.gov.uk/new-state-pension](https://www.gov.uk/new-state-pension)

You can find out more about State Pensions, including forecasts and how to claim your pension, online at:

- [gov.uk/state-pension-age](https://gov.uk/state-pension-age)
- [gov.uk/browse/working/state-pension](https://gov.uk/browse/working/state-pension)
- [gov.uk/check-state-pension](https://gov.uk/check-state-pension)





## Income Tax

When you retire directly from Nationwide's employment, a P45 is not normally issued by the Payroll department. This is because your tax code, earnings and tax deducted details are carried over and used on your pension payments.

If you take further employment (including returning to Nationwide's employment), it's important to tell your new employer that you're receiving pension payments and your tax allowances are being assessed against your Nationwide pension. Any earnings received from the new employer should be temporarily assessed at the basic rate income tax band until HM Revenue & Customs (HMRC) have supplied your new employer with the correct tax code.

Any future changes in the tax code which is applied to your pension will be issued by HMRC directly to the Payroll department. If you have any queries regarding your tax coding, these should be directed to the Tax Office at the address below.

**HMRC**  
**Pay As You Earn**  
**PO Box 4000 Cardiff**  
**CF14 8HR**

Telephone: **0300 200 3300**  
 Reference Number: **470/N9705**

We receive a number of queries from pensioners regarding tax code changes not being applied to their pension payments.

The most common reason for this is that the Payroll Department have not received formal notification from the tax office.

In the first instance, please contact your tax office to check if the formal notice has been sent to Nationwide. Otherwise, please contact the Payroll Department on **01793 556808** (option 1).

## Lifetime Allowance

The Lifetime Allowance sets a limit on the value of pension benefits you can build up during your working life without incurring a tax charge. The standard Lifetime Allowance will increase annually in line with increases in the Consumer Prices Index. Subject to certain conditions, HMRC allowed individuals to protect the higher Lifetime Allowance amounts that applied before 6 April 2016.

If the capital value of the benefits to be paid exceeds your Lifetime Allowance, a special tax will be payable at the rate of 55% if the excess is paid as a lump sum, and 25% if paid as a pension income.

Against your pension options we've shown the percentage of the standard Lifetime Allowance you'll use up by receiving the benefits from the Fund quoted to you. If you're in receipt of a pension(s) from another provider, you should also get confirmation of the percentages they have used up.

Before any payment can be made, you'll need to confirm to us, by signing the Pension Decision Form, that the total value of all benefits about to go into, or already in payment, is no more than 100% of the standard Lifetime Allowance.

Alternatively, if you have protected a personal Lifetime Allowance with HMRC, please provide us with evidence of this protection.

You can find further information on the Lifetime Allowance on HMRC's website: [gov.uk/tax-on-your-private-pension/lifetime-allowance](https://gov.uk/tax-on-your-private-pension/lifetime-allowance)

### Keep in touch

It's important that you remain in contact with us so we can keep you up to date on important news about the Fund and about your pension. Please make sure you provide us with your personal email address and telephone number as we like to communicate with you using digital methods as opposed to paper.

You'll also have access to a Secure Member Portal through the Fund website: [www.nationwidepensionfund.co.uk](https://www.nationwidepensionfund.co.uk), where you're able to change your personal details and contact information.

## Pensioner Groups

If you want to keep in touch with former colleagues when you retire, there are a number of local pensioner groups you can contact. You can find details about these groups and their activities on the Nationwide Pension Fund website: [www.nationwidepensionfund.co.uk](https://www.nationwidepensionfund.co.uk)

# Retirement Checklist

Use this list to make sure you have provided all the information we need to put your pension into payment.

## 1. Pension Decision Form

☐

## 2. Two forms of original identification from the following list, one of which must be from the first three documents listed:

☐

- Valid provisional or full UK photo card driving license
- Valid full EEA passport or EU member state ID card
- Birth certificate
- UK based bank or building society statement (must be less than 3 months old and show your current address)
- Letter from Benefits Agency including Universal Credit welcome letters (must be less than 12 months old)
- Letter from a professional person who knows you but is not a family member (such as a solicitor, accountant, doctor, social worker or probation officer)

We can accept certified copies of these documents if they have been certified by a Nationwide employee at a Nationwide Building Society branch.

## 3. Pension Commencement Form

☐

(only complete if you're currently employed by Nationwide)

**Failure to return all the required information may result in the delay of payment of your benefits.**

# Pension Decision Form

Please complete and return this form.

Please make sure that you read all of the notes that accompany your statement before you complete this form. I have considered my pension options and wish to receive the following from the Nationwide Pension Fund.

Tax free cash lump sum £ \_\_\_\_\_

Annual pension £ \_\_\_\_\_

Current Dependency status MARRIED / PARTNER / NO DEPENDANT (delete as appropriate)

Date of birth of dependant \_\_\_\_\_

What date do you want to start taking your pension? \_\_\_\_\_

Is this the same retirement date as shown on your recent pension statement? Y / N

Please note that if you are receiving salary from Nationwide your pension must be paid into the same account as your salary.

Name(s) of account holder \_\_\_\_\_

Name of Bank/Building Society \_\_\_\_\_

Account number

--	--	--	--	--	--	--	--

Building Society reference

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Sort code

I understand that the figures completed on this form are estimated and are not a guarantee of benefits. Final figures will be confirmed to me in writing. I confirm that my individual Lifetime Allowance available to me is higher than the capital value of the benefits being paid so that no Lifetime Allowance charge is due.

Signed \_\_\_\_\_

Date \_\_\_\_\_

Name (block capitals) \_\_\_\_\_

Employee No \_\_\_\_\_

National Insurance No \_\_\_\_\_

Telephone No \_\_\_\_\_

Email \_\_\_\_\_

Please return to: Employee Pensions, Nationwide Building Society, Nationwide House, Pipers Way, Swindon, Wiltshire, SN38 2GN.



# Pension Commencement Form

Complete this form if you are currently employed by Nationwide and wish to start receiving your Nationwide pension.

Please answer the questions below so we understand your plans after your pension payment has begun.

1. Are you continuing with your employment with Nationwide, after the pension commences?

☐

Yes

☐

No

**If Yes**

You will continue to contribute to the pension fund after your pension commences and continue to build pension benefits.

If you do not wish to do this, please contact Employee Pensions to request an Opt Out Form. (go to Q2)

**If No**

Please make sure your line manager shows you as leaving the Society on the PeopleSoft system from the day after your retirement date. For example, if your leave date is 31 August, the date of leaving to be recorded on PeopleSoft is 1 September.

If the date is shown on PeopleSoft as on or before your retirement, we'll need to recalculate and adjust your benefits. (go to Q3)

2. Are you taking all your benefits?

☐

Yes

☐

No

**If No**

Please contact Employee Pensions to let us know which element(s) of your pension you'd like to take. Please let Employee Pensions know straight away if you decide to change any of your answers above.

3. If you're currently a member of the NGSU, do you wish to stay a member?

☐

Yes

☐

No

Signed

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Date

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Name (block capitals)

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Employee No

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Visit [www.nationwidepensionfund.co.uk](http://www.nationwidepensionfund.co.uk)



Nationwide cares about the environment - this literature is printed in the UK with biodegradable vegetable inks on paper from FSC® certified and other controlled material.

The Retirement Guide is available in large print, audio and braille.  
Employee Pensions will be pleased to arrange for an alternative version for you.

Nationwide Building Society is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority under registration number 106078.

**Nationwide Building Society.** Head Office: Nationwide House, Pipers Way, Swindon, Wiltshire SN38 1NW.

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