



Gwent Pension News

Newsletter for Active and Deferred Members of the Local Government Pension Scheme (LGPS) with the Greater Gwent (Torfaen) Pension Fund

Welcome from the Pensions Manager



Welcome to the summer 2024 edition of Gwent Pension News, our newsletter to update you on the latest news about the Local Government Pension Scheme (LGPS) and other topical pension matters.

This edition covers accessing your 2023/24 annual benefit statement & Additional Voluntary Contribution Statement, contribution rates and limits for 2024/25, changes to pension taxation, cohabiting partners, 50/50 section, cyber security and pension scam awareness.

Best Wishes

Jo Griffiths

My Pension Online Registration

Your Pension Statement for 2023/24 will be available by 31st August 2024 on your My Pension Online account.

If you have not yet signed up to see your My Pension Online account.

Visit our website

www.gwentpensionfund.co.uk and click on the My Pension Online link at the top of the screen. **Mobile device users will need to click on the three lines icon next to the magnifying glass at the top right of the home page.**

There are four easy steps to sign up to My Pension Online.

Step 1

Click on **Register for My Pension**

Step 2

Click on **Sign up for My Pension**

Step 3

Type in your **Surname, National Insurance Number, Date of Birth** and **Email Address** and click on Register for My Pension

Step 4

If we hold an email address on your record an activation link will be sent to this email address not the one you register with. **If you have changed your email address and not told us please call us to make sure the link is sent to the right email address.**

If we don't hold an email address on your record, **We will send you an activation key in the post within 3—5 days. If you have changed your address and not told us please call us to make sure the key is sent to the right address.**

How to see your 2023/24 Pension Statement

—When you have logged into your My Pension Online account.

Click on the **Annual Benefit Statements** panel. This will then display your latest pension benefit statement for you.

You can view a guide to understanding your pension statement under **Scheme Documents** in the **Documents** panel.

How to see your Annual Newsletter—when you have logged into your My Pension Online account.

Click on **Scheme Documents** in the **Documents** panel.

Contribution Rates & Savings Limits 2024/25

Yearly Pay	Contribution Rate	
	Main	50/50
Up to £17,600	5.5%	2.75%
£17,601—£27,600	5.8%	2.9%
£27,601—£44,900	6.5%	3.25%
£44,901—£56,800	6.8%	3.4%
£56,801—£79,700	8.5%	4.25%
£79,701—£111,900	9.9%	4.95%
£111,901—£133,100	10.5%	5.25%
£133,101—£199,700	11.4%	5.7%
£199,701 or more	12.5%	6.25%

Annual Allowance	£60,000
Additional Pension Contributions	£8,344

Additional Voluntary Contribution (AVC) Statements Online

AVC statements for the first time this year will be uploaded to members My Pension Online accounts. This will be instead of hard copies being sent in the post to members.

How to see your 2023/24 AVC Statement

When you have logged into your My Pension Online account.

Click on the **Annual Benefit Statements** panel. This will then display your latest pension benefit statements for you. It will be called **Annual AVC Statement**. The statements are listed in date uploaded order with the 2024 statements at the top of the list.



When public service pension schemes changed from final salary schemes to career average schemes in 2014 and 2015, older members were protected from the changes.

In 2018, the Courts found that younger members had been discriminated against because the protection did not apply to them. Changes made to the LGPS from 1 October 2023 removes the discrimination found in the court case. These changes are called the McCloud remedy.

Not all LGPS members are affected by the changes. You can find more information on the national LGPS website, including a short video. Please visit www.lgpsmember.org/mccloud-remedy/

If you are affected, you do not need to write into the pension fund or make any decisions. If you are contacted by a third party organisation selling a service to help you claim additional pension, you should not engage with them.

As a member of the LGPS, you do not need to take any action to claim your protection under the McCloud remedy. If you qualify, the Pension Fund will automatically apply the protection when you take your LGPS pension.

You can find out more information about the LGPS on our website at www.gwentpensionfund.co.uk or the national LGPS member website at www.lgpsmember.org

Changes to Pensions Taxation

The Government introduced new pension taxation rules for pension savings on the 1st April 2024.

Two lump sum limits have been introduced. If the total of the lump sums you take from UK pensions is more than one of the limits, you will have to pay extra tax.

Generally, LGPS members can take up 25% of the value of their benefits as a lump sum. Most members will not be affected because their maximum lump sum will be much lower than the limits.

Lump Sum Allowance

This is a limit on the amount of tax-free cash a member can take when they retire. The Lump Sum Allowance is set at £268,275. It is used up through payment of the following types of lump sums from any UK pension not just the LGPS: -

- Pension Commencement Lump Sum (PCLS)
- Uncrystallised Funds Pension Lump Sum (UFPLS)
- Stand Alone Lump Sum (SAL)

Lump Sum and Death Benefit Allowance (LSDBA)?

The LSDBA is set at £1,073,100. This is a limit on the amount of tax-free cash that can be taken by a member and paid in respect of them when they die.

The LSDBA is used up by payment of the following relevant lump sum: -

- Pension Commencement Lump Sum (PCLS)
- Uncrystallised Funds Pension Lump Sum (UFPLS)
- Stand Alone Lump Sum (SAL)
- Serious Ill Health Lump Sum (under 75)
- Relevant lump sum death benefit.

The tax-free parts of the UFPLS and SAL reduce the LSDBA. Any relevant lump sum death benefit does not include one paid for pension rights that were paid out before the 6th April 2024. These do not reduce a members LSDBA.

Any lump sums that exceed the allowance would be taxed at the members marginal rate of income tax. The marginal rate of income tax is calculated on the taxable income of a member.

Overseas Transfer Allowance (OTA)

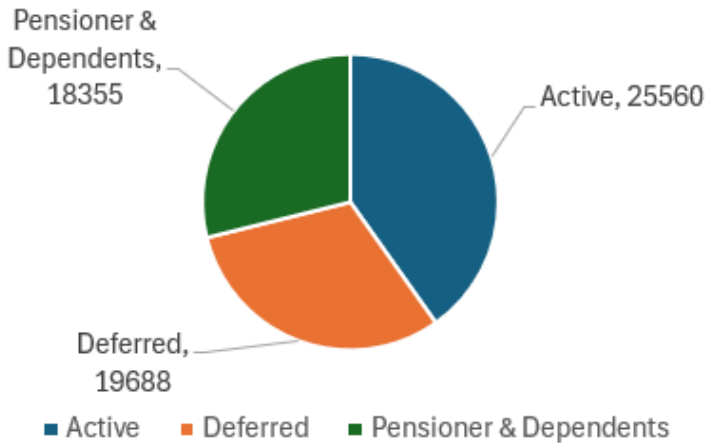
The OTA is set at £1,073,100. This is the limit on the value of overseas transfers that is allowed before a member would be subject to an Overseas Transfer Charge (OTC). Once a member has used up all their OTA the transfer would be subject to an OTC which is 25% of the value over the OTA.

Before 6th April 2024 if the value transferred to a QROPS was more than the available Lifetime Allowance and none of the exclusions were met, the member would have been subject to both LTA and OTC charges. From the 6th April 2024 only a single charge will be applied.

You can find out more information on the national LGPS member website at www.lgpsmember.org/your-pension/the-essentials/tax/

The Pension Fund 2023/24 in numbers...

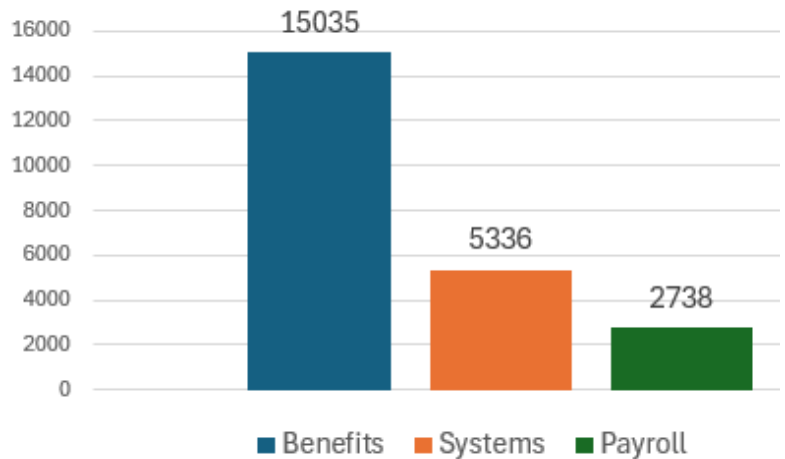
Number of Members



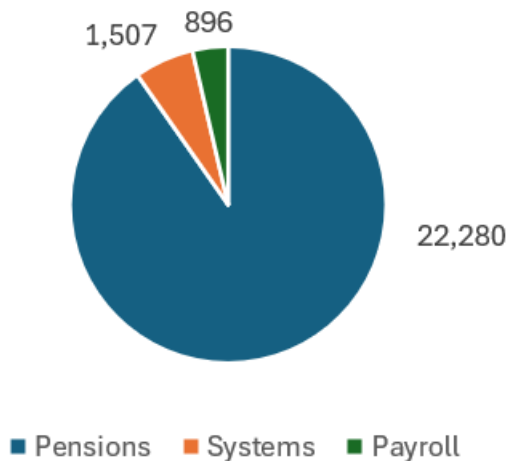
THE PENSION FUND
HAS 63,505
MEMBERS.

OUR STAFF
ANSWERED 23,109
CALLS TO OUR MAIN
PHONE NUMBERS

Calls Answered



Emails Received



WE RECEIVED
24,683 EMAILS TO
OUR CENTRAL
MAILBOXES

WE PAID
£108,700,733.80 IN
PENSION PAYMENTS TO
PENSIONERS

20,874 WORK CASES
CREATED AND 20,704
CASES COMPLETED BY
OUR BENEFITS TEAM

NEARLY 5,000
MEMBERS SIGNING UP
TO USE MY PENSION
ONLINE

Cohabiting Partners

50/50 Section

The LGPS offers peace of mind and financial security for a members family with immediate life cover and pensions for spouses, civil partners, eligible children and eligible cohabiting partners in the event of their death.

An eligible cohabiting partner is a partner who you are living with who, at the date of your death both you and your partner met all these conditions for at least two years: -

- Free to marry each other or enter into a civil partnership with each other
- living together as if they were a married couple or civil partners; and
- Neither had been living with someone else as if they were a married couple or civil partners; and
- Either your partner was or had been dependent on your or you had been financially interdependent on each other.

Pensions are also only paid to eligible cohabiting partners if the member paid into the LGPS after the 31st March 2008.

Please be aware that at the time of a claim proof of the above conditions will be required e.g. joint council tax and utility bills, joint bank account details, copies of decree absolutes if previously married.

If you want to register your cohabiting partner on your pension account. You can download a cohabiting partner form from our website at www.gwentpensionfund.co.uk/forms-and-publications/cohabiting-partner-form/

The 50/50 section of the LGPS has been designed to help members stay in the scheme and to continue building up valuable pension benefits instead of leaving the scheme altogether.

If a member joins the 50/50 section of the LGPS they pay half their normal contribution rate, build up half the pension but still receive the same life and ill health cover as being in the main section.

After you have joined the 50/50 section you can move back to the main section at any time. There are also occasions when your employer must move you back into the main section such as during:-

- Auto-Enrolment
- Sickness when your pay drops to zero
- Maternity or adoption leave when your pay drops to zero

You can download the 50/50 section form from our website at www.gwentpensionfund.co.uk/forms-and-publications/election-to-join-the-50-50-section-of-the-lgps-form/

Cyber Security

How to spot a scam email, text message or call

Cyber criminals may contact you through email, text, phone call or social media.

They will pretend to be someone or an a company that you trust to gain your confidence.



Scammers are getting smarter, and it is more difficult to spot a scam these as some even fool the experts.

Criminals are using QR codes in phishing emails to trick users into visiting scam websites. Always be careful when scanning QR codes within emails.

Spotting scam messages or calls

There are some tell-tale signs that can be spotted which you will often find in scams.

These include: -

- Claiming to be from someone official such as the bank, solicitors or government department.
- Told you have a limited time to respond otherwise you will miss out.
- Using language that will make you worry, panic or curious to tempt you into find out more.
- Are you expecting to see this from the company? Criminals take advantage of current news stories or big events to make the scam seem more relevant.

If in doubt, contact the company directly. Use the details from their official website or

documents not the email or message.

You can easily report a scam to the National Cyber Security centre by visiting their website www.ncsc.gov.uk/collection/phishing-scams.

You can visit the National Cyber Security Centre (NCSC) website for more advice on how tot stay secure online at

www.ncsc.gov.uk/cyberaware/home



National Fraud Initiative (NFI)

The Greater Gwent (Torfaen) Pension Fund has a duty to protect the public funds we administer. This includes taking part in the Government's National Fraud Initiative (NFI). We may share information with other bodies responsible for auditing or administering public funds for the purposes of preventing and detecting fraud.

NFI operates under the '**Code of Data Matching**' Practice. You can download the code on the Wales Audit Office website at: www.audit.wales/about-us/national-fraud-initiative.

Visit the National Cyber Securirty Centre's Cyber Aware website for advice on how to stay secure online at Cyber Aware - NCSC.GOV.UK

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Don't let a scammer enjoy your retirement



Find out how pension scams work, how to avoid them and what to do if you suspect a scam.



Scammers can be articulate and financially knowledgeable, with credible websites, testimonials and materials that are hard to distinguish from the real thing. Scammers design attractive offers to persuade you to transfer your pension pot to them or to release funds from it. It is then invested in unusual and high-risk investments like overseas property, renewable energy bonds, forestry, storage units, or simply stolen outright.

Scam tactics include:



- contact out of the blue



- promises of high / guaranteed returns



- free pension reviews



- access to your pension before age 55



- pressure to act quickly

If you suspect a scam, report it

- Report to the Financial Conduct Authority (FCA)
by contacting their Consumer Helpline on 0800 111 6768 or using the reporting form at www.fca.org.uk
- Report to Action Fraud
on 0300 123 2040 or at www.actionfraud.police.uk
- If you're in the middle of a transfer, contact your provider immediately and then get in touch with www.moneyhelper.org.uk

www.fca.org.uk/scamsmart

Visit the MoneyHelper website for more information about their service at:
www.moneyhelper.org.uk/en/pensions-and-retirement/pension-wise