

# Pension News

Autumn 2023



An update for  
active  
members in  
the Local  
Government  
Pension  
Scheme  
(LGPS)

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We are pleased to publish the latest edition of our Newsletter; produced to keep you updated on any changes to the Local Government Pension Scheme (LGPS) which may affect you. Inside you'll also find useful information about your pension and other areas of interest.



## Annual Allowance Reminder

The annual allowance is the limit by which your pension savings can increase by in any one year without having to pay extra tax. The limit for the tax year 2022/23 was £40,000, and we will be writing to members who exceeded this limit by 6 October 2023.

Most people will not be affected by the annual allowance. However, if you do receive a letter, please do not ignore it. Following the Budget in March this year, the annual allowance limit for the tax year 2023/24 increased to £60,000.

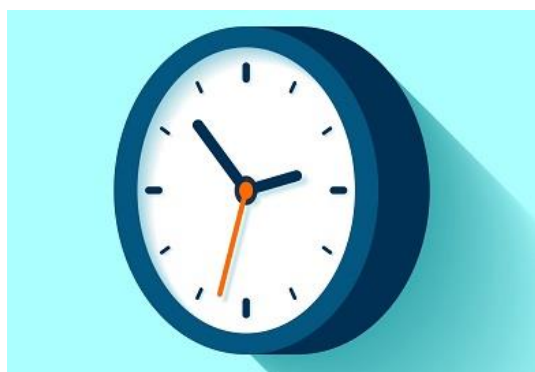


# Thinking of Taking your Pension?



## Change to minimum pension age

Did you know that you do not need to have reached your Normal Pension Age in order to take your pension? You can retire and take your LGPS pension at any time from age 55 to 75, as long as you have met the two-year vesting period. **You must take your pension by age 75.**



### Flexible Retirement

Provided your employer agrees and they have a policy in place, you can even take your pension without leaving. This can be done by either reducing your hours or moving to a less senior position – this is called flexible retirement. If you choose to take your pension before your Normal Pension Age, your pension benefits will normally be reduced, as they are being paid early.

### Redundancy/Business Efficiency Retirement

If you are aged 55 or over when you are made redundant or retired in the interests of business efficiency, you will receive immediate payment of the benefits that you've built up - provided you've met the two years vesting period.

Your main LGPS benefits would not be reduced for this early payment. But, any additional pension you have bought would be reduced if you are under your Normal Pension Age when you retire.



### Future Change to Minimum Pension Age

The Finance Act 2022 became law in February 2022. It includes the provision that the Normal Minimum Pension Age (NMPA) will increase from age 55 to 57 from 6 April 2028.



## Factor Changes



### Changes to factors for early retirement and late increase

On 30 March 2023, the Government announced a change to the Superannuation Contributions Adjusted for Past Experience (SCAPE) discount rate. The SCAPE discount rate is used to determine the actuarial factors that are applied across Public Service Pension Schemes such as the Local Government Pension Scheme (LGPS).

#### What does this mean?

As a result, we are expecting changes to the factors that apply if you were to make the decision to retire earlier than or, later than, your Normal Pension Age (NPA).

#### What do I need to do?

Whilst we keep members informed of changes by way of our newsletters and Annual Benefit Statements, we also recommend that you regularly visit the [national LGPS member website \(www.lgpsmember.org\)](http://www.lgpsmember.org), where you can find updates on the latest news affecting LGPS pensions. The LGPS member website also has lots of helpful information about the LGPS, together with Frequently Asked Questions and Pension Made Simple videos.



## McCloud Remedy in the LGPS

### Information on the McCloud judgment

#### What is the McCloud Remedy?

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 sector pension schemes. The Court of Appeal ruled that younger members of the Judges' and Firefighters' Pension schemes had been discriminated against because the protections do not apply to them.

The Government confirmed that there will be changes to all public sector schemes, including the LGPS, to remove this age discrimination.

This ruling is often called the 'McCloud judgment' or McCloud remedy.

Legislation has now been made to allow Public Sector Schemes to implement the McCloud remedy. The final regulations will be coming into force on 1 October 2023.

#### What should I do if I qualify for protection?

Protection will apply automatically - you do not need to make a claim. Please visit the [national LGPS member website \(www.lgpsmember.org\)](http://www.lgpsmember.org) for further information on the McCloud remedy together with a factsheet and frequently asked question.



# Annual Benefit Statement



## What Annual Benefit Statements are and how they work

If you are a member of the Local Government Pension Scheme, your 2022/23 Annual Benefit Statement (ABS) will be available on the 'My Pension' Portal by 31 August 2023.

### What is a benefit statement?

Your benefit statement is an annual summary of your pension benefits. It tells you the value of your pension benefits at the previous 31 March. It includes how your pension is revalued in line with the cost of living and what it could be worth in the future. As the LGPS is an occupational pension scheme, this means it is linked to your pay for each job that you do. If you have more than one job, you will receive a different ABS for each role.

### What is an ABS useful for?

Your ABS is a handy way to help plan ahead to what your lifestyle could be like in retirement. It may help you when you're making decisions about your retirement or when using our online benefit projector tools.

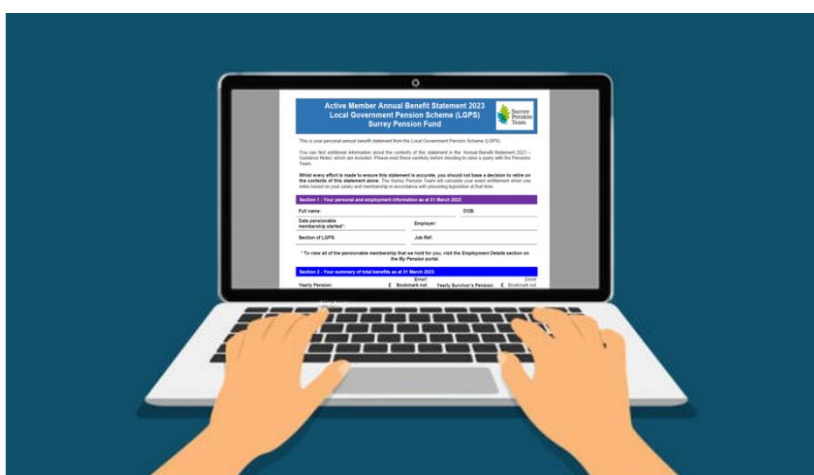
### How do I view my ABS?

You can view your ABS, as well as any previous statements online on the '[My Pension' Portal](http://www.mypension.surreycc.gov.uk) (www.mypension.surreycc.gov.uk). Once you have logged into the 'My Pension' portal, select the Annual Benefit Statements tab from the dashboard. From here you can download and save your statement(s) or print them off.

### ABS guide and video

View our step-by-step Annual Benefit Statement guide [here](http://www.surreypensionfund.org/forms-and-publications/annual-benefit-statement-guide-2022) (www.surreypensionfund.org/forms-and-publications/annual-benefit-statement-guide-2022)

You can also find our ABS video guide [here](https://youtu.be/aGmX6oeu-vg) (https://youtu.be/aGmX6oeu-vg)





## How to Register to the 'My Pension' Portal

To register to the 'My Pension' portal, you must go to

<https://mypension.surreycc.gov.uk/>, select the 'Request one' button and follow the instructions.

You will be asked the following information:

- Surname
- National Insurance Number
- Date of Birth
- Email address

You can also view our [video on How to Register](https://youtu.be/6l1mX_7H06M) (youtu.be/6l1mX\_7H06M).

## Member Self Service

Did you know the 'My Pension' portal is completely free to use, with a collection of useful tools. You can update personal information such as your address and contact number.

You also have the option to amend or add who you want to nominate to receive a lump sum death grant.

You might also want to use the benefit projectors to calculate the value of your pension if you retired before, at, or after your normal pension age.



Providing our customers with  
a better tomorrow

### Our Contact Details

 **0300 200 1031**  
 **Surrey Pension Team**  
**PO Box 465**  
**Reigate, RH2 2HA**

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

Problem accessing our portal?

 **0300 200 1034**