DEFERRED MEMBER
PENSIONSMART

For more information, visit the national Local Government Pension Scheme member's website:
www.lgpsmember.org

What age are you planning the biggest holiday of your life –your retirement?

Welcome to your 2022 Deferred Member Pension Smart newsletter for deferred members of the West Midlands Pension Fund.

This newsletter has been produced jointly with other LGPS funds. However, should you have any queries or require further information, please contact West Midlands Pension Fund direct.

YOUR 2022 DEFERRED BENEFIT STATEMENT IS NOW ONLINE!

Be Pension Smart and go online using the Pensions Portal to view your deferred benefit statement. You can now do estimates to see what the value would be if you take it early reduced. www.wmpfonline.com/pensionsportal

FREQUENTLY ASKED QUESTIONS

WHAT IS A DEFERRED BENEFIT?

A deferred benefit is a pension that you no longer pay into. Your Fund works out the value of your deferred benefit and looks after it until you can start to take it. The figures quoted in annual statements are based on your pension starting to be paid at **normal pension age** (NPA).

WHAT IS MY NPA?

Your NPA is the standard date your Fund uses to quote your unreduced deferred benefits. It's individual to you, depending on when you left the LGPS. If you left:

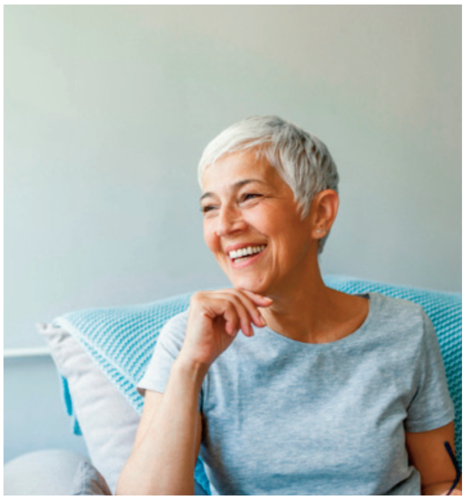
- after 1 April 2014, your NPA is linked to your state pension age
- between 1 October 2006 and before 1 April 2014, your NPA is age 65
- before 1 October 2006, your NPA is normally 65 but could be as early as age 60

WHEN CAN I TAKE MY DEFERRED BENEFIT?

If you leave your job before retirement, you can choose to take your deferred benefit at any age between 55 and 75. You can take your benefits:

- Reduced at any age between 55 and your NPA at your chosen date unreduced at your NPA
- Increased after your NPA and up to age 75, at your chosen date. If you left before 1 April 1998, however, you cannot defer past your NPA
- Unreduced at any age before NPA if your former employer agrees that you have permanent ill health which means you can't work again

- between 1 October 2006 and before 1 April 2014, your NPA is age 65
- before 1 October 2006, your NPA is normally 65 but could be as early as age 60



HOW MUCH WILL I GET IF I TAKE MY BENEFIT BEFORE MY NPA?

If you decide to take your deferred benefit before your NPA, they'll normally be reduced. This is because your pension will be paid for longer. How much they are reduced by will depend on how early you take them.

The current early retirement reduction factors are shown in the following table:

Early retirement reduction factors

Number of years	Pension reduction	Lump sum reduction for membership to 31 March 2008
0	0.0%	0.0%
1	5.1%	2.3%
2	9.9%	4.6%
3	14.3%	6.9%
4	18.4%	9.1%
5	22.2%	11.2%
6	25.7%	13.3%
7	29.0%	15.3%
8	32.1%	17.3%
9	35.0%	19.2%
10	37.7%	21.1%
11	41.6%	n/a
12	44.0%	n/a
13	46.3%	n/a

You can use the Pensions Portal to find out how much you might get if you choose to take them earlier than your NPA.

Please visit wmpfonline.com/pensionsportal

CAN I TAKE MY DEFERRED BENEFIT IF I CAN'T WORK BECAUSE OF ILL HEALTH?

You may be able to have your benefits paid at any age with no reductions if you can't work because of ill health. You must be permanently incapable of doing the job you were in when you left the LGPS.

You can contact your previous employer if you think this applies to you. They will ask their approved occupational physician to give an opinion before they decide if they can approve your application.

HOW DOES MY DEFERRED BENEFIT KEEP UP WITH THE COST OF LIVING?

Every April, your deferred benefit is adjusted by the Consumer Price Index (CPI) as at the previous September. For April 2022, this is 3.1%.

If you became a deferred member before 1 April 2022, you'll get the full 3.1% increase.

TRANSFERRING OUT

You have the option to transfer your deferred benefit to another scheme.

Transferring your pension out of the LGPS is an important decision and one that you should consider carefully. You can find out more information about transferring by clicking here.

HOW DO I UPDATE MY PERSONAL DETAILS?

If your personal details shown on your annual statement are out of date, you may be able to update them by logging into your Pension Portal account.

WHAT HAPPENS TO MY DEFERRED BENEFIT IF I DIE?

A lump sum death grant and survivor's pension, adjusted by CPI, may be due to your loved ones.

If you:

- left the LGPS before 1 April 2008, the death grant is three times your deferred pension
- left on or after 1 April 2008, the death grant is five times your deferred pension
- are also employed and paying into the LGPS when you die, different rules may apply

A survivor's benefit may be paid to dependants, such as:

- your spouse or registered civil partner
- any eligible children
- someone you live with as if you were married (if you were a member of the LGPS on or after 1 April 2008)

To find out how much your dependants could get, please log onto the Pensions Portal. You can also check or nominate who you wish your death grant to be paid to.

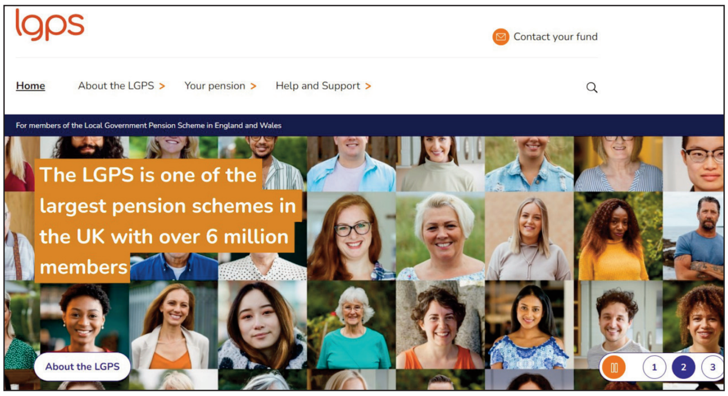
NEW LOOK LGA WEBSITE

The Local Government Association (LGA) has updated its LGPS member website to improve the user experience and make it easier for members to understand their pension.

A key requirement for the website is to make all of the content available to everyone, including those with disabilities. The new website also meets the the Government accessibility requirements for public sector websites.

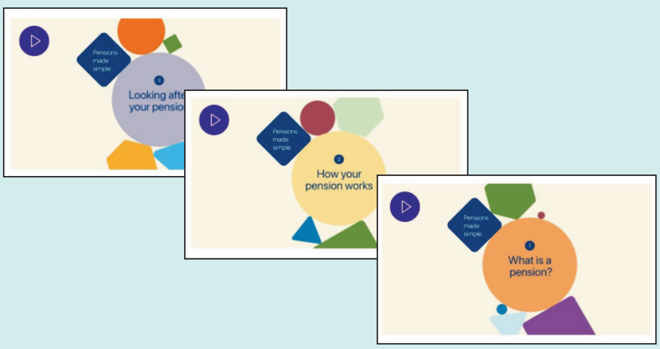
The website has been built with a content management system so that it is easier to update in line with regulation changes.

Visit the website at www.lgpsmember.org



'PENSIONS MADE SIMPLE' VIDEOS

If you want to find out more about your LGPS pension and your options as a scheme member, but you're short on time, take a look at the 'Pensions Made Simple' videos! These eight short videos will provide you with a quick introduction to key topics such as, 'How your pension works', 'Transferring your pension' and 'Life after work'. Watch now at www.lgpsmember.org/help-and-support/videos/



YOU MAY NOT BE ABLE TO TAKE YOUR LGPS BENEFITS AT 55

The Government has announced that the minimum age that LGPS members will be allowed to take their benefits other than on ill-health grounds will rise from 55 to 57 from 6 April 2028. However, if you were a member of the LGPS on 3 November 2021, you will retain the right to take benefits from 55.

The details of exactly how a protected minimum age of 55 will work have yet to be finalised.

For example, will members born between 5 April 1971 and 5 April 1973 have a window from their 55th birthday to 6 April 2028 to take benefits before the increase to 57?

Also, will transferring in or linking up benefits that have a protected age of 55 mean that protection on the bit being transferred is retained, with other benefits in the receiving pension scheme not being able to be taken before 57?

We will provide further details on our website when we can.

We are also monitoring the state pension age review and its call for evidence, as it may affect the normal pension age of your LGPS benefits earned after 31 March 2014.

CHANGES TO TRANSFER RULES

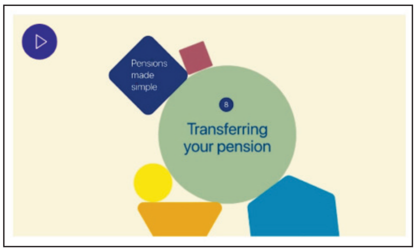
Late in 2021, the UK government announced new rules which restrict your right to transfer your pension if any potential scam risks are identified. These new rules help us to keep your pension savings safe from scammers and criminals.

Of course, most transfers are above board, safe and legitimate. But with immediate effect, we can now express any concerns we might have about your transfer under two categories, red flags or amber flags.

Red flags are where there is clear sign of a scam or fraudulent practice.

If we identify any red flags while carrying out these additional checks, we can prevent the transfer from going ahead.

Amber flags are where certain characteristics of the scheme show that you might be at risk of being scammed. These might include unregulated or high-risk investments, unclear fee structure or advice taken from overseas or unregulated advisers.



Transferring your pension (03:03)
What to consider if you are thinking about transferring your pension to a defined contribution scheme

PENSION SCAMS ARE ON THE RISE

Pension scams are on the rise in the UK. The people behind the scams are good at tricking people into handing over their money. It's important that you have an idea of how to spot a pension scam, even if you think it could never happen to you.

Some of the warning signs of a pension scam could be:

- someone calls you out of the blue, offering a free pension review
- promises to get you better returns on your pension savings
- you are pressured into making a quick decision about transferring your pension

You can help to protect yourself by learning how to spot a scam. You can find out more from the government-backed MoneyHelper website: **www.moneyhelper.org.uk/en/money-troubles/scams/how-to-spot-a-pension-scam**

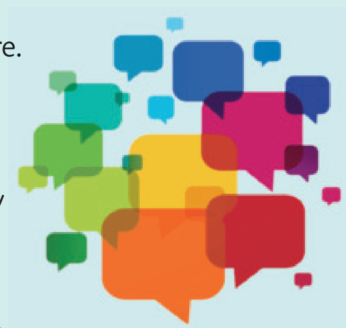
If you are thinking about transferring your benefits out of the LGPS, you should always get impartial financial advice. Make sure that the company or person giving you the advice is registered with the Financial Conduct Authority (FCA) **www.fca.org.uk**

DEFERRED ENGAGEMENT FORUM

We need you!

The Fund has a Pensioner Engagement Forum which meets on an annual basis and pensioner members provide valuable feedback on their experiences and interaction with the Fund and we also discuss new initiatives that are on the horizon.

The Fund has made the decision to launch an engagement forum for deferred members, where we can meet virtually on an annual basis to gain your feedback on the Fund's communications, and listen to any improvements or ideas which you may have to shape the Fund for the future. We would also like to pilot our new initiatives with you and act upon your feedback to improve a deferred member's customer journey in the future.



To join our Deferred Engagement Forum and to receive more information, please contact us at **wmpfevents@wolverhampton.gov.uk**

YOU CAN NOW PRODUCE AN ESTIMATE OF EARLY PAYMENT OF YOUR DEFERRED BENEFIT FROM AGE 55 ONLINE!

You can take control of your retirement by logging online and viewing your 2022 Deferred Benefit Statement, it will tell you how much your benefits are and when they are payable from.

You can now also run estimates of your pension to see what the reduced value of your benefits would be if you are considering claiming them early from the age of 55.

Log onto My Pensions Portal to run a quote today!

FREQUENTLY ASKED QUESTIONS

If you have questions regarding your statement, or want more information about your benefits, why not visit **Deferred benefit statement FAQs.**

If you are unable to register or sign in, go to your registered email account and search for 'Pensions Portal Activation Email'. If you've registered, your correct username can be found in this email. Once you have your username, you can reset your password using the 'Forgotten user details' button on the sign in page.

Log on to Pensions Portal to:

- **Access your Deferred Benefit Statement,**
- **Keep us up to date by amending your personal information,**
- **Plan for your retirement by calculating pension estimates,**
- **Get peace of mind by viewing documents and your nomination form,**
- **And much more!**

Register today at
https://portal2.wmpfonline.com/

Need assistance registering for a pensions portal account?

Please click here and view our detailed guide which provides navigational support and highlights all of its functions. Or, you can view our short video which takes you step-by-step through the registration process.

The Local Government Pension Scheme regulations states that each pension fund administering authority is required to prepare, publish and review regularly its *Communications Policy Statement.*

This document outlines how the Fund will engage and communicate with:

- All scheme members and their representatives;
- Prospective scheme members and employers;
- Contributing employers;
- Pensions Committee and Local Pensions Board
- Fund staff
- External stakeholders (such as the media and interest groups)

The Fund revised its Communications Policy in September 2022 which is available to view on the Fund's website as well as our 2022 *Customer Engagement Strategy*.

The Pension Attention campaign was coordinated by Association of British Insurers (ABI) and the Pensions and Lifetime Savings Association (PLSA).

The campaign is run to November and is the product of an unprecedented cross-industry collaboration led by 17 providers and schemes representing approximately 45 million savers and customers.

The campaign aims to support members with the wider picture of retirement and help members with unanswered questions about planning for their retirement.

For more information, please visit:
www.pensionattention.co.uk/

WE ARE UPGRADING OUR SYSTEMS!

The West Midlands Pension Fund is committed to providing excellent customer service to our members, and one of the key factors in delivering this commitment is our Pension Administration software. The Fund is continually evaluating the functionality of its software and taking members feedback onboard to ensure it is as efficient and effective as possible.

We are pleased to inform you that the Fund will be changing software provider in 2023 and will be introducing a brand-new improved member portal which will enhance our self-service digital platform. This will increase member engagement and encourage more members to manage their pension provisions online.

Our current pension portal will not change yet, so you don't have to do anything or take any action. Further details will be sent next year upon its launch.

In the meantime, if you haven't already registered to manage your benefits online, you can register for the Pensions Portal today by clicking here.

LOST CONTACT WITH YOUR PENSION

There is currently an estimated £400 million in unclaimed pension savings. This is money people have previously saved for their retirement, If you are one of these people, then click here to try and locate your pension using the government website.

USEFUL CONTACTS

Money Helper
www.moneyhelper.org.uk/en
0800 144 8943

unbiased
www.unbiased.co.uk/
0800 023 6868

citizens advice
www.citizensadvice.org.uk/
0345 404 0506

PICTURE YOUR FUTURE
www.retirementlivingstandards.org.uk

HM Revenue & Customs
www.gov.uk/government/organisations/hm-revenue-customs

GOV.UK
www.gov.uk/browse/working/state-pension

If you need to contact us, we are here to help...

https://portal2.wmpfonline.com/

www.wmpfonline.com/contactus

www.wmpfonline.com

Be Pension Smart!
and take control of your pension today