

# Pension News

Autumn 2020

## An update for Members of the Local Government Pension Scheme (LGPS)

Dear Colleague,

We are pleased to publish the latest edition of our Members Newsletter, which is produced to keep you updated on changes in the Local Government Pension Scheme (LGPS) and other useful information.

## COVID-19 Update

With the COVID-19 (Coronavirus) outbreak creating a fast moving and uncertain situation affecting us all, personally and professionally, we wanted to set out our arrangements for delivering our services to you.

Orbis Pensions remains operational and our aim is to ensure we can maintain vital services during this time. For current information regarding our services, and for other queries you may have regarding how this outbreak may affect your pension, please visit: <https://www.surreypensionfund.org>

## 'Pension Made Simple' Videos

Would you like to know more about your pension?

The LGPS member website has recently uploaded 7 videos to explain various pension topics.

These videos are short, simple and packed with valuable information which can help to answer queries that you might have about your pension.

Please visit the link below to view the videos:

<https://www.lgpsmember.org/more/Videos.php>



## Member Self-Service Portal

---



The 'My Pension' Portal was introduced to allow you to view and update your personal details, update nomination beneficiaries and view your membership details.

Most importantly, you are able to view your Annual Benefit Statements and use the benefit projector tool to calculate your retirement benefits and options, which can help you to plan your retirement.

### What do I need to do?

If you haven't done so, register now by following the three steps below:

- 1) Go to [mypension.surreycc.gov.uk](https://mypension.surreycc.gov.uk)
- 2) If you haven't got a username or password please click on '**Request One.**'
- 3) You will receive an email within 24 hours to complete your registration.

Got a question about the 'My Pension' Portal?

[Please visit our FAQs.](#) You can find them by clicking 'Help' at the top of the portal login page. Or watch our video guide at:

<https://www.youtube.com/watch?v=d06yafxrl7A>

## Your Annual Benefit Statement

---

Once you have logged into the 'My Pension' portal, select **Annual Benefit Statements** from the dashboard. You can download and save your statement, or print it off if you would like a paper copy. Please take the time to check that the details we hold for you are correct.

If you need to change your address, email address or telephone number, you can update these by selecting the **Your Details** tab from the dashboard. To check, create or amend your nominations, please select the **Nominations** tab from the dashboard.

If your marital status has changed, then please email [myhelpdeskpensions@surreycc.gov.uk](mailto:myhelpdeskpensions@surreycc.gov.uk) with your name, National Insurance number, date of birth and a copy of the relevant document to confirm your new marital status, e.g. marriage certificate.

## Tax Controls & Your Pension

---

There are controls on the total amount of contributions you can make into all pension arrangements and receive tax relief on, as well as on the pension savings you can have before you become subject to a tax charge. This is in addition to any income tax you pay on your pension once it is in payment.

There are two controls—the Annual Allowance and the Lifetime Allowance.

The Annual Allowance limit for 2019/20 is £40,000. If you have exceeded this limit, we will write to you by 6 October, to let you know what you need to do. Further details can be found at:

<https://www.lgpsmember.org/ats/about-tax.php>

# The McCloud Judgement

---

When the LGPS changed from a final salary to a career average pension scheme in 2014, protections for older scheme members were introduced.

Similar protections were provided in other public pension schemes.

The Court of Appeal ruled that younger members of the Judges' and Firefighters' Pension schemes have been discriminated against because the protections do not apply to them. The Government has confirmed that there will be changes to all main public sector schemes, including the LGPS, to remove this age discrimination. This ruling is often called the 'McCloud judgement.'

The Government is still considering exactly what changes need to be made to remove the discrimination from the LGPS. This means it has not been possible to reflect the impact of the judgement in your annual benefit statement this year. If you qualify for protection it will apply automatically — **you do not need to make a claim.**

For more information, see the [frequently asked questions on the LGPS member website](#).

## Contribution Bands for 2020/21

---

As a member of the LGPS, the contribution rate that you pay depends upon your annual pensionable salary. Every year, the contribution bands are increased by Consumer Price Index. This year, the increase is 1.7%. The following table shows the contribution bands for the 2020/21 financial year.

Contribution table 2020/21			
If your actual pensionable pay is:		You pay a contribution rate of:	
		main scheme	50/50 section
Up to	£ 14,600.00	5.50%	2.75%
£ 14,601.00	£ 22,800.00	5.80%	2.90%
£ 22,801.00	£ 37,100.00	6.50%	3.25%
£ 37,101.00	£ 46,900.00	6.80%	3.40%
£ 46,901.00	£ 65,600.00	8.50%	4.25%
£ 65,601.00	£ 93,000.00	9.90%	4.95%
£ 93,001.00	£ 109,500.00	10.50%	5.25%
£ 109,501.00	£ 164,200.00	11.40%	5.70%
£ 164,201.00	or more	12.50%	6.25%

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, your CARE pension was increased by 1.7% on the 1 April 2020.**

# Buying Additional Pension Contributions (APCs)

APCs are designed for members who are looking to increase the pension benefits that they will receive.

Most of us look forward to a happy and comfortable retirement and in order to enhance this, you may wish to consider paying extra contributions.

## How much pension can I purchase?

If you are in the main section of the LGPS, you can pay additional contributions to buy up to £7,194 of extra pension. You can choose to pay for the extra pension by spreading the payment of the APCs over a number of complete years or by paying a lump sum amount.

If you wish to spread the payment, the regular contributions would be deducted from your pay, just like your normal pension contributions. Your normal contributions plus the APCs are deducted from your pay before your tax is calculated, so if you pay tax, you receive tax relief automatically through the payroll.

If you wish to buy extra pension by paying a one-off lump sum, you can do so via your pay and will receive immediate tax relief. Alternatively, you can make a payment directly to the Surrey Pension Fund.

If you choose to make the payment directly, you will need to arrange tax relief yourself via HMRC. You can do this via your self assessment tax return or by calling or writing to [HM Revenue and Customs \(HMRC\)](#).

Tax relief is available on all pension contributions up to 100% of your taxable earnings.

## How do I apply?

The minimum period of time that you can spread the payment of APCs over is 12 months, and the maximum is the number of years to your normal pension age.

Your normal pension age is linked to your [State Pension age](#) (but with a minimum of age 65). If you are a year or less from your normal pension age you can only pay by lump sum.

You cannot elect to buy extra pension if you are in the 50/50 section of the LGPS.

For more information, please go to [www.lgpsmember.org](http://www.lgpsmember.org) and select **Already A Member > Increasing Your Pension Benefits**. The link to the below calculator can be found on the right hand site of that page.

**Please note that you may need to complete an application and medical form, these can be found by contacting the Helpdesk.**

### Buy Extra Pension - Get a Quote

Click where you see this image to display help

To get a quote enter the details for calculation below then choose your payment method - EITHER regular payments OR a one off lump sum. For your chosen method enter EITHER (a) the extra annual pension you wish to buy OR (b) the amount that you can afford to pay. DO NOT ENTER BOTH. If you choose regular payments please also enter the number of years over which you wish to pay APCs and your pay frequency.

Details for calculation		Regular Payments	OR	Lump Sum Payment
1. Gender	<input type="text" value="-- select --"/>	5(a). Pension £ <input type="text"/>	<input type="radio"/>	8(a). Pension £ <input type="text"/>
2. Date of Birth	<input type="text" value="00"/> <input type="text" value="00"/> <input type="text" value="YYYY"/>	OR	<input type="radio"/>	OR
3. Section of scheme	<input type="text" value="--select--"/>	5(b). Amount £ <input type="text"/>	<input type="radio"/>	8(b). Lump Sum £ <input type="text"/>
4. Percentage your employer has agreed to pay	<input type="text" value="0"/> %	6. Pay frequency <input type="text" value="-- select -"/>	<input type="radio"/>	9. Payment method <input type="text" value="-- select -"/>
		7. Years (whole) <input type="text"/>		
		<input type="button" value="Get results"/>		<input type="button" value="Get results"/>

# How Your Pension is Invested

---

The LGPS, unlike other pension schemes in the public sector, is funded. This means that benefits are backed by a pension fund.

As a scheme member, you will pay contributions to the pension fund, as does your employer and these contributions are invested to provide additional returns.

Every three years, an independent actuary values the money held in the fund and calculates how much your employer should contribute to the scheme. This ensures that the pension fund can meet the ongoing liabilities, such as payment of pensions, etc.

## How are the funds invested?

Surrey Pension Fund believe it is just as important to inform our Members how their pensions are being invested, in addition to how we ensure they are getting paid.

Following a competitive tendering exercise, the Surrey Pension Fund had appointed an independent provider to understand how it can further contribute towards the United Nations Sustainable Development Goals (UN SDGs).

The United Nations [2030 Agenda for Sustainable Development](#), adopted by all United Nations Member States in 2015, provides a shared blueprint for peace and prosperity for people and the planet, now and into the future.

At its heart are the 17 [Sustainable Development Goals \(SDGs\)](#), which are an urgent call for action by all countries - developed and developing - in a global partnership.

The SDGs recognize that ending poverty and other deprivations must go hand-in-hand with strategies that improve health and education, reduce inequality, and spur economic growth – whilst tackling climate change and working to preserve our oceans and forests.

The Surrey Pension Fund Committee, working with Officers, the Fund's Independent Advisor and the Local Pensions Board have, over a number of years, been exploring how the Fund can continue to enhance its approach as a responsible long-term investor, more closely incorporating Environmental, Social and Governance (ESG) factors into the selection, management and retention of the Fund's investments.

We also aim to go further to make more impactful investments with our Members' pensions, which directly contribute towards these SDGs.

We encourage our Members to follow us on this journey, either by contacting the Pension Fund at: [pension.fund@surreycc.gov.uk](mailto:pension.fund@surreycc.gov.uk)

or by keeping up-to-date of our upcoming Pension Fund Committee meetings at:

<https://mycouncil.surreycc.gov.uk/ieListMeetings.aspx?Committeeld=334>



## Beware Scammers

---

Scams remain a huge problem within the pensions industry, with people often losing vast sums of money.

Scammers are using the COVID-19 pandemic to take advantage of the current financial uncertainty.

They are approaching members, promising attractive offers to get them to transfer their pension pot or to release funds from it.

### For further information:

Please visit the Financial Conduct Authority, the Pensions Regulator website and the LGPS website:

[fca.org.uk/scamsmart](https://fca.org.uk/scamsmart)

[thepensionsregulator.gov.uk](https://thepensionsregulator.gov.uk)

[lgpsmember.org/more/scams.php](https://lgpsmember.org/more/scams.php)



## Tell Us Once Service

---

Tell Us Once is a service that lets you report a death to most government organisations all at once.

Orbis Pension Services have teamed up with the Tell Us Once service to avoid any pension payments being overpaid.

If your representatives use the Tell Us Once service, we will be notified and will contact them for further information.

## Changes to LGPS

---

Parental Bereavement Leave and Pay regulations came into force from **6 April 2020**.

If you are absent for this reason, your pension will be unaffected from any period of reduced pay.

## Retirement Planning

---

The Pensions and Lifetime Savings Association have launched the Retirement Living Standards to help you plan your retirement.

Please visit the link below to view the guidance:

[www.retirementlivingstandards.org.uk/](https://www.retirementlivingstandards.org.uk/)

### Contact Us


View your pension online:  
[mypension.surreycc.gov.uk](https://mypension.surreycc.gov.uk)

Problem accessing the 'My Pension' portal?

 0300 200 1034

 0300 200 1031

 [myhelpdeskpensions@surreycc.gov.uk](mailto:myhelpdeskpensions@surreycc.gov.uk)

 Orbis Pension Services  
Room 218, County Hall,  
Penrhyn Road,  
Kingston Upon Thames

KT1 2DN