

Pensiwn Newydd y Wiadwriaeth a newidiadau i Yswiriant Gwladol (Y.G.) (Diwedd Contractio Allan o 6ed Ebrill, 2016)



Croeso i rifyn diweddaraf o Newyddlen Cronfeydd Pensiwn Cymru (Rhagfyr 2015).

Bydd y Wiadwriaeth yn cyflwyno pensiwn haen sengl ac iddo gyfradd wastad i bobl sy'n cyrraedd Oedran Pensiwn y Wiadwriaeth (OPW) ar neu ar ôl 6 Ebrill, 2016. Bydd hwn yn disodli'r trefniant dwy haen bresennol (1) Pensiwn Sylfaenol y Wiadwriaeth a (2) Pensiwn Ychwanegol y Wiadwriaeth (PYW) a dylai helpu bobl i ddeall yn well yr hyn y byddant yn ei gael, fel y gallant gynllunio ar gyfer eu hymddolliad.

Gan fod y Cynllun Pensiwn Llywodraeth Leol (CPLL) wedi ei 'gontactio allan' o'r PYW, mae aelodau'r cynllun ar hyn o bryd yn cael eu tynnu allan o'r PYW yn awtomatig yn ystod yr amser y maent yn cyfrannu fel aelod actif o'r CPLL. O ganlyniad, mae aelodau actif yn talu swm is o gyfraniadau Yswiriant Gwladol (Y.G.)¹ (y cyfeirir atynt weithiau fel ad-daliad Y.G.), gan nid yw'n bosib iddynt gyfrannu at y CPLL a thalu cyfraniadau Y.G. llawn i dderbyn yr PYW pan fyddant yn cyrraedd OPW.

O 6 Ebrill 2016, bydd yn rhaid i aelodau gweithredol o'r cynllun dalu swm uwch o gyfraniadau Y.G.. Os ydych chi'n aelod actif neu wedi gadael y CPLL ac mae eich pensiwn wedi ei ohirio ar hyn o bryd, neu os ydych chi eisoes yn derbyn eich pensiwn, ond nid ydych chi wedi cyrraedd eich OPW eto, mae'n bwysig eich bod chi'n deall ei bod hi'n bosib, a chithau'n gymwys ar gyfer Pensiwn Newydd y Wiadwriaeth, NA fyddwch chi'n derbyn y swm llawn. Mae hyn oherwydd eich bod chi wedi talu llai o gyfraniadau Y.G. dros y blynyddoedd, gan eich bod wedi contractio allan o PYW fel aelod o'r CPLL.

Noder NI fydd cyflwyno Pensiwn Newydd y Wiadwriaeth yn effeithio ar eich buddion CPLL, a bydd y buddion hyn yn parhau i fod yn rhan bwysig o'ch incwm pan fyddwch yn ymddol.

¹Ar yr amod eich bod o dan OPW, a'ch bod chi'n ennill dros £112 bob wythnos / £486 y mis (ffigural 2015/16) ac nid ydych yn talu'r cyfraniadau cyfradd gostyngol o Yswiriant Gwladol Gwraig Briad / Gweddwr.

Faint bydd swm llawn Pensiwn Newydd y Wiadwriaeth a bydd yn darparu digon o incwm ar ôl i mi ymddol?

Mae'r Llywodraeth wedi cadarnhau na fydd swm llawn Pensiwn Newydd y Wiadwriaeth yn llai na £155.65 yr wythnos (i'w gadarnhau). Cyfeirirwch at y wefan isod am ragor o wybodaeth am gyfrifo'r Pensiwn Newydd y Wiadwriaeth ynghyd â diffiniad o fwyddyn gymhwyso: <https://www.gov.uk/new-state-pension/overview>

Dim ond rhan fach o'ch incwm ymddol yw Pensiwn y Wiadwriaeth, a bydd yn rhoi safon effennol o fyw i chi ar ôl i chi ymddol. Mae'n bwysig eich bod yn cynllunio ar gyfer eich ymddolliad, gan gymryd i ystyriaeth:

- bod pobl yn tueddu byw yn hirach, felly mae'n debygol y byddwch chi'n treulio mwy o amser wedi i chi ymddol;
- eich bod chi, o bosib, eisieu ymddolliad na fyddwch chi'n gymwys i cyn eich OPW;
- efallai na fyddwch chi'n gymwys i dderbyn Pensiwn Newydd y Wiadwriaeth yn llawn, os oeddech chi'n aelod o CPLL cyn 6 Ebrill 2016.

Bydd y CPLL yn parhau i fod yn rhan bwysig o'ch cynlluniau ymddol. I gael fwy o wybodaeth am y CPLL, ewch i wefan y Gronfa neu: www.lgps2014.org



Newsletter



The New State Pension and National Insurance (N.I.) Changes (Ending of Contracting Out from 6th April 2016)

Welcome to the latest edition of the All Wales Pension Funds Newsletter (December 2015).

A new single tier, flat rate State Pension is being introduced for people who reach State Pension Age (SPA) **on or after 6th April 2016**. It will replace the existing two tier arrangement **1)** the Basic State Pension and **2)** the Additional State Pension (ASP) and should help individuals better understand what they will get, so that they can plan for their retirement.

As the Local Government Pension Scheme (LGPS) is 'contracted-out' of the ASP, scheme members are currently automatically taken out of the ASP during the time in which they are actively contributing to the LGPS. As a result, active members pay a lower amount of National Insurance (N.I.) contributions¹ (sometimes referred to as an N.I. rebate), as they are unable to contribute to the LGPS and pay full N.I. contributions to receive the ASP when they reach SPA.

From 6th April 2016, active scheme members will be required to pay a higher amount of N.I. contributions. If you are an active member or have left the LGPS and your pension is currently deferred, or you are already being paid your pension, but you have yet to reach SPA, it is important that you understand that if you are eligible for the new State Pension, **you might NOT receive the full amount**. This is because you have paid a lower amount of N.I. contributions in previous years, due to being contracted-out of the ASP whilst a member of the LGPS.

Note that the introduction of the new State Pension will NOT affect your LGPS benefits and that these benefits will continue to form an important part of your income in retirement.

¹Provided you are under SPA, have earnings over £112 per week / £486 per month (2015/16 figures) and you are not paying the Married Woman's / Widow's Reduced Rate of N.I. contributions.

Will the benefits provided by the LGPS change?

There are **NO** plans to change the benefits the LGPS provides as a result of the introduction of the new State Pension.

Who will receive the new State Pension?

You will be able to claim the new State Pension if you are a man born on or after 6 April 1951; or a woman born on or after 6 April 1953; and normally, have at least 10 years qualifying years on your N.I. record.

If you reach your SPA before 6th April 2016, you will get your State Pension under the current arrangement instead. If you do not know your SPA, you can use the SPA calculator to find out:

www.gov.uk/calculate-state-pension

Where do I find out more information?

More information about the new State Pension can be found at;
www.gov.uk/yourstatepension

If you are age 55 or over, you can request an estimate of the State Pension you will receive under the new system at;
www.gov.uk/state-pension-statement

Why is the State Pension changing?

The Government's aim is to introduce a simpler, fairer system where people have a better idea about what pension the State will provide, making it easier to plan their retirement savings.

Will I qualify for the full amount of the new State Pension?

The new State Pension will be based on your N.I. contributions record and a new minimum qualifying period will be introduced. People with no N.I. contributions record before 6th April 2016 will need 35 qualifying years to get the full amount of new State Pension.

If you have paid into the LGPS between 6th April 1978 and 5th April 2016 and reach your SPA on or after 6th April 2016, the amount of new State Pension you receive will be reduced in respect of this period, to reflect the fact that you and your Employer have paid a lower rate of N.I. (due to the LGPS being contracted-out of the current additional State Pension).

If this applies to you, you are unlikely to receive the full amount of the new State Pension. However, this will depend on your individual N.I. record and how many qualifying years you have after April 2016.

How much will the full amount of the new State Pension be and will it provide enough income during my retirement?

The Government has confirmed the full amount of the new State Pension will be no less than £155.65 a week (to be confirmed). For further information about the calculation of the new State Pension and for a definition of a qualifying year, please refer to: <https://www.gov.uk/new-state-pension/overview>

The State Pension is only intended to make up part of your retirement income and will provide a very basic standard of living in retirement. It is important that you plan for your retirement, taking into account that:

- people are generally living longer, so you are likely to spend more time in retirement;
- you may want to retire before your SPA;
- if you were a member of the LGPS prior to 6th April 2016, you may not qualify for the full amount of the new State Pension.

The LGPS will continue to be an important part of your retirement planning. For information about the LGPS, please visit the Fund website or; www.lgps2014.org

New State Pension & LGPS National Insurance (N.I.) Database

How much more in National Insurance (N.I.) contributions will I have to pay?

The current N.I. rebate is 1.4% of pay between certain thresholds. From 6th April 2016, you will no longer receive this rebate and will pay the standard rate of N.I.. The examples within the table show how much extra N.I. contributions will be payable from 6th April 2016. (These examples assume the individual is over 21 years, are based on the current N.I. thresholds - 2015/2016 and have been calculated using the calculator; <http://nicecalculator.hmrc.gov.uk/Class1NICs1.aspx>).

To find out how much more in N.I. contributions you will be paying from 6th April 2016, you can use the contributions calculator <http://lgps2014.org/contcalc/>. This calculates the N.I. rebate you are currently receiving, but from 6th April 2016, this rebate will no longer apply.

I cannot afford to pay the extra N.I. contributions. What can I do?

The new State Pension will only provide a very basic level of income in retirement meaning that the LGPS will remain an important part of your retirement planning. **Remember** that you will continue to get tax relief on your pension contributions, as your contributions are deducted from your pay before you pay tax.

You have flexibility to pay less pension contributions, with the option to pay half your normal contributions in return for building up half your normal pension (although you still retain full life cover and ill health cover). This is known as the **50/50 section** of the scheme and is designed to help members stay in the scheme, building up valuable pension benefits, during times of financial hardship.

What is the 50/50 Section?

The 50/50 section is designed to be a short-term option and your Employer is required to re-enrol you back into the Main section of the scheme every 3 years. This will be carried out in line with your Employer's automatic re-enrolment date.

The 50/50 Election form is available from your **Employer**, but further information can be found on the Fund website.

Earnings	N.I. payable currently	N.I. payable from 6th April 2016	Difference
£10,000 per year (£833.33 per month)	£14.50 per month	£19.36 per month	£4.86 per month
£15,000 per year (£1,250 per month)	£58.66 per month	£69.36 per month	£10.70 per month
£27,000 per year (£2,250 per month)	£164.66 per month	£189.36 per month	£24.70 per month

NOTICE TO ALL MEMBERS

What is the LGPS N.I. Database?

The Fund participates in a data sharing arrangement with other LGPS Pension Funds in England, Wales and Scotland. This is undertaken in order to comply with legal requirements contained in the LGPS's governing regulations.

Provisions contained in the LGPS Regulations 2013 mean that if a member of the LGPS dies, it is necessary for the Fund to know if the individual has other LGPS benefits elsewhere in the UK, so that the right death benefits can be calculated and paid to the deceased member's dependants.

As the LGPS is locally administered, each Pension Fund has its own benefit records, therefore it can be difficult to identify if an individual has other LGPS records elsewhere. In order to comply with the requirements set out above, the National Database will enable Funds to check if their members have LGPS pensions records with other Pension Funds.

What data is being shared?

For each member of the LGPS (whether active, deferred or a pensioner), the Database contains an individual's N.I. number, membership status, the last calendar year in which the membership status changed and a 4 digit number specific to the appropriate Pension Fund.

Who is hosting the Database?

The Database is hosted at the South Yorkshire Pensions Authority, an LGPS Pension Fund.

How will the data be processed?

The data held on the Database will be processed in accordance with the Data Protection Act 1998 and all other relevant legislation.

Is there another purpose to the Database?

An extract of the membership information contained in the Database will periodically be shared with the Department for Work and Pensions (DWP), so that the LGPS can join the **Tell Us Once** (TUO) service. TUO is a service offered in most parts of the UK when an individual registers a death. When the LGPS joins TUO and the death of an LGPS member is registered, the DWP systems will ensure that the LGPS Pension Fund is informed of the death, meaning that the member's record(s) can be updated quicker.

Who is the data shared with?

Other LGPS Pension Funds. These are all public bodies named in legislation as administering authorities of the LGPS. For the TUO service, an extract of the Database containing individuals' N.I. numbers will be securely shared with the DWP every month to maintain an up-to-date record of LGPS membership.

How long will this exercise continue for?

For as long as **(a)** the relevant regulatory requirements remain, and **(b)** the LGPS participates in the TUO service. In the event that neither of the above apply, the data sharing will cease to be undertaken.

Can I opt out of this data sharing?

No. As this data sharing is being undertaken to comply with a legal requirement, it is NOT possible for you to opt out of the data sharing.

Pensiwn Newydd y Wiadwriaeth a Bas Data Yswiriant Gwladol CPLIL

Enillion	Y.G. a dalwyd ar hyn o bryd	Y.G. a fydd yn daladwy o 6 Ebrill 2016	Gwahaniaeth
£10,000 y flwyddyn (£833.33 y mis)	£14.50 y mis	£19.36 y mis	£4.86 y mis
£15,000 y flwyddyn (£1,250 y mis)	£58.66 y mis	£69.36 y mis	£10.70 y mis
£27,000 y flwyddyn (£2,250 y mis)	£164.66 y mis	£189.36 y mis	£24.70 y mis

HYBYSIAD I'R HOLL AELODAU

Beth yw Bas Data Y.G. y CPLIL?

Mae'r Gronfa Bensiwn yn cymryd rhan mewn trefniant rhannu data gyda

chroffed pensiwnau CPLIL eraill yng Nghymru, Lloegr a'r Alban. Mae hyn yn

cael ei wneud er mwyn cydymffurfio â

gofynion cyfreithiol a gynhwysir yn y

rheoliadau sy'n llywodraethu'r CPLIL.

Mae darpariaethau a geir yn Rheoliadau

CPLIL 2013 yn goiygu, os bydd aelod o'r

CPLIL yn marw, mae angen i weinyddwyr

y cynllun wybod os oedd gan yr unigolyn

gyfnodau eraill o aelodaeth CPLIL mewn

rhannau eraill o'r wiad, fel y gall y

buddion marwolaeth gywir cael eu

cyfrifo a'u talu i ddibynyddion yr aelod

ymadawedig.

Gan fod y CPLIL yn cael ei weinyddu yn

lleol, mae gan bob Cronfa Bensiwn

cofnodion aelodaeth eu hun ac mae'n

gallu bod yn anodd dwed os oes gan

unigolyn cofnodion CPLIL eraill a lle

mae'r rhai yn cael eu cynnal. Er mwyn

cydymffurfio â'r gofynion a nodir uchod,

mae Bas Data cenedlaethol wedi cael ei

ddatblygu a fydd yn galluogi croffeddydd

wirio a oes gan eu haelodau gofnodion

pensiwnau CPLIL mewn croffeddydd

eraill.

Pa ddata sy'n cael ei rhannu?

Ar gyfer pob aelod o'r CPLIL (bodd yn

actif, gohiredig neu bensiwnwr), mae'r

Bas Data yn dangos rhif Y.G. yr unigolyn,

statws aelodaeth yr unigolyn, y flwyddyn

gafntr diwethaf fod statws aelodaeth

wedi newid, a rhif pedwar digid yn

cadarnhau'r Gronfa Bensiwn CPLIL lle

mae record yr aelod yn cael ei gynnal.

Bydd y data a gedwir ar y Bas Data yn

cael ei brosesu yn unol â Deddf Diogelu

eraill.

Sut y bydd y data a gedwir ar y

Bas Data yn cael ei brosesu?

Na. Gan fod y rhannu data yn cael ei

wneud yn rhannol i gydymffurfio â

gofyniad cyfreithiol, NID yw'n bosibl i

aelodau'r cynllun optio allan o'r rhannu

data.

data yn dod i ben.

uchod yn berthnasol, yna bydd y rhannu

gwasanaeth DWL. Os ni fydd un o'r

ac b) bod y CPLIL yn cymryd rhan yn y

rheoleiddio perthnasol yn parhau i fod,

Am gyhyd ag a) bod gofynion

cael ei wneud?

Am ba mor hir bydd y rhannu data yn

cael ei wneud?

aelodaeth y CPLIL.

er mwyn iddynt gadw cofnod cyfredol o

ei rhannu yn ddiogel gyda AGPh bob mis

Rifau Y.G. unigolion o'r Bas Data yn cael

gwasanaeth DWL, bydd detholiad o

gweinyddu'r CPLIL. Ar gyfer y

yn y ddeddfwriaeth fel awdurdodau

Mae'r rhai yn gyfrif cyhoeddus a enwir

Croffeddydd pensiwn CPLIL eraill.

Gyda phwy a rennir y data?

brosesu yn gynt nag y byddai fel arall.

goiygu y gall cofnodion yr aelod cael ei

cael gwybod am y farwolaeth, sy'n

sicrhau bod y Gronfa Bensiwn CPLIL yn

ei gofrestru, bydd y systemau AGPh yn

a marwolaeth aelod o'r CPLIL yn cael

Pan fydd y CPLIL yn ymuno gyda DWL

unigolyn yn cofrestru marwolaeth.

draws rhan fwyaf o'r wiad pan fydd

gwasanaeth DWL yn cael ei gynnal ar

ymuno â'r gwasanaeth **Dywedwch**

(AGPh) o dro i dro fel y gall y CPLIL

rannu gyda'r Adran Gwaith a Phensiwnau

a gynhwysir yn y Bas Data yn cael ei

Bydd detholiad o'r wybodaeth aelodaeth

Bas Data yn cael ei ddefnyddio ar gyfer?

A oes unrhyw ddibenion eraill y bydd y

Bas Data yn cael ei ddefnyddio ar gyfer?

Mae'r Bas Data yn cael ei gynnal gan

Awdurdod Pensiwnau De Swydd Efrog.

sy'n Gronfa Bensiwn CPLIL.

Pwy sy'n cynnal y Bas Data?

Faint o gyfraniadau Y.G. ychwanegol y

bydd rhaid i mi dalu?

Mae'r ad-daliad Y.G. presennol yn

1.4% o gyflog rhwng trothwyon penodol.

O 6 Ebrill 2016, NI fyddwch yn derbyn

yr ad-daliad hwn, a byddwch yn talu'r

gyfradd safonol o Y.G.. Mae'r

enghreifftiau o fewn y tabl yn dangos

faint o gyfraniadau Y.G. ychwanegol

sy'n daladwy o 6 Ebrill 2016. (Mae'r

enghreifftiau a ddangosir yn tybio bod

yr unigolyn dros 21 mlwydd oed, ac yn

seiliedig ar drothwyon Yswiriant Gwladol

cyfrifiannell; <http://nicecalculator.hmrc.gov.uk/Class1NICs1.aspx>).

Defnyddwch y gyfrifiannell cyfraniadau i

gael gwybod faint o gyfraniadau Y.G. yn

ychwanegol y byddwch chi'n ei dalu o

6 Ebrill 2016 – <http://lgps2014.org/contcalc/>.

Y.G. rhydych chi'n ei gael ar hyn o bryd,

ond o'r 6 Ebrill 2016, ni fyddwch yn

derbyn yr ad-daliad hyn.

Allia i ddim ffordio talu'r cyfraniadau

Y.G. ychwanegol. Beth allia i ei wneud?

Dim ond iefel syfrisoel iawn o incwm y

bydd y pensiwn newydd gan y

Wiadwriaeth yn ei roi unwaith i chi!

ymddeol, sy'n goiygu y bydd CPLIL yn

parhau i fod yn bwysig wrth i chi!

gynllunio ar gyfer ymddol. **Coffiwch y**

byddwch chi'n parhau i gael gostyngiad

treth ar eich cyfraniadau pensiwn, gan

fod eich cyfraniadau yn cael eu tynnu

o'ch cyflog cyn i chi dalu treth.

Mae genych hyblygrwydd i dalu llai o

gyfraniadau pensiwn trwy dalu hanner

eich cyfraniadau arferol a chironni!

hanner eich pensiwn arferol (er

byddwch chi'n parhau i gadw'r yswiriant

bywyd a gwarchoddaeth salwch llawn).

50/50 ydy enw'r adran yma o'r cynllun,

a'i nod yw cynorthwyo aelodau i aros yn

y cynllun, gan gironni buddion pensiwn

gwerthfawr, yn ystod cyfnodau o galedi

ariannol.

Beth yw'r Adran 50/50?

Noder taw opsiwn ar gyfer y tymor byr

yw'r adran 50/50, ac mae'n ofynnol i chi

Cyfflogwr i'ch ail-gofrestru i'r Brif adran y

cynllun bob tair blynedd. Caiff hyn ei

wneud yn unol â dyddiad ymaelodi

awtomatig eich Cyfflogwr.

Mae ffurflen Ethol 50/50 ar gael oddi

wyth eich **Cyfflogwr**, ond am fwy o

wybodaeth ewch i wefan y Gronfa.