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Naming people to receive your benefits

Do you want a say in who gets your pension benefits if you die before you take them? If yes, naming people, organisations or charities on an expression of wish form can help make this happen. This briefing note outlines how.

One of the most important things you can do as a pension scheme member is name the people you'd like to receive benefits from your pension if you die before you take them.

You do this by filling in an **expression of wish form** (it may also be called a 'nomination' or 'nomination of beneficiaries' form). You'll need to do this for all the pensions you have.

It's important because the pension provider or trustees of your pension scheme are responsible for deciding who gets your pension benefits if you die before you take them. As a result, the benefits aren't part of your estate (the money, property and other assets left when someone dies) so there should be no inheritance tax to pay on them.

This is an **important legal responsibility** for pension scheme providers and trustees as they need evidence of who to pay the benefits to and your expression of wish form can be part of this evidence.

Some schemes automatically pay benefits to legal dependants – such as your husband, wife, civil partner or children – but in most cases **it's better to have made your wishes clear**.

If the pension provider or trustees of your pension scheme don't have an up-to-date expression of wish form for you, it's more likely they may have to start asking questions among the people they think you could have wanted to benefit – which could be distressing for your family and friends.

How does it work?

- Most pension schemes pay benefits to your beneficiaries if you die before you start to take your pension benefits. Depending on the income options you choose when you retire, your beneficiaries may also qualify for benefits if you die **after** you start to take your pension benefits. Check with your provider or trustee.
- You can say who you'd like those benefits to go to by putting their names and details on your expression of wish form.

Who you can name?

- You can usually name anyone on your expression of wish form. They don't have to be related to you. If you'd prefer, you can name charities and other organisations. Some trust-based schemes only allow benefits to be paid to certain dependants and, in such cases, the scheme administrator or trustee will be able to confirm who can be named as a beneficiary.
- **Important note:** If you've got a separate life assurance (or 'death-in-service' policy) through work and you need to name people (or organisations) to receive benefits from that policy, this is usually separate from your pension plan. You might be able to name different people or organisations for separate pension or life assurance plans, if you want to. Check with your employer if you're not sure.

Is it legally binding?

- It's important to understand your expression of wish form isn't legally binding. Your pension plan's provider or trustee has the final say over who receives the benefits.
- The pension provider or trustees usually follow your wishes **unless** there's a good reason not to. It's important to keep your form up to date – especially if your circumstances change.

The need to keep your nomination details up-to-date

Revisit your form every few years, especially when your circumstances change. For example, if you get married or divorced, break up with your partner or someone you've named on your form dies, update your form straight away to make sure it continues to reflect your wishes. Even if your wishes haven't changed, it's a good idea to update your form so the people making decisions about benefits know it's recent.

Five simple steps to give yourself peace of mind

1. **Think about who you want to benefit.** You may not need to name your husband, wife, civil partner or children if your scheme automatically pays them benefits. But, check with the pension trustees – it's possible that naming them could make paying benefits easier and even speed up the payment.

2. **Check how many pensions you have.** Use the Pension Tracing Service if you can't find details of some of your pensions.

3. **Contact the pension provider or trustees of each pension** and ask for an expression of wish form.

4. **Fill in the forms and follow the instructions for submitting them.** You may be able to do this online. It doesn't matter if you've sent in a form before, or you can't remember whether you've ever filled one in. Your new form will replace any old ones.

5. **Remember to check and update your forms** whenever your wishes or circumstances change.