

The logo for Pension Protection Fund, featuring a white curved line above the text.

Pension
Protection
Fund

Manager of the Financial
Assistance Scheme

Payments for spouses, partners and children

A photograph of an elderly couple standing in a park. The man is in the foreground, wearing a dark quilted jacket and a red sweater, smiling. The woman is behind him, wearing a yellow and pink jacket, also smiling. A large green curved line is overlaid on the image.

Protecting people's
futures

Register on our FAS member website

We've developed a secure website for the exclusive use of our members.

Please register as soon as you can because the website gives you the freedom to access and manage information about your benefits, and make informed decisions, at a time that best suits you.

Once you've set up an account, you can do lots of things online.



If you haven't started taking your assistance payments, you can use the website to plan your retirement by seeing how much you could receive.



You may also be able to retire online, using our Quote and Retire service, which means less paperwork for you to complete.



Once retired, you can also view your payslips and P60s online.

You can also use the website to update your contact and personal details, at any time.

To register, please go to the website at www.ppf.co.uk/fasmembers and follow the simple registration instructions. It should only take a few minutes.

If you have any questions or concerns about anything included in this booklet, please visit our FAS member website or get in touch with us. Contact details are at the back of this booklet.

Introduction

It's important that our members know what will happen to their FAS payments after they pass away. With this information, we hope that you can feel comfortable that your spouse or partner, and eligible children, will be looked after.

For beneficiaries of our members, we want you to know what you're entitled to so that you can have some certainty, at what can be a difficult time.

In this booklet we explain when, how much, and for how long FAS payments can be made to surviving spouses, civil partners or relevant partners and any eligible children.

A relevant partner is someone you aren't married to, or in a civil partnership with, but who you live with as if you're married or in a civil partnership.



Assistance payments for survivors

Spouses and civil partners are eligible to receive FAS payments following a member passing away, regardless of whether the member's former pension scheme allowed for such payments. Where a member's former pension scheme allowed it, a relevant partner will also be eligible to receive FAS payments.

If you aren't sure what the former scheme rules allowed, please contact us and we can confirm.

You should nominate your spouse, civil partner or relevant partner to receive assistance following your death. You can do this using our member website.

You should do this even if you provided this information to your former scheme. If you don't nominate your beneficiary online, they can still apply for assistance in the event of your death. They will however have to provide more evidence to prove their eligibility.

You can also amend or cancel your nomination online, if you need to. If you need any help registering for our member website, or making your nomination, please do let us know.

Nominating partners can be particularly important. For instance, if the member separated from their spouse but didn't get divorced – and they hadn't nominated their new partner – payments would automatically be made to the spouse. Also, evidence of financial dependence isn't needed where a relevant partner has been nominated.

We'll talk to the spouse, partner or person dealing with the estate of the deceased member to make sure all eligible beneficiaries receive any FAS payments they're entitled to.



An estate consists of everything that a person owns when they pass away. This includes cash, bank accounts, as well as all property and possessions. The estate also includes any outstanding commitments the person had when they passed away, such as any debts.

If you're receiving FAS payments as a spouse, civil partner or partner of a member, no payments will be paid to any beneficiaries after you pass away.

What eligible spouses, civil partners or relevant partners receive

We work out how much an eligible spouse or partner will receive as a yearly amount. It's calculated in two different ways depending on whether the original member was a FAS top-up member or a FAS single-payment member.

We explain these two member types on page 4 onwards, but if you're not sure which applies to you, please get in touch with us.

Top-up members

This is a member whose former scheme secured benefits for them before the scheme wound-up. They may have done this by purchasing the member an annuity, or by transferring the whole value of their available funds to another arrangement. Alternatively, they may have paid the member all of their available funds as a lump sum.

In most cases, we'll pay an eligible spouse or partner one half of the member's 90 per cent expected pension, less any annuity payable to the spouse or partner.

We also have to account for any lump sums that were paid out of the scheme on the member's behalf.

In most cases, we'll pay eligible children the following:

where we're also paying a spouse or partner:

- one child – one quarter of the member's 90 per cent expected pension, less any annuity payable to the child.
- two or more children – half of the member's 90 per cent expected pension, less any annuities payable to the children, divided equally between them.

where we aren't also paying a spouse or partner:

- one child – half of the member's 90 per cent expected pension, less any annuity payable to the child.
- two or more children – 90 per cent of the member's expected pension, less any annuities payable to the children, divided equally between them.

Info

Terms explained

Expected pension is broadly speaking what the member had built up in their former pension scheme before it started to wind up, revalued to their retirement date and including any relevant increases applied up to the member's date of death.

Single-payment members

This is a member whose former scheme didn't pay out all of their available funds. Instead, when the scheme finished winding up the funds transferred to the FAS.

In most cases, we'll pay an eligible spouse or partner the higher of one half of the member's standard assistance or notional pension*.

In most cases, we'll pay eligible children the following:

where we're also paying a spouse or partner:

- one child – one quarter of the member's 90 per cent expected pension, or, where it would be a larger amount*, one quarter of the member's notional pension
- two or more children – half of the member's 90 per cent expected pension, or, where it would be a larger amount*, half of the member's notional pension, divided equally between them

where we aren't also paying a spouse or partner:

- one child – half of the member's 90 per cent expected pension, or, where it would be a larger amount*, half of the member's notional pension
- two or more children – 90 per cent of the member's expected pension, or, where it would be a larger amount*, all of the member's notional pension, divided equally between them

- * In a very small number of cases we'll pay a different proportion of the member's notional pension, which is matched to what their former scheme would have paid. Broadly, this is possible where the member started receiving payments before 2 April 2010.

Info

Terms explained

Notional pension is our calculation of the annual amount the member's former scheme could have afforded to pay them. This is based on the amount of money calculated and allocated by their former pension scheme to pay their scheme benefits, allowing for the scheme's funding position.

Info

Terms explained

Standard assistance is calculated as 90 per cent of a member's expected pension, which is then reduced if higher than the FAS cap. In addition, we have to deduct any benefits that were paid out of the scheme on the member's behalf, such as a tax-free cash lump sum payment.





We have a 'Notify us of a Bereavement' tool where we can be notified of a member's passing, quickly and easily by completing an online form.



If a member receives FAS payments early because of ill health, the amount is reduced to reflect that they are paid over a greater number of years. This affects the amount a spouse, civil partner or relevant partner would be able to receive. Their payments would generally be based on the reduced amount.

If a member hadn't started receiving FAS payments at the time they pass away, the calculation would be based on the assumption that the member retired immediately before the date of their death, but no early retirement reduction was applied to their benefits.

What spouses, civil partners or relevant partners need to do

Following a member passing away, the spouse, partner or person dealing with their estate will need to contact us as soon as possible.

This is important where the member has been receiving FAS payments, because any delays in notifying us would mean that we may continue to make payments after the member passes away. We'd then have to recover these payments from their estate.

We have a 'Notify us of a Bereavement' tool where we can be notified of a member's passing, quickly and easily by completing an online form via our member website www.ppf.co.uk/fasmembers. The same tool, which can be found at the bottom of the homepage, can be used to send us documents we've requested in relation to a member's bereavement.

We're also part of the Government's Tell Us Once service. More information can be found on their website www.gov.uk/after-a-death/organisations-you-need-to-contact-and-tell-us-once. When using the Tell Us Once service, please ensure you have the member's National Insurance Number to hand. This helps us and other pension companies to identify the details of the member who has passed away.

Once we've been told about a member's death, we'll write to the person we've been told to contact.

In most cases, we'll need to see a photocopy of the death certificate. Please don't send us the original. A death certificate isn't needed when the Government's Tell Us Once service is used.

Other documents may be needed, depending on personal circumstances. These may include copies of the following:

- marriage certificate
- civil registration certificate
- divorce or dissolution final order

Please don't send original documents, we only need to see photocopies.

If the member had a relevant partner, we'll need the following information:

Proof that they were living with the member at the time of their death. Please send one item from the list below, which should be dated within 12 months prior to the member passing away, showing the same address we held on record for them. You don't need to send originals:

- A valid UK driving licence
- A bill such as a utility (electricity, water, gas, TV, internet, phone and streaming services)
- A council tax bill
- A bank statement
- A letter from a hospital or clinic confirming an appointment
- A letter from an official body such as the Department for Work and Pensions, HM Revenue and Customs, or a local authority.



If you need any help and would like to discuss the information you have available to you, please don't hesitate to contact us.



If the relevant partner wasn't nominated by the member prior to them passing away:

We'll also need to see proof of financial interdependency dated up to 12 months prior to the member passing away. Examples include, but are not limited to:

- Bills in joint names, such as utilities, licenses, insurance or memberships
- A joint council tax bill
- Joint mortgage policy or land registry document showing joint names
- A tenancy agreement showing joint names
- Joint bank/savings accounts providing basic details, for example copies of bank statements
- Sole bank account statements showing money being transferred on a regular basis between yours and the late member's bank account(s)
- Details of any arrangements in place for meeting joint expenses, where possible providing receipts, invoices or statements
- Details of any joint life or other insurance policies
- Evidence of joint investments



You don't need to provide all the examples above to prove financial interdependency. We recommend that you always send us the strongest, most detailed example you have. If you have several examples easily available, then we'd recommend sending them all. You don't need to send originals.

We strongly advise you upload evidence when nominating a beneficiary. If you nominate with evidence, every 12 months we will ask you to confirm your beneficiary details are up to date. This means your nomination will be validated. If your beneficiary nomination details change you can update this online at any time. Keeping these details up to date ensures your loved ones will have peace of mind for the future.

If you need any help and would like to discuss the information you have available to you, please don't hesitate to contact us.

How long spouses, civil partners and relevant partners will receive payments for

Once a member's spouse, civil partner or relevant partner starts to receive FAS payments, they'll continue to receive them for the rest of their life.

Payments for children

Following a member passing away, any eligible children can receive FAS payments until they no longer qualify.

To be eligible to receive payments, they must be:

- the member's biological child (this will include children being carried by the mother on the date of the member's death)
- the member's adopted child, or
- a child who can demonstrate they were financially dependent on the member at the time of the member's death

We'll ask the spouse, partner or person dealing with the estate of the deceased member for details of any eligible children. Entitlement is automatic for children and a nomination isn't needed.

They must also be:

- under 18, or
- over 18 and under 23 and in qualifying education, or
- over 18 and under 23 with a qualifying disability

Unless they're in qualifying education or have a qualifying disability, FAS payments will end when a child reaches their 18th birthday.

Qualifying education

Up until the age of 23, children can receive FAS payments if they are studying in a full-time educational or vocational course at a recognised educational establishment, such as a school or college.

They must spend more than 12 hours a week in normal term time either studying, receiving tuition or taking part in exams or practical work.

We'll need the education establishment to confirm that the course meets these qualifying conditions.

If a child stops their studies, they'll lose their right to FAS payments. But, if they resume their studies on another course, they can ask for their payments to start again.

Qualifying disability

Up to the age of 23, children can receive FAS payments if they cannot undertake full-time paid employment due to a disability covered by the Equality Act 2010.

What eligible children receive

We work out what children will receive as a yearly amount. It's calculated in two different ways depending on whether the original member was a FAS top-up member or a FAS single payment member. When a child is no longer eligible, we'll stop making payments to them. But, if there are other children who are still eligible, the amount they receive will be recalculated in line with the criteria explained on pages 4 and 5.

However, payments won't be recalculated in cases where the children were receiving payments from the scheme before it started to wind-up.

How we make payment to spouses, partners and children

Following a member passing away, and once we've identified any eligible spouses, partners and children, we'll write to them to let them know what they're entitled to receive from us.

Generally, entitlement to FAS payments starts the day after the death of the member.

Although we calculate entitlement as an annual amount, we make payments in monthly instalments, a month in arrears, on the 21st of each month, into a nominated bank or building society account. If this falls on a non-working day, we'll pay on the previous working day instead. We'll start making payments once we've received all the information we need, backdated to the date of entitlement.

Payments to children must be made into a bank account which bears their name.

For more details on our different types of member and how we calculate their payments, please take a look at our 'When you retire' booklet on our FAS member website.



Up until the age of 23, children can receive FAS payments if they are studying in a full-time educational or vocational course at a recognised educational establishment, such as a school or college.



Organisations that can provide further assistance

Further support

The UK government provides services and support to assist families and individuals dealing with a bereavement. You can visit www.gov.uk/when-someone-dies for information and advice on what to do when dealing with someone passing away, including how to register a death, notifying government departments and managing financial issues.

The UK government also provides bereavement support payments to eligible individuals. This can be claimed if your husband, wife or civil partner passes away. Information about who is eligible, how to claim and how much is payable can be found at www.gov.uk/bereavement-support-payment.

Cruse Bereavement Support

Cruse help people through one of the most painful times in life. They provide bereavement support and information. Their services include one to one support for children and young people.

Their helpline number is 0808 808 1677 and they also have an online chat service. More information can be found on their website www.cruse.org.uk.

Samaritans

Samaritans is a registered charity providing emotional support to anyone in distress or struggling to cope.

They can be contacted for free 24 hours a day, every day, on 116123. Their email address is jo@samaritans.org and their postal address is Freepost Samaritans. More information can be found on their website www.samaritans.org.

Protecting your data

We take care to handle your personal data in compliance with data protection legislation.

We process your personal data correctly and lawfully, to enable assistance payments to be made to you, to keep you up-to-date with developments and to seek your feedback about ways we could improve our service.

We won't rent, swap or sell your personal data to any other organisation.

You can view our full privacy policy at www.ppf.co.uk/fasmembers or you can request a printed copy of the privacy policy be sent to you by using our contact details.

This booklet is for guidance only. It's necessarily simplified and not a definitive statement of law or entitlement.

Information in this booklet is based on our current understanding of the legislation governing the FAS in force at the time of writing.

Payments will always have to be calculated in accordance with legislation which will, therefore, override in the case of conflict.



Pension Protection Fund

Manager of the Financial
Assistance Scheme

Contact us

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Financial Assistance Scheme
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Overseas Members

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Email

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FAS Member website

www.ppf.co.uk/fasmembers

Keeping your personal data secure is very important to us. That's why we're now asking you not to email us with any changes you want to make to your personal information. Your personal details, either in the email or on any attached documents, are the type of information fraudsters look for. So for your safety, we provide a secure messaging service through our member website. We can also reply back to your web account and you'll be notified when you have a new message from us. You can also safely upload documents to our member website using our Send Us a Document Tool. As well as being quick and simple to use, you'll know your details are secure.