

Pensions Shared Service Newsletter

For members and prospective members of the
Local Government Pension Scheme (LGPS)

Welcome to the Summer edition of the Pensions Shared Service newsletter.

Despite the difficulties and challenges of providing services in the pandemic, there have been many positive changes in the past year as we developed new ways of working and delivering our services.

We understand that our scheme members now shop online, bank online and even socialise online and there is an increasing demand for quick and secure access to pension information via digital platforms too.

We are working with scheme members and their employers through digital channels wherever possible. For example, this year we have held

online member and employer forums and we are introducing video appointments (see our article on page 4).

We have introduced Member Self Service - the simple and secure way for scheme members to manage their pensions online. This year for the first time your Annual Benefit Statement is being published online through your Member Self Service account.

Also, all employers can now feed real time service and salary information onto pension records through our employer portal, i-Connect.

We aim to continue developing as a service committed to providing you with simple, straightforward and stress-free access to information about your pension.

Inside

- [Page 2 **Member Self Service**
Annual Benefit statements](#)
- [Page 3 **Your Pension Contribution**
CARE pension increase](#)
- [Page 4 **Video Appointments**
Benefit Projectors
Expression of Wish](#)
- [Page 5 **Pension Scams**
Tax News
How Pensions Work](#)



Annual Benefit Statements

Your Annual Benefit Statement has been published to your Member Self Service account.

Please read the notes pages included with your statement carefully as they include important information about how your statement has been prepared.

You will receive more than one statement if you are contributing to the scheme in respect of more than one post. Statements for any previous jobs with the Council for which you have a deferred benefit are produced separately.

If you joined the LGPS after 31 March 2021 or did not receive your first salary payment until after 31 March 2021, your first statement will be issued next year. However, you are still able to use all of the functionality within Member Self Service to find out how much you've built up so far and how much you could expect to receive in the future.

If you have a query about the information contained in your Annual Benefit Statement (ABS), please complete our **ABS Query Form** specifically designed for this exercise.

The ABS Query Form can be downloaded here pensionsharedservice.org.uk

When you have completed the form please attach it to an email and send it to pensionsabs@richmondandwandsworth.gov.uk

The subject line of your email should be "Active ABS 2021". Please keep in mind that we won't be able to deal with your enquiry unless it is made via this method.

Please read the notes pages accompanying the ABS or visit the national LGPS members' website lgpsmember.org before contacting us as the answer to your question may be covered in the notes or on the website.

If your query relates to information that we have been given, for example pay details or the number of hours you work in a week, we will check this with your employer. You will then see the changes on your next statement.

We have issued over 27,000 individual benefit statements so we will be dealing with a lot of queries at this time and some of these will require you, us and your employer to put right. It may take a while therefore to review all the queries, so we ask for your understanding whilst we deal with these.

Have You Registered for Member Self Service?

Don't lose track of your pension!

There's an estimated £19.4 billion* sitting in lost pension pots mainly from members moving addresses and not informing their pensions providers. *Source: ABI, May 2020

The good news is that you can stay connected to your pension by registering for Member Self Service (MSS). If you are not registered, a new activation key has been sent to your home address.

You have 30 days to register before the activation key expires!



Your Pension Contribution

The contribution rates for employees are set by the Government.

The current bands are set out below - reflecting the April 2021 increase on pensionable pay in line with the cost of living.

You pay contributions on your normal salary or wages plus any shift allowance, bonuses, overtime (both contractual and non-contractual), pay for child related leave and any other taxable benefit specified in your contract as being pensionable. If you earn enough to pay tax, you receive tax relief on your contributions.

You should always check your payslip to make sure that pension contributions are being deducted.

You can either contribute to the Scheme as a 'Main Section' member, or in the '50/50' section. As the name suggests, within the '50/50 Section' you pay half the contributions and get a lower annual pension in return, whilst retaining full life and ill-health cover. The 50/50 section is designed to help members stay in the scheme, building up valuable pension benefits, during times of financial hardship. Further information and a form for the '50/50' section is available on our website.

The 50/50 section is intended to be a short-term option, your employer is required to re-enrol you back into the main section of the scheme approximately every three years on a re-enrolment date set by them. You are also able to revert back to the main section of the LGPS at any time by informing your employer in writing.



Can I pay more to increase my benefits?

Yes there are options to increase your retirement benefits in the LGPS including APCs and AVCs as well as outside the LGPS.

Visit: pensionsharedservice.org.uk

Contribution table 2020/21

If your actual pensionable pay is:	You pay a contribution rate of:
Up to £14,600	5.50%
£14,601 to £22,900	5.80%
£22,901 to £37,200	6.50%
£37,201 to £47,100	6.80%
£47,101 to £65,900	8.50%
£65,901 to £93,400	9.90%
£93,401 to £110,000	10.50%
£110,001 to £165,000	11.40%
£165,001 or more	12.50%

CARE pensions increase by 0.5% in 2021

The adjustment to your CARE pension for 2021 is an increase of 0.5%.

Why isn't the 0.5% increase on my 2021 statement? The reason is that the statement only shows your pension up to 31 March 2021 – the day before the 0.5% increase was applied to your pension on 1 April 2021. You'll see the 0.5% increase on your 2022 statement instead.

About the adjustment We adjust your CARE pension every April in line with HM Treasury's Revaluation Order, currently set by the Consumer Price Index (CPI) for the September before the increase date. The adjustment only applies to the CARE part of your pension.

If you also have final-salary pension benefits from membership before April 2014 these are worked out differently and the increase does not apply to them until you retire – visit this national LGPS website for further information: lgpsmember.org



Why not try our pension calculators on MSS?

Whether you're planning your retirement or just weighing up your future finances, our online pension calculators can save you a great deal of time and effort.

Here's how to get an estimate of your benefits:

- 1 Log in at: mss.pensionsharedservice.org.uk using your username and password. If you haven't tried it before, watch our videos on how to register and activate your account pensionsharedservice.org.uk

- 2 Select your calculator – by clicking the Benefit Projectors link on Your Dashboard.

There are 3 options to choose from:

- **Deferred benefits** - calculates your future benefits if you're no longer paying into the scheme.
- **Voluntary retirement calculator** - calculates your future benefits if you remain an active member.
- **Death in Service** - works out how much your beneficiaries would receive in the event of your death.

Video Appointments

As part of our response to the COVID-19 pandemic, face to face appointments in the office have been postponed indefinitely.

We now offer face to face video appointments, through Microsoft Teams, which means you can speak to a member of staff without needing to travel.

To request a Teams meeting, just email us at pensions@richmondandwandsworth.gov.uk with the subject heading "Video Call Request" and your proposed date and time for the meeting and a brief description of what you would like to discuss. Please note that video appointments are subject to availability.

We will confirm with an email containing a link to the Teams Meeting. You can join the meeting as a 'guest' or sign up for a free Teams account.

Making your wishes known – Death in Service

If you die in service as a member of the LGPS, a death grant lump sum of three times your assumed pensionable pay at your date of death is paid provided you are aged under 75 (restrictions apply if you also have a deferred benefit and/or a pension in payment from a previous period of membership of the LGPS).

You can express a wish as to who you would like to receive this lump sum (also known as your death grant), **by nominating a beneficiary via your Member SelfService account**. And by adding in these details sooner rather than later, it can save your loved ones a great deal of time and effort further down the line.



Who can you choose?

- Your spouse or partner
- Son or daughter
- Family member or lifelong friend
- A charity that's close to your heart
- A combination of the above

While your pension scheme has absolute discretion over who your death grant goes to, they will take your wishes/nomination into account.

4 simple steps to protect yourself from pension scams

The number of pension scams has never been higher in the UK, with thousands of people becoming a victim of them over the last few years.

The Financial Conduct Authority (FCA) and the Pensions Regulator reported in August 2020 that over £30 million had been lost to pension scammers since 2017.

Before making a decision on your pension savings, read below to find out how to protect yourself from scams.

Step 1 – reject unexpected offers - if you are contacted out of the blue about a pension opportunity, chances are it is high risk or a scam. If you get a cold call about your pension, the safest thing to do is to hang up - it's illegal and probably a scam. If you get unsolicited offers via email or text, you should simply ignore them.

Tax News - Lifetime allowance frozen until 2026

The Chancellor has announced that the pensions lifetime allowance (LTA) will be frozen until April 2026 at £1,073,100.

The LTA is the maximum value of pension benefits you can build up without incurring an additional tax charge. Your Annual Benefit Statement contains an estimate of the Percentage of Standard Lifetime Allowance the current value of your pension benefits will use. For more information visit: lgpsmember.org

And do not be talked into something by someone you know. They could be getting scammed, so check everything yourself.

Step 2 – check who you are dealing with on the Financial Services Register to make sure that anyone offering you advice or other financial services is FCA authorised, and they are permitted to provide those services regarding pensions register.fca.org.uk

Check they are not a clone – a common scam is to pretend to be a genuine FCA-authorized firm (called a 'clone firm'). Always use the contact details on the FCA Register, not the details the firm gives you.

Step 3 – don't be rushed or pressured - take your time to make all the checks you need – even if this means turning down an 'amazing deal'.

Step 4 – get impartial information or advice - you should seriously consider seeking financial guidance or advice before changing your pension arrangements. Use the FCA register if you do opt for an adviser.



You can report an unauthorised firm or scam to the FCA by contacting their Consumer Helpline on 0800 111 6768 or using their reporting form.

Want to find out how your pension works?

It's not always easy to understand how LGPS pensions work.

These are just a few of the questions members frequently ask, so have a look at the short videos covering some common topics on our webpage: pensionssharedservice.org.uk

• [How your pension works](#)

How pension accounts work and what happens if you leave the LGPS before you take your pension.

• [Protection for you and your family](#)

How the LGPS looks after your loved ones by providing protection if you have to retire due to ill health and a range of death benefits.

• [Life after work](#)

How and when you can take your pension and the decisions you will have to make.

You can visit the LGPS national website for more lots more information on the scheme: lgpsmember.org