



Kent Pension Fund

Pension Pulse

for members of the Kent Pension Fund



Welcome to the Spring newsletter, for members who are currently contributing to the Local Government Pension Scheme (LGPS).

We want to keep in touch and update you with any changes to local government pensions. We also provide general information that you may find useful.

We hope you find the newsletter helpful, and we appreciate any feedback.

Please email your comments to pension.systems@kent.gov.uk

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Changes to the Lifetime Allowance

The Lifetime Allowance (LTA) tax charge has been abolished from 6 April 2024. Two new lump sum allowances are introduced: the Lump Sum Allowance (LSA) and the Lump Sum Death Benefit Allowance (LSDBA).

The LSA is set at £268,275 and the LSDBA is set at £1,073,100.

These new allowances are only used up by the payment of relevant tax-free lump sums, not pensions. This is a change from the previous lifetime allowance restrictions which took into account both pensions and lump sums. When you retire, these limits will be applied.

Contribution rates 2024/25

As a Scheme member, you must pay contributions to the LGPS. How much you pay depends on how much you earn.

Your contribution rate is based on how much you are paid. When you join, and every April afterwards, your employer will determine your contribution rate. The April 24/25 rates are shown in the table below.

If you have more than one job, your employer will set your contribution rate separately for each job. Your employer may have a policy to review your contribution rate during the year if your pay changes.

If you earn enough to pay tax, your LGPS contributions will have tax relief applied when they are deducted from your pay.

There are restrictions on the amount of tax relief available on pension contributions.

Your employer pays the balance of the cost of providing your LGPS benefits.

The amount will vary for different employers. It is reviewed every 3 years.

On average, employers pay roughly three quarters of the Scheme's costs, with you paying a quarter.

Band	Actual Pensionable Pay for an employment	Main section contribution rate for that employment	50/50 section contribution rate for that employment
1	Up to £17,600	5.50%	2.75%
2	£17,601 to £27,600	5.80%	2.90%
3	£27,601 to £44,900	6.50%	3.25%
4	£44,901 to £56,800	6.80%	3.40%
5	£56,801 to £79,700	8.50%	4.25%
6	£79,701 to £112,900	9.90%	4.95%
7	£112,901 to £133,100	10.50%	5.25%
8	£133,101 to £199,700	11.40%	5.70%
9	£199,701 or more	12.50%	6.25%

Revaluation of your benefits

From 1 April 2014, each year that you are contributing to the LGPS, 1/49th of your pensionable pay (1/98th if in the 50/50 section) is put into your pension account. If you have more than one job, you will have a separate pension account for each employment.

Assumed pensionable pay is used if your pay has been reduced for certain reasons, for example if you are on paid maternity leave.

The balance in your pension account at the end of each year is adjusted in the following April in line with the cost of living.

This year the revaluation will be 6.7% and will be applied on the 6 April.

If part of your pension was built up before 1 April 2014, this is calculated in a different way. For further details, please read [calculating your pension benefits](#)



The cost-of-living crisis is a national concern, and the government has put certain support in place to try to help you:

- find out what support is available to help with bills and costs
- find out what support is available with childcare and maternity costs
- find out what support is available if you're disabled or have a health condition
- if you are generally finding things difficult and need someone to talk to.

For more information about this, please visit the [cost of living support](#).

You may also be able to [get help with the cost of living from your local council](#).

[MoneyHelper](#) provides help and guidance on a range of topics from worrying about your energy bills, debt, scams, and money troubles.

You can also get help from [The Citizens Advice Bureau](#). They provide information to help you make the right choices, including help to deal with debt problems and how to get finances back into shape.



Wave Community Bank is a local credit union offering financial services to its members. As a not-for-profit co-operative, it provides support to the community it serves.

People living in Kent, Medway, East Sussex and Brighton and Hove are eligible to become members.

A government guarantee protects savings. All interest paid on loans stays in the local community. Wave Community Bank helps local residents access affordable credit. Loans have no hidden costs or repayment penalties and range from £500 to £15,000 starting at 5% APR (subject to status). Their Saver Loans help you build your savings when you borrow.

Visit [Wave Community Bank](#)

Call 0300 303 3188 (9.30am – 1pm Monday to Friday excluding bank holidays)

Email info@wavecb.org.uk

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Thinking of opting out?

Due to the rising cost of living, you may be tempted to opt out of paying towards your

LGPS pension. However, if you leave the scheme, you will miss out on an excellent package of benefits, including a guaranteed income in retirement and a death-in-service grant for your loved ones.

Rather than opting out, you could reduce how much you pay towards your LGPS pension by moving to the 50/50 section of the scheme.

You will still receive the other benefits of being a member, such as life cover and ill-health cover (see below).

Visit [the 50/50 section](#) page on the Kent Pension Fund website

We always recommend that you get financial advice before making any decision which could affect your finances later in life.

Highlights of the LGPS

The LGPS is one of the largest pension schemes in the UK.

It is a defined benefit pension scheme which means your pension is based on your salary and how long you pay into the Scheme.

Your pension is not affected by how well investments perform.

The LGPS provides you with a secure and guaranteed income every year when you retire.

The LGPS is therefore a valuable part of the pay and rewards package of employees who are eligible to join the Scheme.

When you join the LGPS, you will pay contributions based on how much you earn (see the contribution rate article).

You can boost your pension by paying more contributions, which you would get tax relief on, up to a HMRC limit.

Visit the [Increasing Benefits](#) page on the Kent Pension Fund website

You can also reduce your contributions (See the 50/50 section in the article above).

You can choose to retire and take your pension at any time between age 55 and 75.

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.

If you have eligible membership in the scheme (or transferred in membership) for two years or more, you could receive your pension straight away if you:

- become seriously ill at any age
- are over age 55 and are made redundant or retired in the interests of business efficiency.

Member self-service (MSS)

The [Kent Pension Fund](#) website gives you information about the LGPS, including processes and forms.

You do not need member self-service to access our website.

You can also find information about member self-service on the website.

Member self-service is a separate online portal. It gives you access to:

- a summary of your pension account
- your annual benefit illustration
- change your address and other contact details
- create, view, or change your expression of wish for the lump sum death grant
- perform quotations for the benefits you would receive in the future, if you left your employment or retired.

You need to register to access member self-service. You must have a personal email address to register.

Once you have registered, you can log in any time at your convenience. [Register or log in to member self service](#)

We will be upgrading member self-service in the future. If you have already registered, you will need to transfer your access.

When we upgrade, the log in page will change. It will explain what you need to do on the new log in page.

You will need to be registered with member self-service to be able to view, download or print your annual benefit illustration this year.

We will send you an email when your illustration is ready to view on member self-service.

Expression of wish

If you die when you are paying into the LGPS, a lump sum death grant of three times your annual pensionable pay is paid.

It doesn't matter how long you have been a member of the LGPS, you are protected from the day you join the Scheme.

You can let us know who you would like any death grant paid to by completing an expression of wish form.

You can do this on member self-service.

[Login or register for member self-service](#). Go to the Nominations tab on your dashboard.

You can nominate any person or organisation. It does not matter what their relationship is to you. You can nominate as many as you wish.

The total percentage shares must add up to 100%.

You can also [complete the online expression of wish for payment of death grant form](#)

The Kent Pension Fund makes the decision who receives any lump sum death grant. This means it can be paid to:

- the person(s) you name on your expression of wish form
- your personal representative(s) – this is someone who is responsible for looking after your estate when you die
- anyone who appears to have been, at any time, a relative or dependent.

Remember to review your expression of wish regularly to make sure it is up to date.

How much money will you need for your retirement?

To help people plan for their retirement, the Pensions and Lifetime Savings Association (PLSA) has created [Retirement Living Standards](#). There are three lifestyle levels – minimum, moderate, and comfortable.

The [PLSA website](#) explains what is included in these lifestyles. It shows you how much they would cost.

When planning your retirement, you will need to consider how much money you'll get from your LGPS pension, as well as from the State Pension and any other pensions you may have.

[Check your State Pension forecast](#)

If you choose to retire and take your LGPS benefits before your normal pension age (NPA), the benefits will normally be reduced.

This is because your pension will be paid for longer. The earlier you retire, the bigger the reduction. Any reduction will be applied permanently to your pension.



The minimum age that you can take your pension is currently 55. This age is changing (see overleaf). You can find the [current early retirement reductions on our website](#)

You can use the benefit calculators on [member self-service](#) to find out how much you might get if you take your benefits earlier than your NPA.

We recommend that you take independent financial advice before taking your pension early.

We also offer a free [pre-retirement course](#) delivered by a professional financial services trainer from Affinity Connect Limited.



Member webinars

We provide [free webinars to members](#) about certain subjects, which include time for questions at the end.

We conduct the webinars online through Microsoft Teams. You do not need Microsoft Teams software.

We send you an invite by email. You can attend through your internet browser.

Change to the minimum pension age



The [Finance Act 2022](#) became law in February 2022.

It includes the plan to change the Normal Minimum Pension Age from age 55 to 57 from 6 April 2028. Pensions paid due to ill health can be paid at any age.

The Department for Levelling Up, Housing and Communities (DLUHC) makes the LGPS rules. It has not yet confirmed if there will be protections to qualifying members to take their LGPS pension before age 57 from this date. Further details will follow as known.

Don't be tricked - Follow A B C

As we all become smarter about being tricked, scammers become smarter too.

There have been recent cases where scammers call and pretend to be your bank. They say that money is paid into your bank account fraudulently. Then they tell you how to send the money back.

Police urge us to follow the ABC rule to protect ourselves from scammers.

- Never **A**ssume someone is telling the truth
- Never **B**elieve what they say unless you are confident that they are who they say they are
- Always **C**onfirm the details they have provided.

Criminals will go to great lengths to appear genuine. These are organised criminals who are convincing. Even if you do not consider yourself to be vulnerable, it is important to be vigilant.

The police or your bank will never request money from you or ask you to make a transaction.

If you receive such a call, end it immediately. Wait for 5 minutes for the phone line to clear and contact the police or [Action Fraud](#) on **0300 123 2040**. If possible, call from a different number.





Responsible Investment update

Net zero commitment

The Kent Pension Fund Committee agreed an ambitious policy package. It addresses climate risk and includes a headline net zero target of 2050.

The interim emission reduction goals seek to limit global temperature increases to 1.5°C. They are in line with the Intergovernmental Panel on Climate Change (IPCC).

These goals are:

- a 15% target allocation to sustainable investment assets by 2030, and
- a 43% reduction in emissions arising from its equity investments by 2030. The reduction is 69% by 2040.

Timeline	
Net zero commitment agreed	December 2023
15% target allocation to sustainable investment assets	2030
43% reduction in emissions arising from equity investments	2030
69% reduction in emissions arising from equity investments	2040
Net zero achieved	2050

The global economy will move away from fossil fuels over the coming decades. The interim milestones are critical to help the Fund navigate transition risk safely.

Investors have an important role to play in driving the transition to a low carbon economy. The Fund will invest in companies and industries that support the transition. We will invest in climate solutions that support wider decarbonisation of the economy.

If you have an enquiry about responsible investment, please email pfresponsible.investment@kent.gov.uk

The Kent Pension Fund Responsible Investment Policy sets out how Environmental, Social and Corporate Governance (ESG) issues will be considered when making investment decisions.

[Find out about the responsible investment policy](#)

You can also [keep up to date with news about responsible investment](#)





We are looking for more volunteers to join our member review group.

The group provide feedback on how we communicate with you.

If you would like to express an interest in joining the group, complete the [member feedback group](#) form online.

If you are on strike, your LGPS pension will be affected. Your LGPS pension is based on your pay, and your pay will reduce if you are on strike.

You can pay extra contributions to buy back the pension you 'lose'. Read more details [about strike action on the Kent Pension Fund website](#)



Data sharing

What we do with your personal data

The General Data Protection Regulations (GDPR) give people greater rights.

They protect personal data.

The Kent Pension Fund needs to hold and process personal data to pay pensions and manage the Fund.

We have a short privacy notice and a [full privacy notice](#). They detail what [personal data we hold](#), what we do with it, and who we share it with.

If you do not have internet access, call us on **03000 41 34 88**. We will send you a copy.

LGPS database

The LGPS is a national pension scheme but administered locally.

Kent Pension Fund share data with other LGPS pension funds in England, Wales, and Scotland.

This helps us comply with LGPS governing regulations.

The database contains a short entry of:

- your National Insurance number
- a number to denote your membership status, for example, active member
- the last calendar year that your status changed
- a four digit number for the LGPS pension fund.

Funds process [the data held on the database](#) in accordance with the Data Protection Act and other relevant legislation.

Enlarging text on devices

Sometimes it is helpful to enlarge text on your mobile device or personal computer.

Nowadays all major website browsers have a built-in zoom function that enables you to zoom in.

You can enlarge any page on the internet on any device.

You can usually find the zoom function under 3 dots or 3 lines in the top right of your browser.

You can also use the Ctrl key and the plus (+) key to enlarge. Use Ctrl and minus (-) to reduce.

Ctrl and zero (0) should revert to the default display setting.



If you have a touch screen device, you should be able to place 2 fingers on the screen and widen them. This makes website content on the screen larger.

You can enlarge the text permanently on your personal device by going into your settings.

For example, it is sometimes under 'Display and brightness' or 'Accessibility'.

Devices vary so search for instructions about your personal device on the internet.

Websites of interest

[Step Change debt charity](#) help you to be free from debt. It is non-profit. Their advice is free, impartial, and confidential.

[MoneyHelper](#) is a government website which provides free, impartial guidance that helps individuals with financial choices.

Contact Details

Online Enquiry:

[Complete the online enquiry and document upload form](#)

Write To:

Pension Section, Invicta House, Maidstone, Kent, ME14 1XX



Kent Pension Fund

Call:

03000 41 34 88

Monday to Friday 9am to 3pm

To call from abroad dial +44 3000 41 34 88

Calls cost the same as 01 and 02 numbers and are included in free call packages.

Disclaimer: The information in this newsletter is for general use only and does not cover every personal circumstance. If there is any disagreement over your pension benefits due under the Local Government Pension Scheme, the appropriate legislation will apply. This newsletter does not give you any contractual or legal rights and is provided for information purposes only.