



Local Government Deferred Members Newsletter

LPP

Local Pensions Partnership

Deferred Members Newsletter May 2019



The Government Standard

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Welcome to the 2019 Deferred Members Newsletter



Dear Member,

I'm delighted to have this opportunity to introduce myself, I joined Local Pensions Partnership (LPP) in April 2019 as Director of Pension Administration. I started my career as an actuarial student working for what was then Bacon and Woodrow, where I was involved in all aspects of pension scheme valuations and benefit calculations. I moved to Countrywide Assured into a broader actuarial role in life and pensions that included calculating redress for opt-outs and non-joiners as part of the personal pension mis-selling scandal and product disclosure.

In 2003, I joined the Co-operative Group, and held a number of different strategic and commercial roles and was also employer nominated Trustee and Investment Committee member of the Group's United Norwest pension scheme. In my last role as Commercial Director at Avalon, I was accountable for delivery of auto-enrolment.

As a pensions administration provider our aim is to deliver quality, value for money services underpinned by increased automation, efficiency and member self-service. We are also more focused on the benefits of good communications, for a few reasons. Firstly, it allows you to understand your predicted financial situation at retirement, and therefore adequately prepare.

From a fund perspective, member communications also gives us a window into what our members want from us and ensures we continue to innovate in response to member demand while remaining transparent and accountable.

In my role at LPP I'm most looking forward to making a difference. It's a cliché but we have so many dedicated and knowledgeable people and some amazing opportunities to really make a difference. I'm looking forward to bringing my diverse skills and experience to continue to drive a programme of building a strong and sector-leading pension administration offering which focuses and delivers on increased operational efficiency for clients, tailored and effective member communications, robust risk and data management, leveraging on LPP's heritage and expertise.

Jo Darbyshire

Director of Pension Administration
Local Pensions Partnership



Pensions Increases

The annual inflationary adjustment we have applied to deferred benefits in April 2019 has been set at 2.4%. This is based on the increase in the Consumer Price Index (CPI) over the 12 months to September 2018. In the majority of cases, members whose last day of membership is after 23 April 2018 are not entitled to the full 2.4% increase on the part of their deferred benefits that relates to membership built up before 1 April 2014.

Please note. Where you draw your deferred benefits before age 55 on ill health grounds, we will commence paying the inflationary increase element from your 55th birthday unless you satisfy certain further ill health conditions.

Recent Court Rulings

Brewster

A recent court case has led to partners pensions potentially being payable where a former member of the LGPS dies leaving a cohabiting partner, the fund no longer needs to rely on a nomination form having been completed before the death of the member.

Walker

A Supreme Court ruling (Walker v Innospec) has resulted in scheme amendments to make sure that a same sex partner is not paid less than an opposite sex partner would have been paid. We have carried out a review of any partner currently in receipt of such a payment and have amended payments accordingly.

Amendments to LGPS Regulations

Early Retirement option from 55

As you may remember last year, we told you about a change in the regulations that meant you may be able to access your deferred pension from age 55. We can now confirm that the regulations have been amended and allow you to claim your deferred Local Government Pension at any point from 55 onwards - albeit with reductions for early payment likely.

Changes to pre- April 2014 AVC contracts

If you were a member of the LGPS on or after 1 April 2014 and you paid Additional Voluntary Contributions (AVCs) and the contract to pay those AVCs started before 1 April 2014, you will see some changes in how you can take your AVC plan.

When you take your AVC plan:

- you can now buy additional pension from the LGPS with your AVC plan when you take your benefits from the scheme. Before the change, this option was only available to members who took immediate payment of their main scheme benefits and their AVC plan when they left the scheme.
- when you take your main scheme benefits you will no longer be able to leave your AVC invested and take it later.
- if you die before taking your AVC and a lump sum is to be paid from your AVC plan, your pension fund now has absolute discretion over who to pay that sum to (rather than it having to be paid to your estate).
If the lump sum is paid at the discretion of the pension fund it does not form part of the estate and will not be subject to inheritance tax.

For information about the other ways you can use your AVC plan see [the national LGPS website](#).



Member Self Service



Take charge of your pension

My Pension Online – Member Self Service allows members to obtain information about their pension quickly and easily. We have introduced a more user-friendly version of My Pension Online – Member Self Service which will enable you to better navigate the system. All existing members who have signed up have already been moved onto the new version automatically and there will be no requirement to re-register.

When we need to contact you about your pension our preferred way of sharing information is via My Pension Online – Member Self Service.

Benefits of registering for this service are:

- Change contact details quickly and securely
- Change your email address
- Forecast your pension at normal retirement age
- View nominated beneficiaries for death grant (if applicable)
- View factsheets and access forms
- Contact Your Pension Service

For those members who feel they need support in using the online portal they can call our Contact Centre on 0300 323 0260.



Preventing Online Pension Scams

It's great that we have more ways of accessing information such as your pension information and online banking on your computers, smartphones and tablets. The internet is such a wonderful thing and has so many positive aspects, however it has also become a platform for a new wave of crime called Cyberattacks and Cyber Scams. These types of threats are caused by criminals who use the internet to try to con you into giving them your money or your personal information to commit fraud.

It is therefore very important to stay safe whenever you are connected to the internet and [safe guard your pension](#) and all of your personal details and bank accounts at all times.

Here are 10 tips to staying safe online:

1) Never respond to any emails requesting you to open an attachment, follow a link or divulge your personal information unless it is from a trusted source. These malicious emails are commonly referred to as phishing emails. Phishing emails are emails that seem to have come from a trusted or recognisable source. These emails could also be targeted and come from a seemingly trusted source that knows you (spear phishing). The emails could refer to you by name and the content might address some information that is specific to you. Again, be wary of these emails as the giveaway would be the fact that it requires you to take action.

We will never send you any email requesting your personal information neither will we send you a link to download information that might be harmful to your systems. All email correspondence from us will direct you to the My Pension Online – Member Self Service Website where you can log in as usual via our secure portal.

2) Do not give any personal information over the telephone during a call that you have not initiated. If you receive a call and the caller is requesting information which you might deem sensitive or confidential then it is ok to say "NO" and end the call. These criminals might also call pretending to be from a company like Microsoft or Google claiming you have an issue with your PC, and they would like to remotely connect to your device to resolve the issue. Please do not allow them to connect.

3) Take care when visiting websites. Before you complete any secure transactions on any websites, ensure the green padlock with the https:// symbol is showing in the browser search bar. This means that the websites have been set up to securely manage and encrypt your transactions.

4) Always use strong passwords such as a mix of upper and lower-case characters, numbers and symbols. Never share this information with anyone else or leave it written down where anyone may see it.

5) Always install a good quality anti-virus software on your computer systems, this will protect you from malware and all types of computer viruses.

6) Never leave your devices unattended. If you need to leave your computer, phone, or tablet for any length of time no matter how short, lock the screen so nobody can use it while you're gone. If you keep sensitive information on a flash drive or external hard drive, make sure this is secure too.

7) Be mindful of the information you post on social media such as Facebook, Twitter and Instagram, please make sure you don't share personal confidential information that scammers can use to defraud you such as your whereabouts, your telephone number, your birthday and address details.

8) Be wary of anyone you may meet online, they may not be who they say they are.

9) Keep your systems regularly updated with software updates so you always have the latest version of your applications. The latest updates will provide you with the latest protection from any malicious activity.

10) Be careful what you plug into your PC such as free giveaway USB sticks and electronic equipment with USB charging. These products could contain viruses and malware that could infect your device.



Are you single and living with your partner?

For deaths occurring from 1 April 2014, the condition that you must have nominated your cohabiting partner for them to be eligible to receive a survivor pension no longer applies. Nonetheless, to speed up any process after your death, you may tell us about your cohabiting partner by completing the nomination form and returning it to the address shown on the form. The form can be found by visiting www.yourpension.org.uk and selecting your fund.

At your death, your cohabiting partner will be eligible to receive a survivor's pension provided you built up membership in the scheme on or after 1 April 2008 and the Fund is satisfied that the relationship met the following conditions for a continuous period of at least 2 years on the date of death:

- both you and your cohabiting partner are, and have been, free to marry each other or enter into a civil partnership with each other, and
- you and your cohabiting partner have been living together as if you were husband and wife, or civil partners, and
- neither you nor your cohabiting partner have been living with someone else as if you/they were husband and wife or civil partners, and
- either your cohabiting partner is financially dependent on you or you are financially interdependent on each other.

Lump Sum Death Grant

As well as survivor pensions, we will also pay a death grant where you die before you start drawing your deferred benefits. How we calculate the death grant will depend on when you left the scheme. Generally speaking, if you left before 1 April 2008, the death grant will be equal to the deferred retirement grant; if you left on or after 1 April 2008, the death grant will be equal to five times your deferred annual pension.

Please note that if you return to active membership in LGPS (England or Wales), keep your deferred benefits separate from your new active record, and later die in service, multiple death grants will not be payable. Only the highest death grant available would be payable.

The fund has complete discretion over who they pay the death grant to, although the fund will give full consideration to your 'Expression of Wish - Death Grant Form'. If you have not already completed this form or want to amend it, you can download a copy from our website www.yourpension.org.uk.

You can check your nomination details via 'My Pension Online'.

Interfund Transfers

Have you re-joined in a different LGPS fund?

If you have re-joined the Scheme in a different LGPS Fund (England & Wales), you must tell the new fund about your deferred benefits with us. This is because you may be able to combine your benefits together. As there are time limits, you must tell them as soon as possible.

Where you hold benefits in different LGPS funds (England & Wales), whether or not you wish to combine, to ensure you receive the correct entitlement, you must make sure that each LGPS fund knows about your benefits in the other funds.



Our Contact Details

 Tel: 0300 323 0260

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