

Hello and Welcome

Welcome to the 2020 About My Pension newsletter which provides you with information about your Local Government Pension Scheme (LGPS) benefits and the Fife Pension Fund.

Firstly, we hope you and your family are staying safe and well in these difficult times.

The Pension Fund office is currently closed but we are homeworking to maintain a service to our members and employers.

You can contact us by email at pensions.section@fife.gov.uk and we will get back to you as soon as we can. Please remember to quote your National Insurance number and date of birth so we can trace your record.

Currently, we only deal with surface mail twice a week so we would be grateful if you could email documentation, including forms relating to an impending retirement, to pensions.section@fife.gov.uk or upload on Member Self Service (MSS).

We really encourage you to use MSS which allows you to

- Upload documents
- View documents
- Raise queries

We will update our website at www.fifepensionfund.org when there are changes to the Team's working arrangements. You will also find lots of information about the LGPS as well as links to forms, guides and news bulletins on our website.

Your 2020 Annual Benefit Statement

Your 2020 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)
- Make/update your nomination
- Update security information

www.fifepensionfund.org

Visit the Fife Pension Fund website at www.fifepensionfund.org to access lots of useful information about the Local Government Pension Scheme (LGPS) as well as links to forms, Member Self Service (MSS) and news.

Contact the Pensions Team at pensions.section@fife.gov.uk

or write to the Pensions Team, Fife Council, Rothesay House, Rothesay Place, Glenrothes, Fife KY7 5PQ

Taking your Deferred Benefits from age 55

Scheme changes mean that you can choose to take payment of your deferred benefits from age 55 as long as you are not still employed in the employment which gave rise to the benefits. Your benefits will be reduced if you take account of their early payment before your Normal Pension Age (NPA). NPA is the age when you can take payment of your benefits in full and is set by the regulations in force when you became a deferred member.

The following table shows the current reductions that would apply. Where the number of years is not exact, the reduction percentages are adjusted accordingly.

Please contact the Team at pensions.section@fife.gov.uk if you are thinking of taking early payment from age 55. Please quote your National Insurance Number and date of birth.

Years Early	Pension Reduction % - Males	Pension Reduction % - Females	Retirement Grant Reduction % - All Members
0	00.00%	00.00%	00.00%
1	05.40%	05.40%	02.30%
2	10.40%	10.40%	04.60%
3	14.90%	14.90%	06.90%
4	19.20%	19.20%	09.10%
5	23.10%	23.10%	11.20%
6	26.80%	26.80%	13.30%
7	30.20%	30.20%	15.30%
8	33.30%	33.30%	17.30%
9	36.20%	36.20%	19.20%
10	39.00%	39.00%	21.10%
11	43.00%	43.00%	N/A
12	45.50%	45.50%	N/A
13	47.80%	47.80%	N/A

Can I take my benefits before age 55?

Your deferred pension can be paid before age 55 if, because of ill health, you are permanently incapable of the job you were working in when you left the LGPS.

Re-joining the LGPS

If you join an employer who participates in the LGPS, your deferred benefits may be transferred to your active LGPS membership. Re-joining could enable your deferred benefits to be linked to the final pay in your new job. It is important that you contact us and also the fund that you become an active member of if you re-join the LGPS.

There are LGPS rules that we have to apply to your deferred benefits if you do not provide us with any instructions and applying these rules may not be to your advantage.

Transferring your 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.

McCloud Judgement

When the LGPS (Scotland) changed from a final salary to a career average pension scheme in 2015, 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 have been discriminated against because the protections do not apply to them. The Government has confirmed that there will be changes to all main public sector schemes, including the LGPS, to remove this age discrimination. This ruling is often called the 'McCloud judgment'.

The Government is still considering exactly what changes need to be made to remove the discrimination from the LGPS.

This means it has not been possible to reflect the impact of the judgment in your annual benefit statement this year. If you qualify for protection it will apply automatically - you do not need to make a claim.

Will my pension increase?

Most members are unlikely to see an increase to their pension, and where an increase is applied, it is likely to be small. This is because most members will build up a higher pension in the career average pension scheme than they would have under the final salary scheme.

When will the changes come into effect?

We do not expect any changes to be introduced before April 2022.

Will the changes apply to me?

The Government intend for the changes to apply to members who were in service on 31 March 2012 and also have service after 31 March 2015 (without a break of more than five years).

If you left the scheme before 1 April 2015 you built up benefits in the final salary scheme only. These changes will not affect your pension.

I've already left the LGPS, will the changes apply to me?

If you qualify for protection and have membership in the LGPS after 31 March 2015 the changes will apply to you, even if you have left the scheme.

Please note the Pensions Team will automatically contact you if you qualify for protection.

Transferring your LGPS Benefits

Freedom and choice legislation, which lets you take all or some of your pension as cash from age 55, does not apply to the LGPS because it is a defined benefits pension scheme. LGPS regulations allow payment of your pension from age 55 with the option of giving up part of your pension to increase your tax-free lump sum.

However, if you are considering transferring your benefits to a scheme that allows freedom and choice flexibilities, investigate the company 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. A transfer out of the LGPS is a major financial decision and it is

important that you get guidance or advice before making a decision. The Pension Advisory Service (the pensionadvisoryservice.org.uk) and PensionWise (pensionwise.gov.uk) provide free and impartial advice.

The Pensions Regulator, Financial Conduct Authority (FCA) and the Money and Pensions Service jointly prepared a letter for LGPS members warning of the heightened risk of pension scammers and market volatility due to the COVID-19 pandemic. You can view the letter at www.fifepensionfund.org/media/5498/covid19_cetv_letter.pdf

You should also visit the FCA'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. The FCA has also issued updated guidance on transferring from a defined benefits scheme at fca.org.uk/consumers/pension-transfer-defined-benefit

An election to transfer must be made at least 12 months before your Normal Pension Age (NPA) in the LGPS. You cannot transfer your deferred benefits if you are also an active member of the scheme or if you have already drawn benefits from the LGPS (either in your current employment or an earlier employment). If the transfer value of your benefits is £30,000 or more, you are legally obliged to take independent financial advice at your own cost.

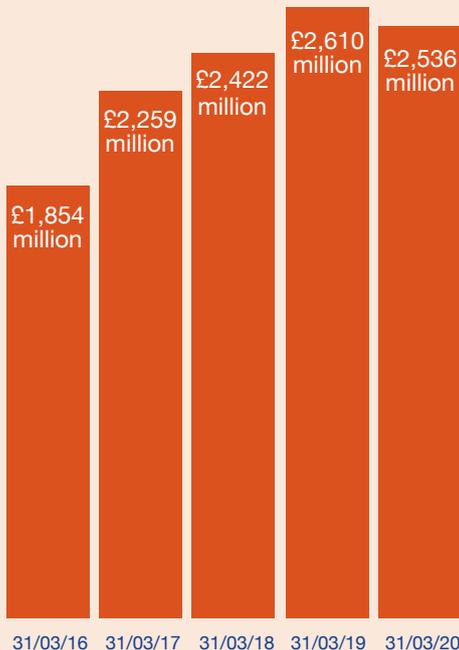
Fund News

Asset Allocation as at 31st March 2020

Equities	60%
Bonds	15%
Absolute Return	9%
Property	9%
Cash	4%
Infrastructure	3%

Change in Market Value of Assets

Change in Market Value of Assets under management since 31/03/16 as at 31/03/20



Scheme Membership as at 31st March 2020

Active Members	15,679
Deferred Members	7,194
Pensioners / Dependant Members	13,735
Total Members	36,608

Protecting your loved ones

Survivor benefits are detailed on our website at www.fifepensionfund.org/fife-pension-fund/no-longer-paying-in/survivor-benefits/

Lump Sum Death Grant

The LGPS regulations do not specify who is paid a lump sum death grant. We make the final decision on who to pay the lump sum to. Before we make any decision, we will consider any wishes you have expressed but we are not bound by this.

Your current nomination is shown on your 2020 statement. You can update your nomination on line through MSS or completing an expression of wish form available from the forms and publications section on our web site.

Survivor Benefits

You do not need to nominate your wife, husband, civil partner or dependent children to receive a pension on your death, but we advise that you make a nomination for the lump sum death grant and keep it up to date.

Co-Habiting Partners (Only applies to post 31 March 2009 leavers)

If you ceased to be an active member before 1 April 2009, we do not pay a cohabiting partner's pension.

If you were an active member after 31 March 2009 and 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

Beware of PENSION SCAMS

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

Pension cold calling is illegal so you should be very wary.

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

