

Pension Pulse

Welcome

Welcome to the latest edition of the Kent Pension Fund (KPF) newsletter, for members who are currently contributing to the Local Government Pension Scheme (LGPS). Inside you will find useful information about your pension and other areas of interest.

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

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

Annual Benefit Statement

We provide an Annual Benefit Statement (ABS) at the end of August. It provides a personalised illustration of your benefits in the LGPS.

Your ABS is available on MyPension Online. You can view your ABS figures and use the online calculators. Find your ABS document in the 'Documents and uploads' box on your dashboard.

Your ABS includes information about:

- The value of your pension benefits at the previous 31 March. It includes how your pension is revalued in line with the cost of living.
- A projection of your pension benefits to your normal pension age.
- The death grant lump sum payable should you die in service.
- Your CARE pensionable pay at the previous 31 March.
- Your final salary pensionable pay at the previous 31 March. This is provided by your employer. It is used to calculate your pension up to 31 March 2014.
- Details of where to find the Kent Pension Fund report and accounts.
- The Annual Allowance. Most pension savings will not exceed the annual allowance.
- The Lump Sum Allowance. Most members' lump sums will be less than the lump sum allowance.

Issue 5

Summer 2025



Kent Pension Fund

Summer 2025: In this Issue

About the ill health retirement process	3
Payment of AVCs at retirement	3
LGPS - responsible investment	3
About pensions dashboards	3
MyPension Online corner	4
The way you log in to MyPension Online is changing	4
Your pension and financial wellbeing course	5
Pre-retirement courses	5
Webinars for members	5
Pension scams prevention	5
Consultation - LGPS in England and Wales: Access and fairness (pension scheme proposed reforms)	6
Net zero commitment	6
McCloud remedy	6
Normal Minimum Pension Age (NMPA) is changing from 2028	6
What type of scheme is the LGPS?	7
Our contact details	7



About the ill health retirement process

You should have been a member of the LGPS for at least two years to be eligible for ill health retirement and fit the ill health criteria.

1. You or your employer may suggest the ill health retirement. You may have a conversation with your manager/employer/ HR about the possibility of ill health retirement.
2. If the employer agrees that you may be eligible for ill health retirement, they organise for you to be referred to an Independent Medical Practitioner who completes an 'ill health certificate' and sends it to your employer.
3. If approved for ill health retirement your employer requests an ill health retirement estimate for you.
4. Kent Pension Fund provides the estimate to you.
5. The employer sends you a retirement letter with forms (listed in the next point) to complete.
6. Return the completed Retirement declaration (including Lump Sum allowances declaration) together with your date of birth verification document to your employer.
7. Your employer fills in their forms and uploads the complete retirement pack to Kent Pension Fund.
8. Pension administrators calculate your benefits and organise for them to be paid to you.

The process for other types of retirement may be slightly different. You can find more details on the retirement page on our website

www.kentpensionfund.co.uk/retirementprocess

About pensions dashboards

Pensions dashboards are digital services which members will be able to use to see their pension information in one place. Dashboard users provide their personal information for verification which becomes the 'Find Data'. This is sent to pension providers and schemes to locate any matching pensions. This might include a user's name, date of birth or National Insurance number. If a match is found, the 'View Data' is the pension information displayed on the dashboard. This includes:

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|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"> • details of the pension arrangement • details of the organisation administering the pension arrangement • employment that gave rise to the pension | <ul style="list-style-type: none"> • membership status • start date • estimate of the annual income the individual might receive in retirement. |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

It is vital that the data we hold for you is 100% accurate. Please keep us up to date with any changes in your circumstances, for example if you change your address or name.



Payment of AVCs at retirement

If you have been making Additional Voluntary Contributions (AVCs) and at retirement you chose an AVC option that needs us to request payment of your AVC fund, your main scheme benefits will be delayed. This happens because:

1. If you are still contributing to your AVC fund until retirement, the AVC provider must wait for your final monthly contribution from your employer. They can then withdraw your funds and send them to us.
2. We must pay your AVC funds and main scheme benefits at the same time. If there is a delay in your AVC provider withdrawing and sending the payment to us, your main scheme benefits will be delayed.

We follow up with our AVC providers, however any delays in these steps are beyond our control.

LGPS - responsible investment

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

The policy explains the approach we expect our Fund Managers to take on our behalf to engage with and encourage responsible investment behaviour from the companies we invest in. This can be in the form of shareholder voting or meetings with the companies regarding ESG issues.

To find out more please visit our website:

www.kentpensionfund.co.uk/local-government/about-us/management-of-the-fund

MyPension Online corner

This is a new section of the newsletter where we will highlight features available on MyPenison Online.

In this issue we will explain how to change your death grant nomination on MyPension Online.

A death grant is an amount that may be payable in the event of your death. If you die while being a deferred member of the scheme a non taxable lump sum death grant of 3 times your deferred annual pension is paid if you left before 1st April 2008. If you left on or after 1st April 2008, it is 5 times your annual deferred pension. The death grant is paid if you are under age 75 at the date of death.

As the administering authority, the Kent Pension Fund has absolute discretion over who receives any lump sum death grant but it is helpful if you let us know your wishes. You can update your nomination in MyPension Online.

You can register or log in to MyPension Online though our website www.kentpensionfund.co.uk/mypensiononline

How to change your death grant nomination on MyPension Online.

Once you log in to MyPension Online navigate to 'Manage beneficiaries' section.



Manage who should receive any lump sum death grant payable if you pass away.

Manage my beneficiaries

Screenshot of webpage

Once on this page you will see any names of people you nominated before.

If you want to change your nomination use the 'Edit' button.

You can delete a name using the 'Delete' button.

If you would like to add another person (or establishment) you can do so by using 'Add new beneficiary' button at the bottom of the page.

+ Add new beneficiary

Screenshot of button

If you are nominating more than one person, make sure the percentage of all allocated grants adds up to 100%.

If there is some information missing, a warning will appear. It is helpful if you complete the beneficiaries' date of birth and address details.

Once you are happy with any changes save them by clicking on the 'Confirm and submit' button at the bottom of the page.

Confirm and submit

Screenshot of button

The details of your beneficiaries will be updated immediately.

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The way you log in to MyPension Online is changing

Changes are being made to MyPension Online to make it even more secure. We will soon introduce a new way of logging in.

This will mean that rather than sending you a code via email, a code will be sent to your mobile phone.

The next time you log in, you will be asked to provide your mobile phone number.

Your pension and financial wellbeing course

This free course is delivered by a professional financial services trainer from Affinity Connect Limited. It is available to any scheme member.

The course provides information to help support you to make informed financial decisions. It includes 4 steps:

1. Understand your income and plan your spending
2. Review and keep track of your borrowing
3. Plan your financial goals and prepare for those unexpected costs
4. Start planning for life beyond work whenever that may be.

It is online and lasts 90 minutes.

Visit www.kentpensionfund.co.uk/memberwebinars to book a place.

Pre-retirement courses

We arrange free pre-retirement courses regularly. Some are online but some are in person, in Maidstone. This course is delivered by a professional financial services trainer from Affinity Connect Limited. It is available to any scheme member who:

- has contributed to the Local Government Pension Scheme (LGPS), and
- is within 10 years of retirement.

For more details and a registration form please visit www.kentpensionfund.co.uk/preretirement

Webinars for members



We provide free webinars to members about a variety of subjects, which include time for questions at the end.

We conduct the webinars online through Microsoft Teams. You do not need Microsoft Teams software. You can attend through your internet browser.

Visit the www.kentpensionfund.co.uk/memberwebinars page on the KPF website for more information and the registration form.

Pension scams prevention



Pension scams can be hard to spot, and you must protect yourself.

How to spot a pension scam

The Financial Conduct Authority (FCA) and Pensions Regulator suggest following four simple steps:

Step 1 - Reject unexpected offers. If you are contacted out of the blue about a pension opportunity, chances are it is a scam. Pension cold calling is illegal, and you should be wary. An offer of a free pension review from a firm you have not dealt with before is probably a scam.

Step 2 - Check who you are dealing with. Check if anyone offering advice is authorised. Search Scamsmart and use the FCA register. If they are registered, check they can give pension advice. Contact the FCA if unsure. If you do not use an FCA authorised firm, you risk not having access to compensation schemes.

Step 3 - Do not be rushed or pressured. Take your time to make all the checks you need – even if this means turning down what seems to be a good deal.

Step 4 - Get impartial information or advice. You should consider seeking financial advice before changing your pension arrangements. If you want to transfer more than £30,000 from a defined benefit scheme to a defined contribution scheme that offers flexible access, you must obtain this advice.

Visit the Money and Pension Service (MaPS) website. They provide free independent and impartial information and guidance. Find out about getting financial advice on the Money Helper website.

If you suspect a scam, report it to the FCA.

Consultation - LGPS in England and Wales: Access and fairness (pension scheme proposed reforms)

The government opened a consultation on the proposed reforms to LGPS members' benefits.

This consultation closes at 11:59pm on 7 August 2025.

It is called the Access and fairness consultation.

The proposed changes are intended to improve fairness in and access to the LGPS.

The proposals include:

- addressing survivor pensions and deaths grants. For example, removing the age 75 limit for death grant eligibility.
- addressing the gender pension gap. For example, extending the time limit for electing to buy back lost pension from 30 days to 12 months.
- collecting data on how many members opt out of the scheme and why.

No regulations have been laid at this time.

Net zero commitment

The Kent Pension Fund Committee has agreed an ambitious policy package to address climate risk, including a headline net zero target of 2050; interim emission reduction goals aligned with limiting global temperature increases to 1.5°C; and a 15% target allocation to sustainable investment assets by 2030.

In addition to adopting a net zero target of 2050, the Fund will also target a 43% reduction in emissions arising from its equity investments by 2030, and a 69% reduction by 2040. This pathway is consistent with the pace of decarbonisation required by the latest science to limit global warming to 1.5°C, as assessed by the Intergovernmental Panel on Climate Change. As the global economy moves away from fossil fuels over the coming decades, the interim milestones will be critical in helping the Fund to navigate transition risk safely.

Read the full net zero commitment statement on our website www.kentpensionfund.co.uk/local-government/news/net-zero-commitment

McCloud remedy



Kent Pension Fund must review thousands of pension records for the McCloud remedy. This process will take many months to complete.

We cannot give a deadline as we are still in the identification and data gathering phases of the process. We do not have final numbers about how many calculations we must undertake.

Most members will not have an increase in their benefits. This is because the pension in the CARE scheme is usually higher than the pension that would have built up in the final salary scheme.

You do not need to do anything. We undertake the process for all scheme members.

For more details about the McCloud remedy please visit the LGPS website www.lgpsmember.org/mccloud-remedy/

Normal Minimum Pension Age (NMPA) is changing from 2028

The UK Government has announced that the earliest age you can take your pension will increase from age 55 to 57 with effect from 6 April 2028. This does not apply if you have to take your pension early due to ill health. You could be protected from this increase if you joined the LGPS in England and Wales before 4 November 2021. You could also be protected if you transferred a previous pension into the LGPS if certain conditions are met. However, you will only be able to use this protection when you take your LGPS pension if the LGPS rules allow you to take your pension before age 57. The UK Government makes the LGPS rules. It has not yet confirmed if it will allow members who qualify for protection to take their LGPS pension before age 57, from 6 April 2028.

What type of scheme is the LGPS?

The Local Government Pension Scheme (LGPS) is a:

Occupational pension scheme - a company or workplace pension scheme set up by the employer for their employees to join. Both the employee and employer contribute to the pension fund.

Contributory scheme - members must pay contributions into the scheme. The alternative is a non-contributory scheme which members do not have to pay contributions to in order to receive benefits.

Statutory pension scheme - a scheme established by Acts of Parliament and administered in line with regulations.

Registered pension scheme - a scheme registered under Chapter 2 of Part 4 of the Finance Act 2004, therefore all contributions paid can receive tax relief at source.

Funded pension scheme - the scheme invests the contributions paid in to accumulate more funds to cover the pension payments due. Note: the alternative is an unfunded scheme, also known as 'pay as you go'. The benefits paid for these are funded only by the contributions paid in and any deficit is covered by the pension sponsor, for example, the government.

Defined benefit scheme - benefits paid are defined in legislation. It provides pre-determined retirement benefits based on the employee earnings and membership. Note: the alternative is a defined contribution scheme (also known as money purchase scheme) or a collective defined contribution scheme. Their benefits depend on the amount of money paid in and investment returns.

Career Average Revalued Earnings (CARE)

pension scheme - benefits are worked out using the pensionable pay in each scheme year. The pension earned each scheme year is added to the member's pension account and inflation is added to keep its value.

Forty-ninth (1/49th) pension scheme - the scheme has an accrual rate of one forty ninth (1/49th). For each year of membership a pension is built up of one forty ninth (1/49th) of the pensionable pay in that year.

The LGPS was a contracted out pension scheme up to 5 April 2016 - The scheme was contracted out of the State Earnings Related Pension Scheme (SERPS), known as State Second Pension (S2P). S2P is the additional amount to the basic State Pension.

By being contracted-out of S2P, LGPS members paid a lower rate of National Insurance contributions whilst they were working but, if they are entitled to receive S2P when they reach State Pension age (SPa), they do not receive it.

Instead, they pay LGPS contributions to provide for occupational pension benefits that are guaranteed to be at least as good as those offered by S2P. The Employer Contracting-out Number (ECON) for Kent Pension Fund was E3900002R and the scheme Contracting-out Number or (SCON) is S2700156R.

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Our contact details

You can find more information about the LGPS on our website (including details of webinars and videos about the LGPS):

www.kentpensionfund.co.uk

Online form: www.kentpensionfund.co.uk/contact

MyPension Online: www.kentpensionfund.co.uk/mypension-online

Tel: **03000 41 34 88**

Mon - Fri from 9am to 3pm

This newsletter is available in alternative formats and can be explained in a range of languages.

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.