

# SUFFOLK PENSION FUND

Active Member Newsletter



## Introduction

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

## Key benefits of contributing into the LGPS

- A secure pension payable for life
- Tax relief on the contributions that you pay.
- Your family can enjoy financial security
- You can have your pension in payment between age 55 and State Pension Age
- You have the option to exchange annual pension for a tax-free lump sum

## Your contributions

Your contribution rate is based on how much you are paid. If you are in the main section of the scheme this is between 5.5% and 12.5% of your pensionable pay. For members in the 50/50 section of the scheme the percentage of contributions is halved.

The contribution bandings for members of the LGPS are set by Government each year. This is not your employer’s decision but they will decide which pay band you fall in and therefore what contribution rate you will pay.

If your actual pensionable pay is:	You pay a contribution rate of:
Up to £17,600	5.5%
£17,601 to £27,600	5.8%
£27,601 to £44,900	6.5%
£44,901 to £56,800	6.8%
£56,801 to £79,700	8.5%
£79,701 to £112,900	9.9%
£112,901 to £133,100	10.5%
£133,101 to £199,700	11.4%
£199,701 or more	12.5%

Your employer will set your contribution rate separately for each job that you have, and may decide to review your contribution rate periodically.

## McCloud Update

The McCloud remedy has introduced changes to remove some previous age discrimination that existed when the LGPS changed in 2014 from calculating pensions based on final salary to being a career average scheme.

If you are affected, we will be in contact with you in due course. Please be assured that you do not need to take any action until then. The LGPS member website has a quick tool that will help you check whether this protection applies to you. [Am I affected? :: LGPS](#)

### Want to contribute more to your pension?

There are two ways you can do this.

#### APCs

You can buy up to £8,344 of extra yearly pension in the LGPS with Additional Pension contributions (APC). You can contribute in monthly instalments or a lump sum. The cost of buying extra pension depends on your age, how much yearly pension you buy and how you choose to spread the payments.

#### AVCs

Using our in-house provider, Legal and General, you can purchase additional pension with Additional Voluntary Contributions (AVC). You have your own personal account and you decide how the money in your pot is invested.

Further information can be found [here](#)



## Have you signed up for Member Self Service?

Member Self Service (MSS) is an online account where you can keep up to date with your pension. Please see link below where you can register. [pensions.suffolk.gov.uk](https://pensions.suffolk.gov.uk)

## Death Grants: Have you Nominated?



If you die in service, there is usually a one-off lump sum death grant payable to your next of kin. This is usually calculated as 3 times your annual pensionable pay.

If a death grant is payable, it will generally be paid to either:

- The person(s) named on your Death Grant Nomination
- Your estate, if you have not completed a Death Grant Nomination which will delay payment.

To provide a nomination, please log into your Member Self Service account [here](#).

# COMING SOON

We will soon be launching our new online member self-service system called Engage. This will replace our current Member Self Service (MSS) system. If you already have an MSS account you will receive an email when we launch the system explaining how to access the new system. Engage offers a number of improvements including a simplified registration process, more calculators to help you plan for retirement and the opportunity to upload documents securely to your account.

If, however, you do not already have an online account with us to view and keep up to date with your pension, you can start the registration process to Engage when we are live.

A communication regarding this will be sent all employers in the fund at the time.

Our existing Member Self Service system [pensions.suffolk.gov.uk](https://pensions.suffolk.gov.uk) is still available if you wish to sign up in the meantime, to ensure you receive the e-mail when Engage is live.

We look forward to welcoming you on to Engage very shortly!



## CHECK YOUR JUNK!

Sometimes our emails may be forwarded to your junk inbox.

Please ensure you check your junk/spam inbox to see if the email appears there.

## CONTACT US

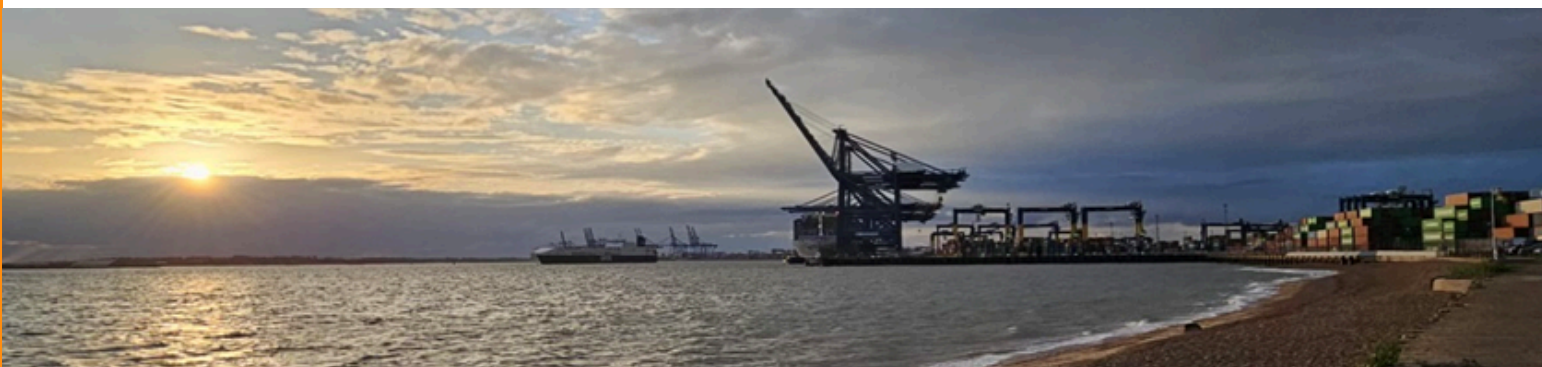
Gold Floor 3, Endeavour House,  
8 Russell Road, Ipswich, IP1 2BX  
03456 053 000 (option 4)  
***Pensions@suffolk.gov.uk***

## USEFUL WEBSITES

Suffolk Pension Fund: [here](#)

Member Self Service: [here](#)

The LGPS member  
website: [here](#)





# YOUR PENSION

## How is it worked out?

The LGPS is currently split into two parts. The Final Salary scheme and the CARE scheme (Career Average Earnings Scheme). Benefits accrued from 01/04/2014 are part of the CARE scheme and 1/49th (or 1/98th if in the 50/50 section) of your pensionable pay value is put into your pension account each year. This is then revalued each year in line with inflation.

Benefits accrued prior to 01/04/2014 are part of the final salary scheme. For membership built up between 1 April 2008 and 31 March 2014 you receive a pension of 1/60th of your final pay for each year of service (pro-rata'd for part-time working).

For membership before 01/04/2008, you receive a pension of 1/80th of your final pay for each year of service (pro-rata'd for part-time working) plus an automatic lump sum of three times your pension.

Your final pay is usually your pensionable pay in the last 12 months before you leave the Scheme. Pay from one of the previous two years can be used if it is higher. For further information, please follow the link to the LGPS website [here](#).

## When can I start taking my pension?

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 may be reduced for early payment.

We will need to receive confirmation from your employer of your retirement before we can put your pension into payment. Once you have your confirmed retirement date, please let us know and we will then send you your retirement documents for completion.

## Do you have a pension elsewhere?

Under the Local Government Pension Scheme rules, all members have the option to transfer a previous pension into the Suffolk Pension Fund. However, this request has to be made within 12 months of joining the scheme.

To start this process you will need to complete a transfer in request form which can be found [here](#).

Your transfer options are linked to the type of previous pension you have. You can find details of these [here](#).

Deciding whether to transfer a previous pension is an important decision. You should get independent financial advice before making any decision to transfer pension rights into the Scheme.



## Pension Board Trade Union Representative Article

I can't believe a year has already passed since I wrote my last article for the newsletter. I've learnt a lot through the regular training sessions and information passed to us by the experts who work within the Pensions section. I still have a lot to learn however, so value the training that is on offer.

There is a lot going on in the Pensions world this year. The Suffolk Fund has its triennial valuation this year. The purpose of this is to review each employer's funding position within the fund and to set the level of the employer's contribution to our pensions for the next 3 years. The employer's contribution to my pension is a figure I see on my payslip each month alongside what I have contributed, and I'd often wondered how this figure was determined. Although the Suffolk fund is referred to as "a fund", within it each employer is responsible for their own employees' pension payments whilst they are at work but also when they retire. I knew employers had different contribution % rates but I wasn't sure why, so the work we have done on this has increased my understanding. The Pension Fund Committee are responsible for the results and impact of the valuation but the Board have oversight of this so we can fulfil our duties. The Board also contains representatives for the Employers who look after their interests.

As someone with a constant eye on my pension and when I am able to retire, I am a regular user of the online pension self-service facility. All your personal documents will be available in there to view - yearly pension statements as well as guidance documents and LGPS information. The system allows you to select different retirement dates (from age 55 currently but moving to 57 from 06.04.2028) and see an estimate of what your pension / any lump sum may be. I have found this a really useful tool for future planning to see if I think it's enough to do all the things I hope to do when retired. The Pensions Administration team are bringing in an upgraded self-service system called 'Engage' (please see article in this newsletter). It will have added functionality and a wider range of tools to help members with retirement planning. I can't wait to get started in there as my view is that it's never too early to think about retirement. Look out for the communications around this – it's already a helpful tool in its current format.

One of the Pension Board's more pleasurable responsibilities is to review compliments that have been received by the Pension Administration Team which are above and beyond the usual thanks.

For the customer to receive such helpful and clear information on their issue, possibly at a time of great distress, is everything the service would wish to do. As a Local Government employee of over 30 years, an acknowledgement from someone I have helped has always been my greatest motivator. I hope those who received the compliments feel the same pride I would have felt if I'd been on the receiving end.

If you wish to contact me in connection with my role as the active member representative, I can be reached at [kay.davidson@scpha.gov.uk](mailto:kay.davidson@scpha.gov.uk).