

Death benefits: Preparing your loved ones

When thinking about your pension, we understand that it is easy to only focus on the aspects which directly impact you. Whilst this is very important, it is also easy to overlook what might happen to your pension payments when you are no longer here. Although this can be uncomfortable to think about, preparing your loved ones and next of kin for what action they should take in relation to your pension could save them from unnecessary stress at an already difficult time.

What happens to my pension once I've passed away?

Unless the Scheme administrators are informed of your passing, your pension will continue to be paid into your account, until we are informed of your death. The Trustees of your pension scheme hold a duty of care to pay the benefits members are entitled to, so any further payments of your pension after you've passed away will result in an overpayment to your estate. In line with their duty of care to everyone in the pension scheme, the Trustees will be required to reclaim these overpayments.

What can I do to help?

The best way to avoid this potentially upsetting scenario is to prevent any overpayments being made. The Trustees will not attempt to reclaim partial monthly pension payments in the month of your passing, only full monthly payments made after that month. Therefore as long as the Scheme administrator is informed of your death within one month, no overpayments will be incurred which would need to be reclaimed. The bank account should also be closed at the earliest convenience, which will also prevent overpayments.

We strongly suggest you keep a copy of this note with your other pension documents to ensure your next of kin has the information they need. We would urge your next of kin to contact the scheme administrator as soon as they are able, so we can walk them through the steps and make the process as smooth as possible.

We also strongly recommend that you do your best to keep your documentation held by the administrators up to date, such as expression of wish form. This form helps the Trustees and the administrator understand how you would like us to treat your pension should you pass away and helps to ensure that your death benefits will be paid according to your wishes. Having this form up-to-date will reduce the need for further communication so that your loved ones can receive these benefits without trouble, at an already difficult time.

You can provide us with updates to your details by registering or logging in to the members' area of the Scheme website (<http://lscpensions.co.uk>), where you can access personalised information about your pension. Alternatively, you can update your records by contacting the Scheme administrator using the contact details below.

Scheme administrator's contact details:

Email: lscpensions@hymans.co.uk
Phone: 020 7082 6457
Address: LSC Pension Scheme
Hymans Robertson LLP
One London Wall
London, EC2Y 5EA
