

## Local Government Pension Scheme (LGPS)

### Cohabiting Partners

The Local Government Pension Scheme (LGPS) includes provisions for surviving husbands and wives, civil partners and dependant children to be paid a pension in the event of a member's death. In April 2008 the provisions were extended to also include nominated cohabiting partners.

You will not be able to nominate a cohabiting partner if you only have benefits that were accrued before 1st April 2008. If you joined the scheme before 1st April 2008 and have continued to be a member since 1st April 2008 you will be able to nominate a cohabiting partner.

### A cohabiting partner is not eligible to receive a pension if:

- 1) You are married, in which case your husband or wife will automatically qualify for a survivor's pension in the event of your death.
- 2) You have formerly registered your civil partnership under the Civil Partnership Act 2004, as your civil partner automatically qualifies for a survivor's pension in the event of your death.

### Who is eligible?

For an eligible cohabiting partner survivor's pension to be payable, all of the following conditions must have applied for a continuous period of at least 2 years on the date of your death:

- you and your cohabiting partner are, and have been, free to marry each other or enter into a civil partnership with each other, and
- you and your cohabiting partner have been living together as if you were husband and wife, or civil partners, and
- neither you or your cohabiting partner have been living with someone else as if you/they were husband and wife or civil partners, and
- either your cohabiting partner is, and has been, financially dependent on you or you are, and have been, financially interdependent on each other.

On your death, a survivor's pension would be paid to your cohabiting partner if:

- all of the above criteria apply at the date of your death, and

your cohabiting partner satisfies Cheshire West and Chester Council that the above conditions had been met for a continuous period of at least 2 years immediately prior to your death.

If you require any further information, please contact us using the details below.

t: 01244 976000 e: [pensions@cheshirewestandchester.gov.uk](mailto:pensions@cheshirewestandchester.gov.uk) w: [www.cheshirepensionfund.org](http://www.cheshirepensionfund.org)

a: Cheshire Pension Fund, Cheshire West and Chester Council, Council Offices, 4 Civic Way, Ellesmere Port, CH65 0BE

## What does 'free to marry' or 'enter into a civil partnership mean'?

Anyone who is already married or already in a civil partnership is not free to marry or enter into a civil partnership with anyone else, including a cohabiting partner. There are also restrictions placed upon a person marrying or entering into a civil partnership with certain close relatives, e.g. parent, brother or sister, grandparent, uncle or aunt, niece or nephew and they cannot be classed as cohabiting partners.

If either you or your cohabiting partner is married, or has entered into a civil partnership with someone else and you have not divorced or formally dissolved the civil partnership, a cohabiting partner nomination cannot be made as your legal husband, wife or civil partner is entitled to a survivor's benefit upon your death.

If your marriage or civil partnership has been dissolved you must then live with your cohabiting partner for a period of two years after the date of divorce or dissolution before you can make a valid nomination as you must both be free to marry or enter into a civil partnership for a period of two years.

## What does 'financially dependent' mean?

Under HM Revenue & Customs rules, an occupational pension scheme can only pay a pension to a person who is financially dependent upon you or where you are both financially interdependent on each other. Your partner is financially dependent on you if you have the highest income. Financially interdependent means that you rely on your joint finances to support your standard of living. It doesn't mean that you need to be contributing equally. For example, if your partner's income is a lot more than yours, he or she may pay the mortgage and most of the bills, and you may pay for the weekly shopping.

## If I make a nomination what will happen in the event of my death?

For membership built up from 1 April 2014 the pension payable is equal to 1/160th of the pensionable pay (or assumed pensionable pay where applicable) upon which your pension was calculated times the period of your membership in the scheme after 31 March 2014, plus 49/160ths of the amount of any pension credited to your pension account following a transfer of pension rights into the scheme from another pension scheme or arrangement.

For membership built up before 1 April 2014, the pension payable is equal to 1/160th of your final pay times the period of your membership in the scheme after 5 April 1988 and up to 31 March 2014 (including any additional membership purchased by you), upon which your pension is based, plus any of your membership before 6 April 1988 for which you have paid additional contributions so that it counts towards an eligible cohabiting partner's pension.

If your pension is subject to a Pension Sharing Order issued by the Court following an earlier divorce or dissolution of a civil partnership, or is subject to a qualifying agreement in Scotland, your spouse's, civil partner's or eligible cohabiting partner's pension will be reduced in consequence of that Court Order or agreement. For more information see the section on Pensions and Divorce or Dissolution of a Civil Partnership.

Your nominated cohabiting partner's pension is fully inflation proofed and payable for life. At the time of your death it will be necessary to verify that the regulatory requirements to pay a nominated cohabiting partner's pension are met. It is never easy to ask for sensitive information when a person dies, but we must do this to establish that entitlement to a survivor's pension exists and you and your partner should be aware that this will happen.

It will be necessary for your partner to produce evidence of your cohabitation for a period of two years prior to your death and that you meet all the conditions detailed in the section 'Who can I nominate?' We are likely to ask for evidence of shared household spending including bills or financial statements held in joint names. It may be that you and your partner have made wills, or have taken out life assurance naming each other as beneficiary. This is the sort of evidence we will seek.

Your cohabiting partner would have a right of appeal if the decision is not to pay a pension and your partner believes that an entitlement exists.

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## Why should I make a nomination?

Prior to April 2014 if you did not make a nomination your cohabiting partner **would not have** received a survivor's pension if you die, even if all of the conditions outlined in this leaflet are satisfied.

Although it is no longer a legal requirement we encourage people who would qualify for this benefit to complete a nominated cohabiting partner form. It is available for completion on our website: [www.cheshirepensionfund.org/?page\\_id=25](http://www.cheshirepensionfund.org/?page_id=25)

## If I have completed a form, can I change my nomination?

Yes, you can cancel your nomination if you wish to. You should also amend or revoke your nomination if your circumstances change, e.g. you no longer live with the partner you have nominated.

However, if you change your nomination you must still satisfy all of the criteria including that you have been cohabiting with your new partner for at least two years.

## Disclaimer

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