



Gwent Pension News

Newsletter for Active and Deferred Members of the Local Government Pension Scheme (LGPS) with the Greater Gwent (Torfaen) Pension Fund

Welcome from the Pensions Manager



Welcome to the summer 2023 edition of Gwent Pension News, our newsletter to update you on the latest news about the Local Government Pension Scheme (LGPS) and other topical pension matters.

This edition covers accessing your 2022/23 annual benefit statement, contribution rates and limits for 2023/24, changes to pension revaluation and annual allowance, cohabiting partners, 50/50 section, cyber security and pension scam awareness.

Best Wishes

Jo Griffiths

My Pension Online Registration

Your Pension Statement for 2022/23 will be available by 31st August 2023 on your My Pension Online account.

If you have not yet signed up to see your My Pension Online account.

Visit our website

www.gwentpensionfund.co.uk and click on the My Pension Online link at the top of the screen. **Mobile device users will need to click on the three lines icon next to the magnifying glass at the top right of the home page.**

There are four easy steps to sign up to My Pension Online.

Step 1

Click on **Register for My Pension**

Step 2

Click on **Sign up for My Pension**

Step 3

Type in your **Surname, National Insurance Number, Date of Birth** and **Email Address** and click on Register for My Pension

Step 4

If we hold an email address on your record an activation link will be sent to this email address not the one you register with. **If you have changed your email address and not told us please call us to make sure the link is sent to the right email address.**

If we don't hold an email address on your record, **We will send you an activation key in the post within 3—5 days. If you have changed your address and not told us please call us to make sure the key is sent to the right address.**

How to see your 2022/23 Pension Statement

—When you have logged into your My Pension Online account.

Click on the **Annual Benefits Statement** panel. This will then display your latest pension benefit statement for you.

You can view a guide to understanding your pension statement under **Scheme Documents** in the **Documents** panel.

How to see your Annual Newsletter—when you have logged into your My Pension Online account.

Click on **Scheme Documents** in the **Documents** panel.

Contribution Rates & Savings Limits 2023/24

Yearly Pay	Contribution Rate	
	Main	50/50
Up to £16,500	5.5%	2.75%
£16,501—£25,900	5.8%	2.9%
£25,901—£42,100	6.5%	3.25%
£42,101—£53,300	6.8%	3.4%
£53,301—£74,700	8.5%	4.25%
£74,701—£105,900	9.9%	4.95%
£105,901—£124,800	10.5%	5.25%
£124,801—£187,200	11.4%	5.7%
£187,201 or more	12.5%	6.25%

Annual Allowance	£60,000
Additional Pension Contributions (APC)	£7,579

How does it affect members and when is it used?

Whenever a member takes payment of their pension benefits the Pension Fund carries out a LTA check. We ask a member to tell us about any other pension providers they have paid into with. We carry out a calculation to find out if the total value of their pensions is over or under the LTA limit.

When a members pension benefits are put into payment this uses up a percentage of their lifetime allowance and we tell the member how much has been used.

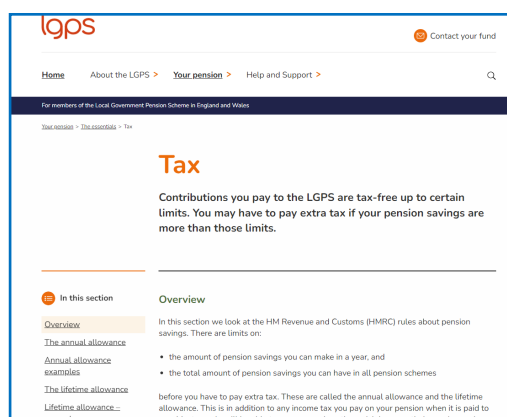
Key Changes

- From April 2023 the LTA charge no longer applies and from April 2024 the LTA will no longer exist.
- Lump sum payments over the LTA will be taxed at an individuals marginal rate of income tax instead of at 55%.

Lifetime Allowance (LTA) Changes

What was the LTA?

The lifetime allowance (LTA) was a limit on the total value of pension savings members could build up through their lifetime without paying a tax charge. This is the total value for all pension schemes an individual has paid into not just the LGPS. The lifetime allowance limit was £1,073,100.



Click the image to access tax information or go to www.lgpsmember.org

You can find out more information about the LGPS on our website at www.gwentpensionfund.co.uk or the national LGPS member website at www.lgpsmember.org

Changes to Pension Account Revaluation and Annual Allowance

What is the Annual Allowance?

The annual allowance is a limit on the growth in a members pension savings each year before they would be liable to pay an annual allowance tax charge.

The Pension Fund calculates the annual allowance used each year for every member.

The government has made changes to the regulations changing how and when the annual allowance is calculated.

Why was the change made?

Since the 2015/16 tax year HM Treasury changed the period over which the pension growth was measured to match the tax year (6th April—5th April each year). The calculation includes an allowance for inflation.

However, the inflation allowed in the annual allowance calculation and the revaluation rate used to revalue members pension accounts every year was different.

In the past the difference in these two rates was minor because inflation has been relatively stable.

However, as inflation in September 2022 was 10.1% and the inflation allowed in the annual allowance calculation would have been 3.1% this would have resulted in a difference of 7% between the two figures.

This would mean inflation of 7% would have affected the growth in the annual

allowance calculation and more members may have been liable for an annual allowance tax charge.

This impact has been removed by the changes in the regulations.

What has been changed?

The revaluation date for members pension accounts has been changed from the 1st April to the 6th April in 2023 and will be on the 6th April every year in future to match the tax year.

In the 2022/23 tax year the annual allowance calculation will not include any revaluation because the revaluation of members pension accounts did not happen until the 6th April.

In future, the inflation increase used to revalue members pension accounts and the annual allowance calculations will be the same because of the change.

This makes it fairer for members when pension growth is measured as it removes the effect of inflation.

The Consumer Price Index (CPI) is the measure of inflation that is used for the above.

We always inform members who will go over the annual allowance limit and let them know what they need to do.

Cohabiting Partners

50/50 Section

The LGPS offers peace of mind and financial security for a members family with immediate life cover and pensions for spouses, civil partners, eligible children and eligible cohabiting partners in the event of their death.

An eligible cohabiting partner is a partner who you are living with who, at the date of your death both you and your partner met all these conditions for at least two years: -

- Free to marry each other or enter into a civil partnership with each other
- living together as if they were a married couple or civil partners; and
- Neither had been living with someone else as if they were a married couple or civil partners; and
- Either your partner was or had been dependent on your or you had been financially interdependent on each other.

Pensions are also only paid to eligible cohabiting partners if the member paid into the LGPS after the 31st March 2008.

Please be aware that at the time of a claim proof of the above conditions will be required e.g. joint council tax and utility bills, joint bank account details, copies of decree absolutes if previously married.

If you want to register your cohabiting partner on your pension account. You can download a cohabiting partner form from our website at

www.gwentpensionfund.co.uk/forms-and-publications/cohabiting-partner-form/

The 50/50 section of the LGPS has been designed to help members stay in the scheme and to continue building up valuable pension benefits instead of leaving the scheme altogether.

If a member joins the 50/50 section of the LGPS they pay half their normal contribution rate, build up half the pension but still receive the same life and ill health cover as being in the main section.

After you have joined the 50/50 section you can move back to the main section at any time. There are also occasions when your employer must move you back into the main section such as during:-

- Auto-Enrolment
- Sickness when your pay drops to zero
- Maternity or adoption leave when you pay drops to zero

You can download the 50/50 section form from our website at

www.gwentpensionfund.co.uk/forms-and-publications/election-to-join-the-50-50-section-of-the-lgps-form/

National Fraud Initiative

The Greater Gwent (Torfaen) Pension Fund has a duty to protect the public funds we administer. This includes taking part in the Government's National Fraud Initiative (NFI), and we may share information with other bodies responsible for auditing or administering public funds for the purposes of preventing and detecting fraud.

NFI operates under the Public Audit (Wales) Act 2004 to protect the public purse by matching data across public sector organisations, to prevent and detect fraud.

The NFI exercise is carried out every 2 years. NFI also operates under the '**Code of Data Matching Practice**' to ensure compliance with legislation, in particular the General Data Protection Regulations (GDPR). You can read more about the data matching, and download the code on the Wales Audit Office website at: www.audit.wales/about-us/national-fraud-initiative.

Cyber Security

Cyber Security is the activity of protecting our devices such as smartphones, laptops, computers and computer networks from being affected by cyber-crime and criminals.



This has become more important to us as a society with more reliance on devices and the internet for us to carry out day to day activities from online banking and shopping to email and social media.

It is important for us all to take the right

steps and actions to secure our data and devices from being stolen or damaged by criminals.

Using Passwords

Passwords—Stay Strong, Make it Memorable and Keep it Safe.

What if you think someone has stolen your password?

The National Cyber Security Centre (NCSC) suggests using the website www.haveibeenpwned.com to see if your information has ever been made public as part of a data breach.

What is a phishing?

Phishing is when criminals contact individuals by email, phone or text message posing as a legitimate company to 'con' you into revealing your personal information to them. They attempt to make emails look genuine and even clone genuine websites to gain your confidence. Criminals will send these emails to millions of people in the hope of you clicking on bad links or attachments to activate viruses on your computer.

If you think you have been targeted you can visit the NCSC website www.ncsc.gov.uk/phishing to find out more about what to do.

If you have lost money you should report this as a crime to Action Fraud. You can visit www.actionfraud.police.uk

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Don't let a scammer enjoy your retirement



Find out how pension scams work, how to avoid them and what to do if you suspect a scam.



Scammers can be articulate and financially knowledgeable, with credible websites, testimonials and materials that are hard to distinguish from the real thing. Scammers design attractive offers to persuade you to transfer your pension pot to them or to release funds from it. It is then invested in unusual and high-risk investments like overseas property, renewable energy bonds, forestry, storage units, or simply stolen outright.

Scam tactics include:



- contact out of the blue



- promises of high / guaranteed returns



- free pension reviews



- access to your pension before age 55



- pressure to act quickly

If you suspect a scam, report it

- Report to the Financial Conduct Authority (FCA)
by contacting their Consumer Helpline on 0800 111 6768 or using the reporting form at www.fca.org.uk
- Report to Action Fraud
on 0300 123 2040 or at www.actionfraud.police.uk
- If you're in the middle of a transfer, contact your provider immediately and then get in touch with www.moneyhelper.org.uk

www.fca.org.uk/scamsmart

Visit the MoneyHelper website for more information about their service at:
www.moneyhelper.org.uk/en/pensions-and-retirement/pension-wise