



Pension

ACTIVE MEMBER NEWSLETTER

CARE pensions up 10.1% in 2023

The adjustment to your CARE pension for 2023 is an increase of 10.1%. This figure comes from the rate of inflation for the previous September, as measured by the Consumer Prices Index.

When was the increase added to my pension?

This year's 10.1% increase was applied to your pension on 6 April 2023. However, your 2023 statement can only show your pension up to the end of the 2022/23 'scheme year', which is before the increase was added. It will be your 2024 statement that shows the effect of applying the 10.1% increase.

About the adjustment

We adjust the pension you've built up so far every April in line with the Treasury Department's Revaluation Order, currently set by the Consumer Price Index (CPI) for the September before the increase date. The adjustment only applies to the CARE part of your pension. If you also have final-salary pension benefits from membership before April 2014 they're worked out differently and the increase doesn't apply to them until you retire.

New contribution bands for 2023/24

The contribution rate you pay for your LGPS pension depends on which 'pay band' your pay falls into, and the bands usually change in April. The government adjusts the bands according to the Consumer Price Index for the previous September, so this year they went up by 10.1%.

The table below shows the new pay bands and your contribution rate for the main section of the scheme and the 50/50 section (find out more about that at www.wypf.org.uk/5050) if you opted to pay half your usual contributions.

Yearly pay	Contribution rate	
	Main	50/50
Up to £16,500	5.5%	2.75%
£16,501 to £25,900	5.8%	2.9%
£25,901 to £42,100	6.5%	3.25%
£42,101 to £53,300	6.8%	3.4%
£53,301 to £74,700	8.5%	4.25%
£74,701 to £105,900	9.9%	4.95%
£105,901 to £124,800	10.5%	5.25%
£124,801 to £187,200	11.4%	5.7%
£187,201 or more	12.5%	6.25%



Have you tried our
online services?

Hounslow Local Pension Board

Opportunity to become a Local Pension Board Representative

The Local Pension Board has been in operation since 2015 and provides a unique opportunity for members and employers in the scheme, and other suitably qualified individuals, to become more involved with the oversight of the London Borough of Hounslow Pension Fund.

We are now seeking expressions of interest from our pension scheme members of any status, so whether you are currently contributing to the pension scheme, in receipt of a pension or have a deferred benefit entitlement.

Key features of the LPB

- The Pension Board has an oversight role, and assists the Council, who are the Administering Authority for the Pension Fund, to secure compliance with Pension Regulations and to ensure the effective and efficient governance and administration of the LGPS
- It is chaired by a qualified Independent Representative
- It is representative and contains:

- Up to four member representatives
- Up to four employer representatives
- Normal Term of Office is four years to match the administration
- Board meetings take place four times a year at Hounslow House
- Members of the Pension Board should be willing to attend induction/training sessions to ensure that they acquire/maintain the required level of knowledge and understanding necessary to carry out their role on the Board
- In 2023 there will additionally be three paid full days of training in central London – one day each in October, November and December.
- Roles are not remunerated but a travel and subsistence allowance will be paid.

If you are interested in serving on the Board, and consider that you meet the requirements of the relevant person specification, then please get in touch as soon as possible with Patrick Kilgallen, Head of Pensions & Investments, at pensions@hounslow.gov.uk

Have you tried our new estimate calculator?

We've added a new function to our **My Pension** online service – now you can create your own retirement estimates in a few moments!

We think this will be a very useful and popular feature that could help you plan your retirement.

You can create as many estimates as you like using different retirement dates and pay.

How to create your estimate

- 1 Log in to **My Pension**
- 2 Choose **retirement estimate calculator** in the blue panel on the right
- 3 Enter the date you want to retire and your expected pay to get your estimate.

What standard of living can you expect in retirement?

The Retirement Living Standards website, based on independent research by Loughborough University, was developed to help you to picture what kind of lifestyle you can expect in retirement, based on three different levels of income.

This is a useful resource, along with your annual pension statement, to help you make the right decisions about your retirement. Check it out on

www.retirementlivingstandards.org.uk



RETIREMENT COURSES

FREE 2023

If you're considering retirement soon, why not join Affinity Connect, our pre-retirement partner, for an informative retirement planning session. Keeping your retirement plans on track is really important, it's always best to start planning early! This course is perfect for you if you are within three years of retirement and require more information about how to maximise retirement savings.

[Click here for more information and to book](#)

What's covered?

Lifestyle changes • Managing change
• Income in retirement • State pension and other benefits • Personal taxation and tax tips • Money management • Budgeting in retirement • Making your money last

Workshop dates

17 August 2023	9:30am to 12:00pm
31 August 2023	4:00pm to 6:30pm
07 September 2023	9:30am to 12:00pm
04 October 2023	9:30am to 12:00pm
26 October 2023	1:00pm to 3:30pm
20 November 2023	9:30am to 12:00pm
29 November 2023	4:00pm to 6:30pm
18 December 2023	1:00pm to 3:30pm
20 December 2023	9:30am to 12:00pm

These workshops provide information only and will not include or constitute financial advice.

Paying extra to get a bigger pension

We have two ways you can get a bigger pension.

APCs

Buy up to £7,579 of guaranteed extra yearly pension in the LGPS with additional pension contributions. Pay monthly or by lump sum. The pension you buy is inflation-proofed, both before and after retirement. Find out more at www.wyph.org.uk

AVCs

With additional voluntary contributions from our provider **Standard Life** you can buy extra pension and lump sum at retirement. You pay a percentage of your salary or a set amount. AVCs are flexible – you can change your payments, take a break, or stop paying at any time.

Read more at www.wyph.org.uk/payingextra

2023/24 HMRC tax allowances

Annual allowance £60,000 but with a tapered reduction to a minimum of £10,000 depending on earnings.
Lifetime allowance Abolished from 6 April 2023
Find out more at www.wyph.org.uk/allowances

Proposed Standard Life AVC transfer to Phoenix Life

In June 2023 Standard Life wrote to customers about plans to transfer some of their business to Phoenix Life. If you have AVCs with Standard Life you should have received a letter from them about this.

Their plan is that policies currently held with Standard life will transfer to Phoenix Life in October 2023. This still depends, however, on approval by both the High Court in London and the Court of Session in Edinburgh. Standard Life's members have the right to object in either court if they think the proposed transfer will adversely affect them.

If you have an AVC with Standard Life through your pension with us you don't need to do anything. If you have a question about the transfer please contact Standard Life direct at the address on their letter to you.

Pension Dashboards are coming

The Department for Work and Pensions, via the Money and Pensions Service (MaPS), is creating a 'Pension Dashboard' that will be free for all UK citizens to view all their pension information, no matter how many different pensions they have, securely, online and in one place.

All pension schemes in the UK, including the Local Government Pension Scheme (LGPS), need to connect to the dashboard ecosystem to provide pension members' information in a secure way. The project is being managed by the **Pension Dashboard Programme** and you can find out all about them on their website [here](#).

Why does the Government want to set up a Pension Dashboard?

The aim is simple – they want the pension industry to provide clear and simple information about a person's multiple pension savings, including their State Pension. They also want the industry to help people reconnect with any lost pension pots they have.

When will it be launched?

Dashboards are being launched in five phases from **programme mobilisation** to **Transition to business as usual**. Phase one is due to start in the summer of 2023, with public service schemes like ours expected to join by the end of September 2024.

However, in March 2023 a written ministerial statement was issued which suggested these timelines may shift further into the future but we do not know what changes to the timetable will be made. But you can be sure that we'll let you know when this new service is available.

Help for Households

The government's **Help for Households** campaign website is your one-stop-shop for useful money-saving tips and links to find help with benefits you might be able to claim. See what support is available to help with the cost of living and find out how to save money with their energy saving tips.

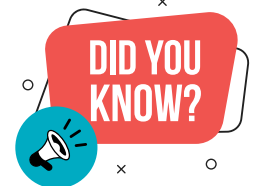
The subjects they cover include

- **Cost of Living Payment**
- **Energy saving tips to save money**
- **Support with energy bills**
- **Support if you're disabled or have a health condition**
- **Household costs**
- **Income support**
- **Travel costs**
- **Help with childcare costs**

On the **website** you just have to answer a few simple questions to check what benefits and financial support you might be able to get to help with your living costs. Visit:

<https://helpforhouseholds.campaign.gov.uk/>

Your pension is protected against falls in the stock market



LGPS defined benefit pensions are not linked to stock market performance and are set out in statute by the government. LGPS scheme members can therefore be assured that both their contributions and their pension, whether in payment now or built up to date, will be unaffected.

Although short term investment values may vary, the LGPS as a long-term investor is securely managed to address any longer-term impacts.



Register today at
www.wyprf.org.uk/mypension

Moving house?

If you move house we need to know your new address, not only to keep your records up to date but to make sure personal or sensitive information doesn't go to your old address putting you at risk of identity fraud.

So when you move, please let us know about it as soon as you can. Please also tell your employer you've moved, and if you're paying AVCs, your AVC provider.

Your death grant

If you die while you're paying into the scheme, we pay a death grant of at least three times your pay (the actual amount may be different if you have other pensions in the LGPS). You can choose who gets this money. If you haven't nominated anyone yet you can download a form on www.wypf.org.uk/deathgrant

Transfer time limits

If you're thinking about leaving the pension scheme and transferring your LGPS pension to another provider, please remember that to be entitled to transfer your pension you must leave this scheme and choose to transfer your pension at least one year before your normal pension age (NPA).

Beware of pension scams: falling foul of a scam could mean you lose some or all of your money. See pensions-scams.com or fca.org.uk/scamsmart

CONTACT US

Phone 01274 434999
Monday to Friday
8.45am to 4.30pm

Email pensions@wypf.org.uk

Postal Address WYPF
PO Box 67
Bradford BD1 1UP

Published summer 2023 by West Yorkshire Pension Fund. The information in this newsletter relates to London Borough of Hounslow Pension Fund active members only and can't be treated as a statement of the law. Available in large type, Braille or in audio format on request. If you don't have access to the internet or prefer not to use our online services, we can send important pension information by post on request.

PENSION SCHEME AT-A-GLANCE

• Build up rate of 1/49th of your pay a year

• Revalued yearly by Treasury order

• Build up rate for survivor benefits 1/160th

• Pensions in payment inflation protected

Q What pay counts towards my pension?

A Actual pay including overtime, and additional hours if you're part time

Q Can I reduce my contributions?

A You can temporarily pay 50% contributions to get 50% pension

Q What's my normal pension age?

A Your state pension age

Q Can I trade pension for lump sum?

A Yes – get £12 lump sum for every £1 pension you trade

Q What death grant is paid if I die 'in service'?

A A lump sum of at least three times your pensionable pay

A Depends if it's tier 1, 2 or 3...

- 1 ... enhancement to normal pension age
- 2 ... 25% enhancement to normal pension age
- 3 ... temporary payment of pension for up to three years

Q How long do I have to pay in to be entitled to a pension?

A Two years

Q How long can I pay into the pension scheme?

A Up to age 75