



Welcome to the summer edition of our newsletter for contributing members of the Local Government Pension Scheme (LGPS) in the Suffolk Pension Fund, administered by Suffolk County Council.

Here you will find information about the scheme that you are paying into and answers to frequently asked questions. You will also find an article from your active member representative on the Pension Board.

We hope you enjoy this edition.

What are the benefits of paying into the LGPS?

As a member of the LGPS, you receive tax relief on the contributions that you pay. You have the flexibility to pay more (which you would also get tax relief for) and boost your pension benefits. You can also pay half your normal contribution in return for half of your normal pension, this section of the scheme is called the '50/50 scheme'. You have the freedom to choose

when to take your pension (from age 55 onwards), by either leaving your employment or by taking flexible retirement (with your employers consent). At retirement, you will have the option to exchange part of your pension for a tax-free lump sum payment.

If you are made redundant and over the age of 55, you will receive immediate payment of the pension you have built up, providing you have been in the scheme for more than two years.

You have LGPS life cover. Your family can enjoy financial security, with immediate life cover and a pension for your spouse, civil partner or eligible cohabiting partner and eligible children in the event of your death in service. You can find details of who an eligible cohabiting partner and eligible cohabiting child is [here](#).

Want to contribute more to your retirement?

One way of doing so is to make contributions to an Additional Voluntary Contribution (AVC) scheme.

The Suffolk Pension Fund has recently appointed Legal & General to be the Fund's AVC provider.

To find out more about AVC's please use the following link:

www.lgpsmember.org/your-pension/paying-in/paying-more/overview/

To find more about the Legal & General AVC scheme the Suffolk Pension Fund offers and to find the application form please use the link below:

www.legalandgeneral.com/workplace/_avc/Suffolk/helpful-resources/document-library-page/.

You can also choose to make contributions to an Additional Pension Contribution (APC) Scheme.

An APC is when you can choose an amount of yearly pension you wish to purchase or choose an amount of extra contributions you wish to make. The maximum amount of a yearly pension you can purchase is currently £8,334. Please note, you can only purchase an APC whilst you are in the main section of the scheme.

What are the death benefits of the LGPS?

If you die while paying in, a death in service grant of 3 x your pensionable pay will be made to your nominee(s). If you have not nominated anyone to receive this payment, this would be paid to your estate. You can complete a death grant nomination form which can be found [here](#).

Alternatively, you can update this information on your Member Self Service by clicking [here](#).

We may also be able to pay a pension to your spouse, civil partner or eligible cohabiting partner. You can find further information [here](#).

McCloud

As you are aware the McCloud legislation, that introduced changes to the pension scheme to remove age discrimination, came into force on 1 October 2023.

Over the coming months we will be working through the cases we have and we will be in contact with you if you are affected by this ruling. Please be assured that you **do not** need to take any action at this stage.

As a reminder in 2014, the LGPS changed from a final salary scheme (a pension based on your pay when you leave) to a career average scheme (a pension which builds up based on what you earn each year).

Older members who were closer to retirement were protected from the changes. This means when a protected member takes their pension, the benefits payable under the career average scheme are compared with the benefits that would have been built up, had the final salary scheme continued and they receive the higher amount. This protection is called the underpin.

To remove the McCloud age discrimination, qualifying younger members will now receive the underpin protection too. This change came into force on 1 October 2023. Underpin protection only applies to pension built up in the remedy period, between 1 April 2014 and 31 March 2022. The underpin will have stopped earlier if you left the scheme or reached your final salary normal retirement age (usually 65) before 31 March 2022.

From 1 April 2022, there is no underpin protection. Pension built up after this date is based on the career average scheme only.

You will qualify for underpin protection if:

- You were a member of the LGPS or another public service pension scheme before 1 April 2012,
- You were a member of the LGPS at any time between 1 April 2014 and 31 March 2022 and some or all of this membership was before your final salary normal retirement age (usually 65), and
- You do not have a disqualifying gap. A disqualifying gap is a continuous period of more than five years when you were not a member of a public service pension scheme.

If you have more than one period of LGPS membership, you do not have to join up or 'aggregate' these memberships to qualify for underpin protection. If you have membership of another public service pension scheme before 1 April 2012, you will not have to transfer that membership to the LGPS to qualify for underpin protection.

You will also be protected if you join the LGPS after 1 April 2022 and transfer in membership from another public service pension scheme if you:

- Qualify for McCloud protection in the previous public service pension scheme rules, and
- You do not have a disqualifying break.

When can I retire?

Your pension is payable at your Normal Retirement Age, which is linked to your State Pension Age. You can choose to take your pension earlier at the age of 55. Please note, this is due to increase to age 57 in 2028. If you choose to have your pension in payment before your normal

retirement age your pension benefits would be reduced for early payment.

How do I keep updated with my pension?

You will receive an annual pension statement which is produced each August. These statements provide you with the value of your annual pension up to 31st March of that year. This will also provide you with an estimate of how much you might receive if you carry on paying in until your normal pension age. This statement will be attached to your Member Self Service account and an email will be sent to you to confirm when this is available to view.

You can also obtain estimated pension figures using Member Self Service under the 'Benefits Projection' section. With Member Self Service you can input a specific date for the online calculation, and this will provide you with more up to date figures.

Currently we receive some data from employers on a monthly basis, while others are still providing annual data. Therefore, if you notice the salary showing on this screen isn't up to date you can click in the boxes to update these.

If you have not yet registered, you can do so [here](#).

I have a pension from my previous employer, can I transfer this to the LGPS?

Yes, you can! Under the rules and regulations of the LGPS, you can transfer a previous pension within the first 12 months of joining the scheme. You will need to complete a transfer in request form which can be found [here](#).

If you have been in the pension scheme for more than 12 months, unfortunately, we will not be able to accept this request.

What happens if I have more than one job role within the LGPS?

Many people who pay into the LGPS have more than one job role. If this applies to you, you will have two separate pension records and will accrue two separate pension benefits.

If you leave one of your roles, we will then investigate your options to combine your pension records together. The combining of pension records is sometimes automatic, which we will process, and communicate with you, once we have been notified by your employer of your leaving details.

Will my LGPS pension be affected if State Pension age changes?

Yes, the Normal Pension Age in the LGPS is linked to the State Pension age.

Therefore, if your State Pension age changes in the future, this would change your Normal Pension Age in the LGPS. This applies to the benefits built up in the scheme after 1 April 2014.

If you were a member of the LGPS before 1 April 2014, then you have membership in the final salary scheme. These benefits have a different normal pension age, which is usually age 65. This means if your pension is taken early, these benefits may receive a lower reduction for early payment.

You can use a calculator to check your state pension age [here](#).

Pension Board Trade Union

Representative Article

'Hi all, well, it's my turn again to speak about pensions. I don't know why I always took an interest in pensions, probably because of having an older Mum. She was 40 when I arrived, which back then was quite common, I am sure that she would not have liked being called a geriatric Mum. By the time I was an adult Mum was looking forward to her pension at 60.

I have never been great at maths, but I do know what is on my payslip and what all the various payments in and out are for. I thank an ex for that and many other useful financial tips down the years. I always tried to listen when someone explained finance to me, you never know when it'll be useful and over the years, it certainly has been.

The reason I am talking about payslips this time is that many people do not know what they could or should be paying out and why. Tax is pretty easy to see and there are 2 others. National Insurance (NI) and pension contributions listed as (LGPS contributions) on your payslip and if like me you pay your UNISON subs via your payroll that will be coming out as well. I am also an investor in the Suffolk Credit Union too as I think it is a very worthwhile community resource.

National Insurance payments go to the Government to pay towards your state pension, sick pay and maternity benefits. You generally need 35 years of NI contributions to get a full state pension. Historically for women this has quite often been difficult to get as proportionally more women have years out of the workforce to raise children and care for family members.

If you are concerned you might not have full credits, you can contact DWP and try to get your missing credits for years when you provided child care, maybe as a parent or as a grandparent carer, who was not at retirement age, or maybe as a carer to your parent, spouse, sibling or child but you were not able to get carer's allowance, for some reason. It is worth getting a pension forecast to see if you can pay up any missing contributions to get your full state pension.

I'd also like to direct you to an informative podcast on the LGPS from Unison's Head of Pensions if you're interested in listening.

[Why your pension matters, Unison Spotify podcast](#)

Kind Regards, Pauline Bacon

Pauline can be contacted at pauline.bacon@suffolk.gov.uk

Update on the annual report for the Suffolk Pension Fund

Please see the last page of this newsletter below which provides a small update from the annual report, showing key figures and amounts, of the Suffolk Pension Fund for 2023/24.



Can we help you?

Feel free to contact us here:

Pensions@suffolk.gov.uk

03456 053 000 (option 4)

Floor 3, Endeavour House, 8 Russell Road, Ipswich, IP1 2BX

Useful websites:

Suffolk Pension Fund website: [here](#)

Member Self Service website: [here](#)

The LGPS member website: [here](#)

We hope that you have found the content useful and we will be back in January for the next winter edition but in the meantime, enjoy what's left of Summer!

Suffolk Pension Fund

A year in review to 31 March 2024

Please contact our Pensions Helpdesk with any questions:

Pensions@suffolk.gov.uk

03456 053 000 (opt 4)

The Suffolk Pension Fund Annual Report and Accounts sets out the Pension Fund's income and expenditure and its assets and liabilities for the financial year ended 31 March 2024, the governance arrangements for administering the scheme and the work carried out by the Pension Fund Committee, Pension Fund Board and the Pension Fund officers throughout the year.

Employee Contribution Rates can be found online. 'About the Scheme - Membership and Contributions'.

22,605
Active members

2023-24

19,149
Pensioners

£136m
Contributions received

1,411
Retirements in the year

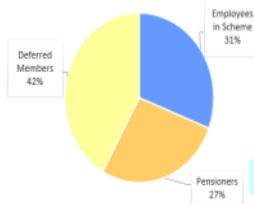
348
Active employers

£127m
Benefits Paid

Plans for the year ahead...

- Further reduce the funds carbon intensity
- Continue on the pathway to Net Zero
- Develop the website for the Suffolk Pension Fund
- Improve the use of Member Self Service and electronic communication

Total Fund Membership: 73,513



The fund recognises the importance of Environmental, Social and Governance (ESG) issues and is committed to responsible investment. Details can be found in the Investment Strategy Statement, on the Suffolk Pension Fund website.

During the year a review of the Additional Voluntary Contribution (AVC) provider was commissioned. These are extra contributions members can make to build up additional retirement benefits outside of the LGPS. A new provider, Legal & General was appointed.

To learn more about the SCC Pension scheme follow the link to the fund's website. Here you will find information on Governance, links to forms, reports and accounts, policies and strategies.

www.suffolkpensionfund.org



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