

June 2020

Deferred Member Newsletter 2020

Your deferred pension forecast for 2020 is now available to view on the My Pension Online service and instructions on accessing it are shown in the next section. The service is a quick and easy way to keep track of your pension.

Our office building is temporarily closed due to Government advice on Covid-19 and colleagues are working from home. We remain fully functional and you can continue to contact us online, by email or, if urgent, by phone. Visit www.lpf.org.uk for updates on our service.

View your forecast online

Visit www.lpf.org.uk/online to register or sign in then choose My Documents/Forecast from the dashboard.

Forgotten your password or security details? Reset them yourself using the links on the sign in page.

Take your pension from age 55

You can take your pension from age 55 onwards as long as you're not still employed in the post you paid contributions for. This means you can't take your pension if you just opted out of the post. Benefits taken before your Normal Pension Age which for most is linked to the State Pension Age (and set by the UK Government so may change in the future) would be reduced as you're taking them early. You can estimate your benefits using the My Pension Online service, which will also show any reduction applied.

Step 1: Register or sign in at www.lpf.org.uk/online.

Step 2: Choose Pension Benefit > Benefit Projectors > Voluntary Retirement from age 55.

Step 3: Change to the date you want to receive your pension.

Step 4: Estimate shown with reduction that may apply.



Do it online

My Pension Online is a secure online portal designed to help you manage your pension. It's simply the quickest, easiest and safest way to manage your pension. You can do the following online:

- update your address (we lose touch with members each year as they forget to tell us)
- check your pension
- upload documents securely
- use the calculator to model benefits
- view survivor's benefits
- make or change your nomination online
- complete and return forms online without having to worry about paper and postage.

Annual Pension Increase

Deferred pensions were increased in April 2020 by 1.7% for those receiving the full annual increase. This increase is based on the Consumer Price Index at September 2019.

Swap pension for extra tax-free cash

When you take your benefits, you can swap £1 annual pension for £12 of tax-free lump sum up to a maximum of 25% of the total value of your pension benefits.

Can I take my benefits before age 55?

Your pension can be paid earlier than age 55 if our occupational health adviser decides you could have retired because of permanent ill health if you'd continued in your previous job. Deferred members who left pensionable employment before 1 April 2009 can also access their deferred between 50 and 55 on compassionate grounds. Contact us for further details if you think this may apply to you.

McCloud judgement

You may have heard about the McCloud judgment. This said that the 2015 public sector pension reforms treated members differently based upon members' age by including protection for those approaching retirement.

The LGPS is currently reviewing its regulations to extend the protection to all members who were in the scheme after 1 April 2015. If you qualify, the protection will apply automatically. We've also heard some firms are offering to help members with this but as we'll be automatically applying the protection to all those eligible, there's no need to use a firm to make a claim.



Can I cash in or transfer out my benefits?

You can take your pension from age 55 onwards but there will be a reduction for early payment. You must take all your benefits at one time; you can't access a lump sum separately like you can with some personal pensions. You can transfer your pension benefits into a new scheme as long as you're not being paid a pension by any Scottish LGPS and you complete it at least a year before your Normal Pension Age (shown on your forecast). You must transfer all your deferred pension benefits held under the Scottish LGPS.

If the value of your Scottish LGPS benefits is over £30,000, you'll need to take financial advice and pay for

it yourself. You can get free and impartial help at www.pensionwise.gov.uk.

However, the Pensions Regulator regularly warns about the dangers of websites, cold calls and advertisements claiming to provide loans or unlock tax-free cash from pension pots. These arrangements will reduce pension benefits and may attract significant tax charges. See more information at www.lpf.org.uk/transferout.

Before you consider transferring your pension, visit www.fca.org.uk/scamsmart to find out how pension scams work, how to avoid them and what to do if you suspect a scam.

Paper forecast

You can print your forecast using the My Pension Online service. If you don't have access to a printer, you can request a paper forecast by emailing your name and National Insurance number to pensions@lpf.org.uk.

What happens if you re-join the LGPS?

If you've taken up a new job that offers Scottish LGPS membership, your previous benefits can be joined with your new pension unless you tell us within 12 months of re-joining to keep them separate. If you choose not to be a member of the Scheme, you can opt out at any time. Visit www.lpf.org.uk/members for more details.

Annual Report 2019/20

Our unaudited Annual Report and Accounts for 2019/20 will be available at www.lpf.org.uk/annualreport with the audited version available in the Autumn.

Disclaimer and privacy

The information in our leaflets, website and letters do not override any legislation which will prevail in any dispute. These are not intended to constitute financial advice. Our leaflets and website provide a guide to the Local Government Pension Scheme in Scotland and do not cover every circumstance. They should therefore be used as a guide and are for information only. We use factors set by the Government Actuary to work out any reduction or enhancement to benefits, for example early or late retirements and divorce. These factors can change from time to time and may affect the figures shown.

We use the information you give us (and in return the information we give you) to do the tasks required for the administration of your pension, to carry out the Fund's official business and to help stop crime and prevent fraud. Under Data Protection Laws, Lothian Pension Fund (acting as administrating authority for The City of Edinburgh Council) is the Data Controller (the holder, user and processor) of the pension information held about you. You can see our privacy statement on our website at www.lpf.org.uk/privacy.