Welcome to the latest newsletter for deferred members of the Local Government Pension Scheme (LGPS).

We’ve produced this newsletter jointly with other LGPS funds. You should contact Bedfordshire Pension Fund if you need to update your personal details or if you need more information about your pension benefits.

For more information visit the national Local Government Pension Scheme Members website: www.lgpsmember.org

Your NPA is normally 65. In some cases, it may be earlier if certain protections apply. If you left the scheme on or after 1 April 2014, your NPA is connected to your State Pension age, which could change in the future.

If you’re unsure when your NPA is, you should check your deferred benefit statement.

Can I take my benefits before my NPA?

Changes to the scheme regulations mean you can now take your deferred benefits before your NPA, from the age of 55, as long as you’ve left the employment the benefits relate to. This has always been the case if you left on or after 1 April 2014, but now also applies if you left before 1 April 2014.

Will my benefits be reduced if I take them early?

If you choose to take your deferred benefits earlier than your NPA, they’ll normally be reduced to take into account that your pension will be paid for longer. How much your deferred benefits are reduced by will depend on how early you take them. The reduction is based on the length of time (in years and days) between...
the date you take them and your NPA.

The early-retirement reduction factors are set by the government and can vary from time to time. The current factors are shown in the table below.

<table>
<thead>
<tr>
<th>Number of years paid early</th>
<th>Pension reduction</th>
<th>Lump-sum reduction (for membership to 31 March 2008)</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>0%</td>
<td>0%</td>
</tr>
<tr>
<td>1</td>
<td>5.1%</td>
<td>2.3%</td>
</tr>
<tr>
<td>2</td>
<td>9.9%</td>
<td>4.6%</td>
</tr>
<tr>
<td>3</td>
<td>14.3%</td>
<td>6.9%</td>
</tr>
<tr>
<td>4</td>
<td>18.4%</td>
<td>9.1%</td>
</tr>
<tr>
<td>5</td>
<td>22.2%</td>
<td>11.2%</td>
</tr>
<tr>
<td>6</td>
<td>25.7%</td>
<td>13.3%</td>
</tr>
<tr>
<td>7</td>
<td>29.0%</td>
<td>15.3%</td>
</tr>
<tr>
<td>8</td>
<td>32.1%</td>
<td>17.3%</td>
</tr>
<tr>
<td>9</td>
<td>35.0%</td>
<td>19.2%</td>
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<tr>
<td>10</td>
<td>37.7%</td>
<td>21.1%</td>
</tr>
<tr>
<td>11</td>
<td>41.6%</td>
<td>Does not apply</td>
</tr>
<tr>
<td>12</td>
<td>44.0%</td>
<td>Does not apply</td>
</tr>
<tr>
<td>13</td>
<td>46.3%</td>
<td>Does not apply</td>
</tr>
</tbody>
</table>

Can I take my deferred benefits if I’m unable to work due to ill health?
If you are ill and cannot work, you can ask your former employer to pay your deferred benefits early, without a reduction, whatever your age. Contact your former employer if you would like to discuss this. Your health condition must meet the rules set out in the regulations.

How do my deferred benefits keep their value against inflation?
Every April, your deferred benefits are adjusted in line with inflation. The pension increase applied to your benefits is measured by the Consumer Price Index (CPI) as at the previous September. For April 2019, this is 2.4%.

What happens to my deferred benefits if I die?
If you’re a deferred member and you die, your eligible dependants may be entitled to a lump-sum death grant and survivor’s pension.

- If you left the LGPS before 1 April 2008, the death grant would be the same as your lump-sum retirement grant shown on your statement and includes any increases to your pension since the date you left.
- If you left on or after 1 April 2008, the death grant would be five times your deferred pension, plus any pension increases since the date you left.

After your death, the following people may receive a pension.
- Your husband, wife or registered civil partner
- Any eligible children
- If you were a member of the LGPS on or after 1 April 2008, an eligible cohabiting partner (someone you live with as if you were married)

It’s important to let us know about any changes to your marital status.

How do I update my personal details?
If you want to update the personal details shown on your annual statement (including your address), or you want to tell us about any other changes, please fill in the relevant form (for instance, the ‘change of address’ form). You can find these on the fund’s website. Or, you can log in to your online account through ‘My Pension Online’ to update some of your personal details.

You can find more information on our website at [www.bedspensionfund.org](http://www.bedspensionfund.org).

If your marital status changes, you should give us your original marriage certificate, civil partnership certificate or decree absolute, as appropriate, so that we can authorise the change.
Why does this apply to the LGPS?
The government believes that the implication of this judgment for all public-service pension schemes, including the LGPS, is that surviving civil partners or surviving same-sex husbands or wives should receive benefits equal to those that would be left to the widow of a male member of the scheme.

When does the change take effect from?
The change is backdated to the date that civil partnerships and same-sex marriages were introduced. This is 5 December 2005 for civil partnerships and 13 March 2014 for same-sex marriages.

This means that if a member of the LGPS has died leaving a surviving civil partner or a same-sex husband or wife, the survivor’s pension will need to be reviewed and any extra amounts paid, if this applies. We are currently reviewing the effect of this change and will tell you if it applies to you.

The change will automatically be taken into account in survivors’ benefits paid to civil partners and same-sex husbands and wives in the future.

Changes to survivors’ benefits for same-sex husbands, wives and civil partners

A change has been made as a result of a Supreme Court judgment (Walker v Innospec) which found that Mr Walker’s husband was entitled to the same benefits that would have been paid if Mr Walker had died and left a widow in an opposite-sex marriage.

Are your nominated beneficiaries up to date?
As a deferred member of the LGPS, you should regularly review and update your death grant nominations if necessary. If your personal circumstances change, or you’d like to tell us about new nominees (the people you want to receive the lump sum), please visit the pension fund’s website and fill in an expression of wish form.

National Fraud Initiative
Bedford Borough Council are the administering authority for Bedfordshire Pension Fund and are required by law to protect the public funds we are responsible for. Your information may be shared with other bodies responsible for auditing or administering public funds, in order to prevent and detect fraud. The Cabinet Office is responsible for the National Fraud Initiative and, as part of the initiative, we must share your information with them so that they can compare records from public bodies. They do this in line with a code of practice.

For more information on the National Fraud Initiative, including the code of practice, privacy notice and details of the Cabinet Office’s legal powers, please go to: www.gov.uk/government/collections/national-fraud-initiative
Ban on cold calls

A long-awaited ban on pensions cold-calling came into force on 9 January 2019. (Cold-calling is when a company phones you to try to market their services, without you having asked them to.) The ban was first announced in November 2016 and is now law. Companies who break the rules can be fined up to £500,000.

How does the ban work?
The ban applies to all pensions cold calls, unless both of the following apply.
- The caller is authorised by the Financial Conduct Authority or is the trustee or manager of an occupational or personal pension scheme.
- The person receiving the call agrees to calls or already knows the caller.

Calls about your pension in any other situation are illegal and may even be a scam.

What do I do if I receive a cold call?
If you receive an unwanted call from an unknown caller about your pension, please don’t give out any personal information. Gather as much information as possible and report it to the Information Commissioner’s Office. Visit their website on www.ico.org.uk or call their helpline on 0303 123 1113.

Cyber security

We take the security of your information very seriously. Most pension records are held electronically, and many pension scheme members can now access their own pension records online. The Data Protection Act 2018, along with guidance from The Pensions Regulator, sets out rules that pension funds must follow to make sure that they have good cyber-security (protection for computers and communications networks).

We work closely with our suppliers to make sure the systems that hold your personal information are protected. We have procedures in place to check that processes and people are kept up to date. We also regularly and thoroughly test systems to make sure that they stay secure and that the risk of a security incident is reduced. We make sure that our suppliers have certificates which prove they meet the expected cyber-security standards and that the certificates are kept up to date.

Rejoining the LGPS

If you have the option to join the LGPS again (because you’re working for an employer who offers membership of the LGPS), you may want to consider it, as you will be able to build up further benefits for your future.

If you rejoin the LGPS in a different pension fund, tell them about your existing benefits with us. You may be able to combine your deferred benefits with your new active pension record.

If you are worried about the cost of rejoining the LGPS, you should consider the 50/50 section of the LGPS. It offers half pension for half contributions while still providing full death cover and ill-health protection for your loved ones. You can find more information about the 50/50 section on our website.

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