



# Active Members Newsletter 2020



## Cumbria Fire Pension Fund

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## Welcome to the 2020 Active Members Newsletter

**It's been over a year since I took up the post of Director of Pensions Administration for Local Pensions Partnership (LPP) which operates under the name of Your Pension Service in Cumbria and what a year it has been! I am immensely proud of the progress our teams have made, delivering stability and improved member experiences.**

After ensuring that the business was achieving all Service Level Agreements, the focus is moving to deliver qualitative results as well as quantitative results. In order to do this, it's important to us that we understand what you think about our service and what you would like to see us improve on. We've implemented member satisfaction surveys to hear your opinions – when you call our Pensions Helpdesk; at the end of the retirement process and after we've resolved complaints.

There are several strategic change programmes starting across the business. We are reviewing our core IT systems and will replace those that are not fit to support us in delivering enhanced member experience.

We are also looking to improve our member communications – ensuring that we move away from pensions jargon and communicate in ways that everyone can understand.

I am hugely excited about the opportunities we have to develop LPP Pensions Administration further and improving our service to members, employers and clients.

I hope you enjoy this newsletter and as always welcome your feedback on any of the services we provide. You can do this by emailing: [askpensions@localpensionspartnership.org.uk](mailto:askpensions@localpensionspartnership.org.uk)

**Jo Darbyshire**  
Director of Pension Administration  
Local Pensions Partnership

# My Pension Online

## Keeping it simple!

**Keeping informed about your pension is important but it shouldn't be complicated. At LPP we like to keep things simple for our members which is why we recommend signing up to [My Pension Online](#).**

With [My Pension Online](#) it's easy to stay up to date with your pension and lets you access important documents such as your annual benefit statement and keep your affairs in order by recording your death grant nominee/s.

### **What about the future:**

Are you planning for your retirement?  
Do you know when you want to retire?

More importantly do you know if you can afford to retire when you choose? Planning early for your retirement is so important, and it has never been easier!

With [My Pension Online](#), you can produce multiple benefit calculations showing what pension and lump sum you can expect to receive at your intended retirement date. You might be able to retire earlier than you thought\*.

Log into [My Pensions Online](#) then follow the simple steps on page 6 to see what your pension and lump sum could be:

If you do not have enough income to retire at your preferred date, you can top up your pension whilst you are still an active member, doing this may also allow you to retire earlier with enough income to provide an enjoyable retirement.

\*Please note the benefit calculation is reliant upon the input of accurate pensionable salary information



# Produce your own retirement estimate!

1. Log in to 'My Pension Online'.
2. Select '**Benefit Calculators**' in the Pension Benefits tile. Select your proposed reason for leaving the scheme.
3. Input your proposed leaving date.  
(For Voluntary Retirement this must be between age 55 - 75).
4. Update your pay details if necessary, the figures shown are supplied by your employer so should be up to date.

**CARE Pay:** your annual gross earnings, if you are part time this will be your annual part time salary.

**Final Salary Pay:** your annual full time gross earnings, if you are part time the amount here should show the full time equivalent for your post.

5. Press '**Calculate**', at the bottom left corner of the screen.

The amounts shown are the estimated benefits you can expect to receive at the '**Date Of Leaving**' you have selected.

To see your Lump Sum options, click on '**Lump Sum Options**'. This displays the maximum amount you may take as a tax free lump sum, and how much your pension would be if you opt for the maximum lump sum available. Please note if you have an AVC this is not included here.

Please also note that on the 20 December 2018, the Court of Appeal ruled in McCloud/Sargeant that the transitional arrangements introduced as part of the 2015 reforms to the Firefighters' and Judges' pension scheme were discriminatory and, therefore, unlawful. The Government subsequently accepted that this ruling applied to all the main public service pension schemes and is currently working on removing this discrimination to all affected scheme members. This work is complex and will take time.

For further information please see the Written Ministerial Statement from 25 March 2020: [www.parliament.uk/business/publications/written-questions-answers-statements/written-statement/Commons/2020-03-25/HCWS187/](http://www.parliament.uk/business/publications/written-questions-answers-statements/written-statement/Commons/2020-03-25/HCWS187/)

At this stage there is still uncertainty around the final approach to removing this discrimination. This means that it is not possible at the moment to reflect the impact of the Court of Appeal ruling in any pension estimates.

## Not yet registered.

You can register in three easy steps

**Step 1** – Complete the registration form online

**Step 2** – LPP will send you a unique activation code

**Step 3** – Once you have been issued your activation code you can go online and set up your username and password

Once registered, we can then contact you electronically when we want to share information with you about your pension.

If you would like support using **My Pension Online** call the Pensions Helpdesk on **0300 323 0260**

# LPP During Coronavirus

COVID-19, or Coronavirus, was declared a global health emergency by the World Health Organisation back in January 2020. As the pandemic escalates, rest assured that LPP are doing everything possible to reduce the impact that the virus is having on our business, our members, our employees and their families.

**We continue to monitor the Government's current advice and are reviewing our position daily via a tactical working group.**

Since implementing the LPP Business Continuity Plan on Monday 16 March, the majority of LPP staff have moved to home working with a skeleton staff continuing to operate from our Preston office. We are in regular touch with our key partners and suppliers on their ability to maintain their services and continue to take all reasonable steps to maintain services. Our aim is to do our best to keep disruption to a minimum.

Within a week of the resulting lockdown we started updating the Your Pension websites with information regarding the status of our services. We continue to revise the Coronavirus update on the home page as things change. Our helpdesk continues to operate so if you do need to contact us, please help us by considering whether your query is urgent or not also continue to use our website. The site provides a range of information, alternatively sign up to [My Pension Online](#) where you can carry out several tasks without the need to contact us.

# Contribution Rates 2020-21

**1992 and 2006 contribution rate**  
from 1 April 2020 to 31 March 2021

Pensionable Pay	1992 Scheme & Modified retained scheme	2006 Scheme
Up to and including £15,609	11.0%	8.5%
More than £15,609 and up to and including £21,852	12.2%	9.4%
More than £21,852 and up to and including £31,218	14.2%	10.4%
More than £31,218 and up to and including £41,624	14.7%	10.9%
More than £41,624 and up to and including £52,030	15.2%	11.2%
More than £52,030 and up to and including £62,436	15.5%	11.3%
More than £62,436 and up to and including £104,060	16.0%	11.7%
More than £104,060 and up to and including £124,872	16.5%	12.1%
More than £124,872	17.0%	12.5%

**2015 contribution rate**  
from 1 April 2020 to 31 March 2021

Pensionable Pay	2015 Scheme
Up to £27,818	11.0%
£27,819 to £51,515	12.9%
£51,516 to £142,500	13.5%
£142,501 or more	14.5%

# Pensions Increase

**All pension benefits built up since 1 April 2014 are calculated under the Career Average Earnings scheme (CARE). Each year's benefits are built up under this scheme based on your pensionable pay.**

At the end of each scheme year (1 April to 31 March) during which you paid into the scheme we adjust the balance in your CARE account by inflation (prices). The government advise us each year what percentage we should use. In recent years, they have used the percentage by which the Consumer Price Index (CPI) changed over the year (Sept to Sept). With effect from 1 April 2020, we have added 1.7% to your CARE balance as long as you were a paying member as at 31 March 2020.

You may have transferred benefits into the scheme from a different public sector scheme under club arrangements, buying you additional CARE benefits. If so, we may have adjusted those benefits by a different percentage. Under club arrangements, we must revalue the CARE pension bought by the transfer in line with the percentage under the previous public sector scheme.



# Recent Court Rulings

## Age Discrimination

You may be aware of the recent court case following the introduction of the Career Average Revalued Earnings (CARE) pension for firefighters and the judiciary. The case centred on the decision that only those closest to their schemes Normal Pension Age (NPA) would receive full transitional protection.

As a result of the court case, a national consultation for all Public Sector pension schemes has been released which closes on 11 October 2020 and amended regulations would be expected to follow to take effect from 1 April 2022. We will be contacting those affected once amended regulations have been released.

## Opposite Sex Civil Partnerships

The Government recently extended the Civil Partnership Act 2004 to include opposite-sex couples. The change is in response to the Supreme Court ruling that it was unlawful to deny opposite-sex couples the right to enter a civil partnership. The 2019 Act took effect from 26 May 2019.

The intention for the purposes of the pension scheme is that opposite-sex civil partners will be treated in the same way as those in an opposite-sex marriage.



# We are listening

**Just over 12 months ago we introduced a customer satisfaction survey in relation to the service provided by the helpdesk, we wanted to see: What we did well. What we could do differently.**

At the end of a call into our pensions helpdesk in the period 1 January 2019 to 31 December 2019 10,828 surveys were completed by members with an overall satisfaction rate of 84%.

## **What do the helpdesk do well? You said...**

- I have spoken to two of your staff both able to answer all my questions in a very professional polite manner
- The service is quick, easy and resolves things at one point of contact
- I liked to see your team member anticipating & offering me a solution to my next question. It made the exchange feel much more personal than I'd anticipated, which is very appropriate for a discussion of personal finances
- Very fast, friendly, compassionate and helpful especially with our sensitive situation

## **What could we do differently? You said...**

"I have difficulty logging into My Pension Online", "Wait time was too long", "Too many options to get through".

## **We did:**

- We made changes to the Log on screen including a password reveal button and a please wait dialogue box so you can tell information is being retrieved
- Trained more advisors to take calls which has reduced the average wait time to under 2 min
- We are looking at the options at the beginning of the call and will shortly be amending and reducing the length of message

After you have emailed the helpdesk, a link to a survey is included in the response. From January 1 to December 31, approximately 5657 email surveys were completed with a satisfaction rate of 67%.

The responses were similar to the telephone feedback in that the answers were adequate, however, it took too long to reply.

We continue to focus on reducing our response time from 5 working days to 2.







## The Silver Line

Sometimes you just want someone to say goodnight to

**The Silver Line, a helpline dedicated to providing support for older people living with loneliness and social isolation, has received in excess of 2.5 million calls since it was established in 2013.**

In October 2019 they became a subsidiary of Age UK. Close to 1,500 people per day reach out to the helpline. There are thought to be around 1.2 million chronically lonely older people across the UK. That number is set to rise to 2 million by 2026 and The Silver Line is the front line of defence, combatting the destructive effects of this issue. Available 24 hours, 7 days, 365 days a year, it is the only free, national, confidential helpline offering information, friendship and advice to older people.

Over half of the people that call The Silver Line say that they have nobody else to speak to, the vast majority of them live alone and have very little human contact from day to day. Without our wonderful staff and volunteers, these people would be utterly isolated.

The Silver Line is providing a vital public service, funded entirely by charitable giving. It needs public support if it is to continue meeting and expanding in line with demand. To find out how you access their service or volunteer, visit [www.thesilverline.org.uk/what-we-do](http://www.thesilverline.org.uk/what-we-do) alternatively phone **0800 4 70 80 90**.



# Preventing Pension Scams

**In recent years there has been a rise in pension scams, in many instances individuals have had large portions of their pensions stolen from them through “Pension Liberation”, this is a term used by scammers to convince people they can gain access to pension funds before the age of 55.**

Withdrawing your pension savings could put you at risk of losing all your money, facing charges and a tax bill from HMRC.

With the rise in online scams since the onset of the Coronavirus, scammers may use more and more sophisticated methods to get hold of people’s pensions, on average they scam £91,000 per victim.

## **What are the common tactics you should look out for?**

- Contact out of the blue
- Promises of high/guaranteed returns
- Free pension reviews
- The promise to get you access to your pension before age 55
- Pressure to act quickly

## **How you can protect yourself:**

- Reject any unexplained pension offers
- Check who you are dealing with before changing your pension arrangements
- Do not be rushed into making any decision about your pension
- Consider getting impartial information and advice

## **What to do if you suspect a scam:**

- Report to the Financial Conduct Authority (FCA) using the [reporting form](#) or call **0800 111 6768**
- Report online to [Action Fraud](#), alternatively call **0300 123 2040**

# Avoiding COVID-19 Scams

**With the outbreak of COVID-19 there has been a reported rise in fraudulent activity, many people want to do their bit to help elderly or vulnerable neighbours, but be extra vigilant off and online when accepting help or being asked to provide information related to the current situation.**

The Local Government Association advises that anyone stuck at home without food or medical supplies or is lonely due to self-isolation and does not have family or neighbours they can rely on should contact their local council for assistance.

Find your local council online: [www.gov.uk/find-local-council](http://www.gov.uk/find-local-council) If you do not have access to the internet use **BT operator services: 118 500**

The National Trading Standards Scams Team has a Friends Against Scams Initiative which aims to protect and prevent people becoming victims of scams.

For more information visit their website: [www.friendsagainstscams.org.uk](http://www.friendsagainstscams.org.uk)

# Contacting Us

**Tel:** 0300 323 0260

**E-mail:** [askpensions@localpensionspartnership.org.uk](mailto:askpensions@localpensionspartnership.org.uk)

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## **In writing**

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