



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 – the newsletter for active members of the Local Government Pension Scheme (LGPS).

In this newsletter, we aim to keep you updated on any changes to the Local Government Pension Scheme which may affect you.

Inside you'll also find useful information about your pension and other areas of interest.

REMEMBER that your LGPS pension is your biggest employment benefit after your salary.

Here are the Key Benefits of the LGPS:

- A secure pension payable for life
- Pensions adjusted by inflation
- Life cover from day one of your membership
- Tax relief on your contributions
- Your employer contributes to the cost of your benefits
- Option to exchange annual pension for tax-free cash at retirement
- Option to pay more contributions...or less

Pensions Shared Service

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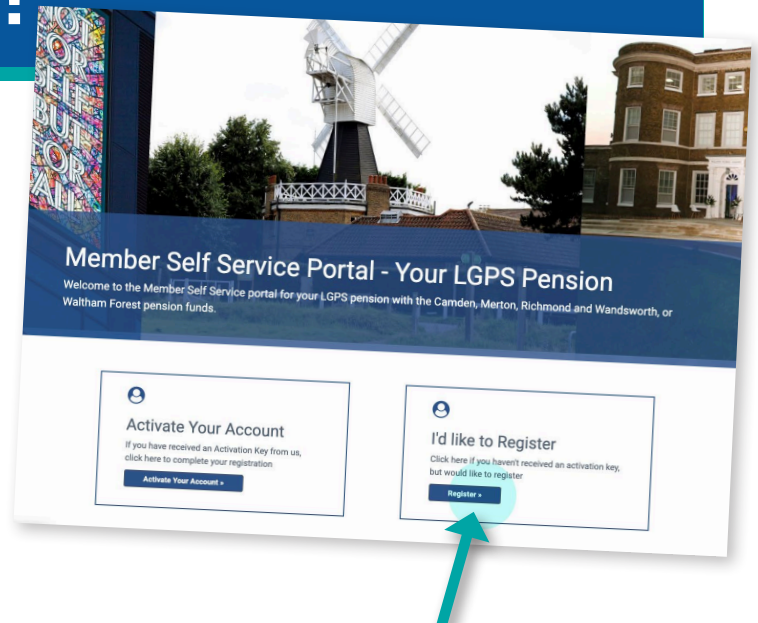
Register today!

Have You Registered for Member Self Service?

You can use Member Self Service (MSS) to:

- View your pension account
- Amend your personal details, such as home address, nomination details
- Perform your own pension calculations and "what if" scenarios
- View Annual Benefit statements (ABS)

It is now easier to register for MSS and keep up to date with your pension in a secure and easy to use online facility – just visit our website to start and click on 'Register'.



mss.pensionssharedservice.org.uk



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

There are **three 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.

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 2024 or did not receive your first salary payment until after 31 March 2024, 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.



Your Pension Contribution For the 2024/2025 financial year

The contribution rates for employees are set by the Government. The current bands are set out above.

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.

Can I pay less into my LGPS pension?

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: pensionssharedservice.org.uk/active-members/paying-less-into-your-pension/

The 50/50 section is intended to be a short-term option, your employer is required to re-

Contribution table 2024/25

If your actual pensionable pay is:	You pay a contribution rate of:
Up to £17,600	5.50%
£17,601 to £27,600	5.80%
£27,601 to £44,900	6.50%
£44,901 to £56,800	6.80%
£56,801 to £79,700	8.50%
£79,701 to £112,900	9.90%
£112,901 to £133,100	10.50%
£133,101 to £199,700	11.40%
£199,701 or more	12.50%

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 our website to find out more about these options: pensionssharedservice.org.uk/active-members/increasing-your-pension-benefits/

Changes to Pension Taxation

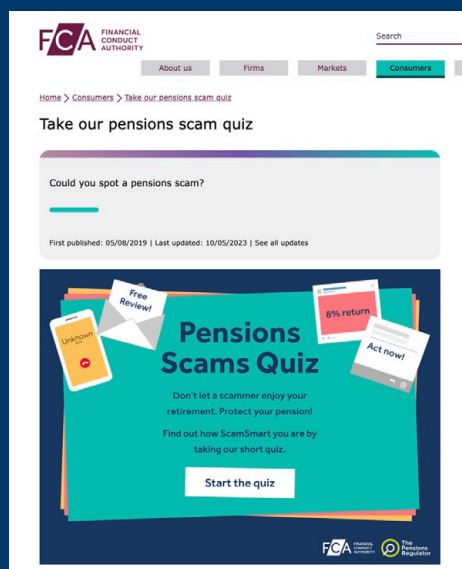
The Government have introduced new limits to replace the Lifetime Allowance (LTA) from 6 April 2024 (most members will not be affected):

- A Lump Sum Allowance (LSA) of £268,275: This is the total amount you can receive in tax-free lump sums from all your pensions.
- A Lump Sum and Death Benefit Allowance (LSDBA) of £1,073,100: This is the total tax-free lump sum and death benefit lump sums that can be paid in respect of someone's pension.
- An Overseas Transfer Allowance (OTA) of £1,073,100: This is the total pension value you can transfer to a Qualifying Recognised Overseas Pension Scheme (QROPS) tax-free

If you take a lump sum when you take your benefits, we will request information about other lump sums you have received. Any excess amount over the LSA will be subject to income tax at your marginal rate.

If you have a valid lifetime allowance protection certificate, you may have a higher LSA.

Individuals can still apply for Fixed Protection 2016 and Individual Protection 2016 up until 5 April 2025. After this date it will not be possible to apply for either protection. Visit the HMRC website www.gov.uk/guidance/pension-schemes-protect-your-lifetime-allowance



If you ever receive a call asking if you would like a free pension review – hang up!

Pension cold calling is illegal and it is probably a scam.

Despite many high-profile examples in the press, scammers still manage to get their hands on millions of pounds of hard-earned savings.

The best way to protect yourself is by knowing the warning signs. Take The Pension Regulator's quiz to find out if you'd know what to look for and avoid a scam:

www.fca.org.uk/consumers/take-our-pensions-scam-quiz

Check Out Our Member Website

<https://pensionssharedservice.org.uk>

Our dedicated member website has helpful pages that can assist you as an active member to answer any questions you may have regarding your pension. These include:

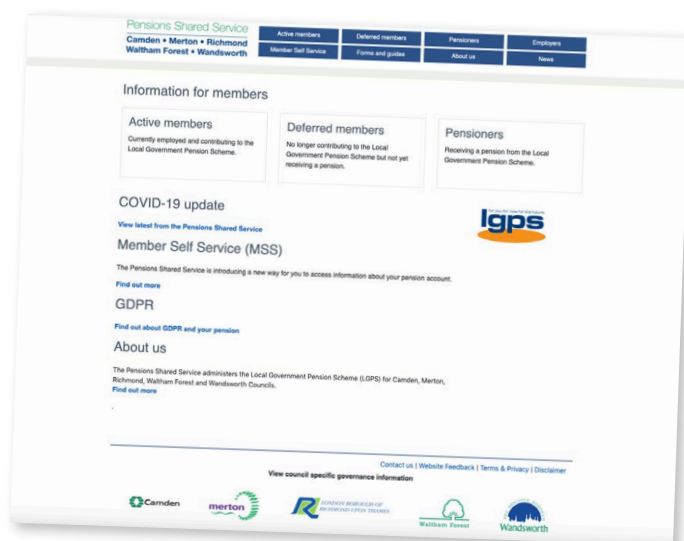
New joiners: information relevant to members who have recently joined the scheme.

Increasing your pension benefits: information on the options you have for increasing your pension.

Paying less into your pension: Information on the flexibility to pay half your normal contribution rate and build up half your normal pension, whilst retaining full life and ill-health cover.

Considering retirement: Guides and information related to retirement including a retirement planning guide.

See also the article earlier in this Newsletter on the online calculators available on our member portal: mss.pensionssharedservice.org.uk



Have you nominated a beneficiary?

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 Self Service 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.

It's worth mentioning that a death grant isn't the same thing as a 'spouse's or civil partner's pension', which your partner may receive when you die – this is a completely separate one-off payment.

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

Why is it important to nominate?

Choosing your nominated beneficiaries has many benefits:

- Helps make sure that the death grant goes to the right people
- Helps make sorting out your finances far less stressful for family and friends
- Reduces the likelihood that the death grant will be subject to estate tax

CARE Revaluation

On the 1 April each year, the CARE portion of your pension (pension built up since 1 April 2014) is revalued with a cost of living adjustment.

This year, CARE pensions increased by 6.7% in April 2024.

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 – visit the national LGPS website for further information:

lgpsmember.org/your-pension/paying-in/how-your-pension-is-worked-out/



Contact us

If you have a query about the information on your statement or, you want to update any of your details, please select the Ask Us section from your Dashboard in MSS. Select category Active Annual Benefit Statements from the dropdown list, type your query in the Comments box and click submit. Please note, statement queries are only accepted through your MSS account.

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 28,000 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.

Your 2024 Annual Benefit Statement is now online!

Do you know how much pension you have built up?

Log into your Member Self Service account and view your **Annual Benefit Statement** at mss.pensionssharedservice.org.uk