

aboutMyPension

Fife Pension Fund

aboutMyPension is for information. Any decision made in regards to your benefits is made in accordance with the overriding LGPS (Scotland) Regulations as amended.

2019

Hello and welcome to the 2019 About My Pension newsletter which provides you with information about your Local Government Pension Scheme (LGPS) benefits and the Fife Pension Fund.

In this edition we highlight the benefits of being a LGPS member and to be aware of pension scams.

You can also find lots of information about the LGPS as well as links to forms, guides and news bulletins on our website at www.fifepensionfund.org

Your 2019 Annual Benefit Statement

Your 2019 statement is now available to view by logging in to your MSS (Member Self Service) account.

You can access your MSS account by going to our website at www.fifepensionfund.org and clicking on the link to Member Self Service at the top of the home page.

If you have not yet registered, you can do so now by going to www.fifepensionfund.org clicking on the Member Self Service link at the top of the home page and following the registration instructions. If you have any problems registering with MSS, there's a registration guide on the forms and publications page of the website.

Once registered, you will also be able to

- View your annual benefit statements (and guidance notes)
- Calculate your benefits at dates of your choice
- Make/update your nomination
- Update security information

When you leave the pension scheme, either by retirement, or if you defer your pension benefits, you'll still be able to access your pension record on-line. The registration details that you create when you first register will still be valid and you'll have access to either your deferred or pensioner record.

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Beware of Pension Scams!

To find out more about pension scams, how to avoid them and what to do if you suspect a fraud go to www.fca.org.uk/scamsmart

Don't let a scammer enjoy your retirement!

Fraudsters' tactics include:

- Contacting you out of the blue
- Promises of high/guaranteed returns
- Free pension reviews
- Access to your pension before age 55 without telling you will be hit with a large tax bill
- Pressured to make a quick decision

Important Scheme Changes

The following changes came into force on 28 June 2019:

- Member contributions cannot be made on or after the day prior to a member's 75th birthday.
- Where a member is on authorised leave for a continuous period of less than 31 days (other than through illness or injury) and has reduced pay or nil pay, then on their return they must pay their member contributions based on the pay they would have received but for the absence.
- If a member retires on ill health grounds and prior to being retired has suffered a drop in pay from having worked reduced hours due to illness, then in calculating scheme benefits, no account is to be taken of the reduction in pay.
- One of the conditions for paying a pension to a surviving cohabiting partner has been relaxed. Previously, at the time of his/her death, a member had to have been legally free to marry/form a civil partnership for a period of at least 2 years. Now, the member only needs to have been free to marry/form a civil partnership at the time of his/her death. Other conditions however continue to apply which are covered later in the protection for your loved ones section.

The LGPS is valuable (and pension scammers know this!)

The LGPS is one of the best pension schemes there is. Here's a reminder of some of the Scheme's key features

A secure pension and lump sum on retiring

You get a pension for life that increases in line with the cost of living (currently in line with the Consumer Price Index (CPI)). You can also take part of your benefit as tax free cash. For every £1 of pension you give up you get £12 tax free cash.

Your employer pays too

Your employer contributes to the cost of providing your LGPS benefits.

Flexibility to pay more or less contributions

You can boost your pension by paying more contributions. This can be done by paying Additional Voluntary Contributions (AVCs) or Additional Pension Contributions. Information on these options can be found on our website at www.fifepensionfund.org

Our AVC providers are Prudential and Standard Life.

You also have the option in the LGPS to pay half your normal contributions in return for half your normal pension. This is known as the 50/50 section of the scheme and is designed to help members stay in the scheme when times are financially tough.

Remember pension contributions are tax free.

Peace of Mind

Your family enjoys financial security, with immediate life cover and a pension for your spouse, civil partner or eligible cohabiting partner and eligible children in the event of your death in service. The scheme also provides an ill health pension from any age if you have at least 2 years' service and have to leave due to permanent ill health.

Freedom to choose when to take your pension

You can now choose to retire and draw your pension any time between age 55 and 75. If you retire before your Normal Pension Age (NPA) reductions will normally apply. NPA is simply the age you can retire and take payment of your benefits in full. Voluntary early retirement is covered later in the newsletter.

If you retire after your NPA then benefits attract an increase.

Early payment of unreduced benefits

If you are made redundant or retired on the grounds of efficiency of service with at least 2 years' service and you are aged 55 or over (or 50 and over if you were a member of the LGPS on 5 April 2006).

Your Data

GDPR

The Fund's privacy notice and a Q&A for LGPS members can be viewed in the forms and publications section at

National Fraud Initiative

The Fund has a statutory obligation to participate in the National Fraud Initiative (NFI). This is a counter-fraud initiative led by Audit Scotland. It is a national data matching exercise to detect fraud or error. Your data will be shared as part of this exercise.

Freedom and Choice

Transfers

Freedom and choice reforms were introduced in 2015 allowing individuals aged 55 and over greater flexibility in the way they can access their defined contribution (DC) pensions.

The reforms do not mean that LGPS members can release funds directly from the LGPS.

However, before retiring, members can transfer their LGPS benefits to a DC scheme offering flexible benefits. We suggest that any member considering this course of action first read the Freedom and Choice Q & A for LGPS members in the forms and publication section at www.fifepensionfund.org

If you are contacted by a legitimate pensions company, don't give up your pension rights lightly.

If you decide to transfer your pension, investigate the scheme you are thinking of transferring to and don't be rushed into making a decision. Take your time to make all the checks you need and ask all the questions you need to ask.

The Pensions Advisory Service (thepensionsadvisoryservice.org.uk) and Pension Wise (pensionwise.gov.uk) provide free, independent and impartial information and guidance.

You can also visit the Financial Conduct Authority's ScamSmart website at www.fca.org.uk/scamsmart to find out if what you are being offered is a known scam or has the signs of being a scam.

You cannot transfer your LGPS benefits if you are an active member of the scheme or have already drawn benefits from the LGPS (either in your current employment or earlier employment). An election to transfer must be made at least 12 months before your Normal Pension Age (NPA) in the LGPS.

AVCs

It is now possible to take all or part of your in house LGPS AVC fund as one or more cash withdrawals from age 55 and at a different time from your main LGPS benefits. The first 25% of each withdrawal is tax-free. The remaining 75% of each withdrawal will be treated as income and subject to tax.

You can also transfer your AVCs without transferring your LGPS benefits to another pension scheme offering flexible benefits.

Remember you still have the option to take all or some of your AVC fund as tax-free cash if you take payment of the fund at the same time as your LGPS benefits.

Voluntary early retirement from age 55

Scheme regulations now allow active members aged 55 and over to retire and take immediate payment of their benefits without needing employer permission.

However, benefits are reduced if a member takes payment

- Before age 60
- From age 60 but before Normal Pension Age (linked to State Pension Age) or without full rule of 85 protection

Benefits are reduced to take into account they are being paid for longer.

If you are thinking of retiring early, please in the first instance calculate pension estimates on-line through Member Self Service.

If you have not already registered, you can do so now by going to www.fifepensionfund.org clicking on the Member Self Service link at the top of the home page and following the registration instructions. If you have any problems registering with MSS, there's a registration guide on the forms and publications page of the website.

The estimates will take into account reductions that would apply at your proposed retirement date. The earlier you retire, the greater the reductions.

If you still wish to retire early

- and you are a Fife Council employee or you work for a Council Trust a formal request to retire must be made through First Contact
- otherwise contact your employer directly

LGPS National Insurance Database

We are participating in a data sharing project with all other LGPS funds in the UK. We are doing this as we need to see if our members have LGPS benefits with another LGPS Fund in order for us to pay death in service benefits.

This also allows us to participate in the Tell Us Once DWP initiative. You cannot opt out of sharing your data as it is being undertaken to comply with a legal requirement.

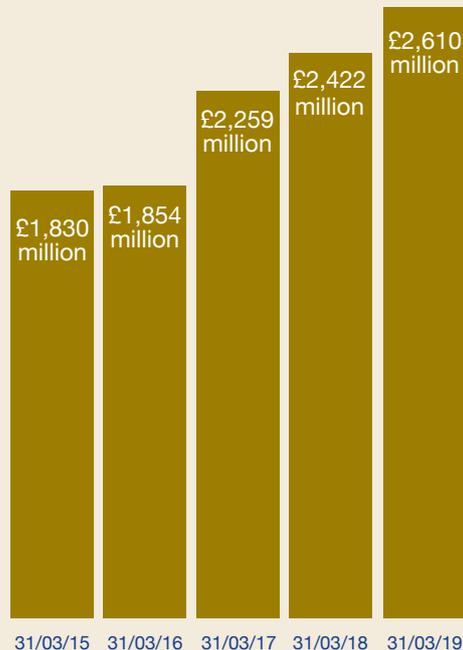
Fund News

Asset Allocation as at 31st March 2019

Equities	61%
Bonds	14%
Absolute Return	10%
Property	9%
Cash	4%
Infrastructure	2%

Change in Market Value of Assets

Change in Market Value of Assets under management since 31/03/15 as at 31/03/19



Scheme Membership as at 31st March 2019

Active Members	16,670
Deferred Members	7,293
Pensioners / Dependant Members	13,151
Total Members	37,114

Protecting your loved ones

Lump Sum Death Grant

If you die in service, a lump sum of three times your pensionable pay is paid out.

If you have other LGPS membership(s) the actual amount payable would be determined after considering your other LGPS membership(s)

The LGPS regulations do not spell out who the death grant is paid to.

Fife Pension Fund has absolute discretion in deciding who to pay a death grant to but by completing a nomination form you can help ensure quick and accurate payment of the death grant to the person or persons you would like it paid to.

The easiest way of keeping your nomination details up to date is by updating the information through Member Self Service.

Alternatively you can download, complete and return an 'Expression of Wish Form' available from the forms and publication section at www.fifepensionfund.org

Even if you have already completed one, please do remember to keep it up to date – this is especially important should your circumstances change. However, if you do not complete one, we will still pay out the lump sum death grant, but we will use our discretion to decide who to pay it to – normally a spouse, partner and so on. But it is far better to let us know your wishes.

Survivor/Children's Pensions

You do not need to nominate your wife, husband, civil partner or dependent children to receive a pension on your death.

Cohabiting Partner's Pension

If you are living with someone you are not married to, we may pay a cohabiting partner's pension.

At the date of your death, you and your partner must have been free to marry or form a civil partnership.

Also, your partner must provide evidence to show that for at least 2 years before your death

- You were living together as a married couple/civil partners
- Your partner was financially dependent on you or you were financially interdependent

Keeping us up to date

If you're moving house please inform your employer who will then notify the Pensions Team.

For more information contact the Pension Team.

☎ 01592 583200 (option 6)

@ pensions.section@fife.gov.uk

or write to us at:

The Pension Team,
Fife Council,
Rothesay House,
Rothesay Place,
GLENROTHES,
Fife, KY7 5PQ