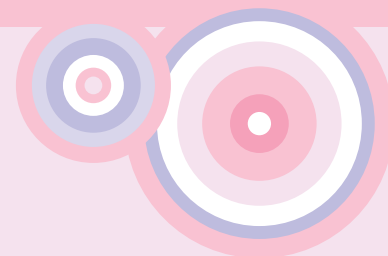


Nomination of Death Grant



As a pensioner of the Local Government Pension Scheme, your dependants/beneficiaries are entitled to a lump sum death grant, paid on death before age 75, of ten times your annual pension less any pension payments made. From 1 September 1996 the scheme was amended to allow pensioners to nominate any person (or persons) to receive any death grant which may become payable in the event of their death.

Any election made while you were an active member of the scheme will still be valid. You only need to complete a Death Grant Nomination Form if you have not previously made a nomination, or if you wish to change the beneficiary/beneficiaries.

Why should I make a nomination?

If you have not made a will, a nomination can provide a convenient method of ensuring that your beneficiary is the person/persons who you would like to receive the grant. Otherwise, the grant is paid out to your estate or next of kin, in accordance with the laws of intestacy.

There are two further advantages in making a nomination:

1. Speed of Payment

Normally, a deceased person's possessions (including the value of their house and other belongings) are added together to form their estate. Even if you intend to leave all of your estate to your spouse or children, some time will elapse while the estate is being settled (referred to as "obtaining probate"). This can cause further unwanted distress. By making a nomination the death grant can be paid shortly after death, without waiting for probate.

2. Taxation of Estates

Under HM Revenue & Customs (HMRC, formerly known as Inland Revenue) rules, estates are taxable above a certain limit. By making a nomination, HMRC may consider the death grant to be excluded from your estate, which may avoid or reduce the liability for Inheritance Tax.

May I change the beneficiary?

Yes, you may alter your nomination at any time, by completing and returning another nomination form.

What happens if I do not make a nomination?

Any death grant payable on your death will be made to your estate or to your next of kin, according to the law. You may, of course, ensure that your wishes are met through the making of a will. If in any doubt, you should consult a solicitor.

How do I make a nomination?

Complete and return the Death Grant Nomination Form (overleaf) to the Pensions Section.

Are there any circumstances when the Council would not follow my wishes?

The Council will always try to follow your wishes regarding your nomination. Only in very exceptional circumstances would we not do so (e.g. where the nominated beneficiary has died, or for some other compelling reason it was not reasonably practical to make payment to the nominated beneficiary).

