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# PENSION

lgps

**AWARENESS WEEK**

15 - 19 SEPTEMBER 2025



**Staffordshire**  
**Pension Fund**  
Local Government Pension Scheme

# Agenda

- [What is the LGPS?](#)
- [Protection for you and your family](#)
- [What does it cost?](#)
- [Thinking of paying extra?](#)
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# What is the LGPS?



# Protection for you and your family



Death grant of three  
times your pay



Security for your  
family



Ill health retirement

# What does it cost?

Howard earns £29,400 a year, so has a contribution rate of 6.5%.

The monthly cost to Howard would be £159.25, but with tax relief the net cost is **£127.40**.

Pensionable pay	Contribution rate
Up to £17,800	5.5%
£17,801 - £28,000	5.8%
£28,001 - £45,600	6.5%
£45,601 - £57,700	6.8%
£57,701 - £81,000	8.5%
£81,001 - £114,800	9.9%
£114,801 - £135,300	10.5%
£135,301 - £203,000	11.4%
£203,001 or more	12.5%



Your employer also contributes towards your pension

# Did you know...

... you can join the 50/50 section of the scheme when you need to reduce costs?

## Benefits built up in the main section vs 50/50 section

Contribution rate	6.50%	.....▶	3.25%
Yearly pension build up	£600	.....▶	£300
Death in service lump sum	£88,200	.....▶	£88,200



Howard's salary £29,400

# Thinking of paying extra?

## Additional Pension Contributions (APCs)

- APCs are extra contributions to buy extra annual pension
- APCs taken directly from your pay
- Extra pension is paid with your LGPS pension
- APC calculator

[www.lgpsmember.org/help-and-support/tools-and-calculators/buy-extra-pension-calculator/](http://www.lgpsmember.org/help-and-support/tools-and-calculators/buy-extra-pension-calculator/)



## Additional Voluntary Contributions (AVCs)

- AVCs are taken from your pay and transferred to your own personal account with [Standard Life]
- Use AVCs to purchase extra annual pension from the LGPS or another provider, or take up to 100% of AVCs as tax-free lump sum

## Additional Pension Contributions (APCs)

- Pay monthly or make a one-off lump sum payment
- Cost depends on how much extra pension you want to buy, your age and how you spread payments
- Increases/decreases in line with inflation
- No investment opportunity
- No option to buy additional survivor's pension or benefits



## Additional Voluntary Contributions (AVCs)

- You decide how much you pay
- You can change the amount at any time
- You decide where to invest your money – review your choices regularly
- AVCs will increase/decrease in line with investment performance
- Option to increase survivor's pension or life cover



# Leaving the LGPS

Leave your pension in the LGPS until you choose to take it

Transfer your benefits to another pension arrangement



Combine your pension benefits with a new LGPS pension account

Take a refund of contributions

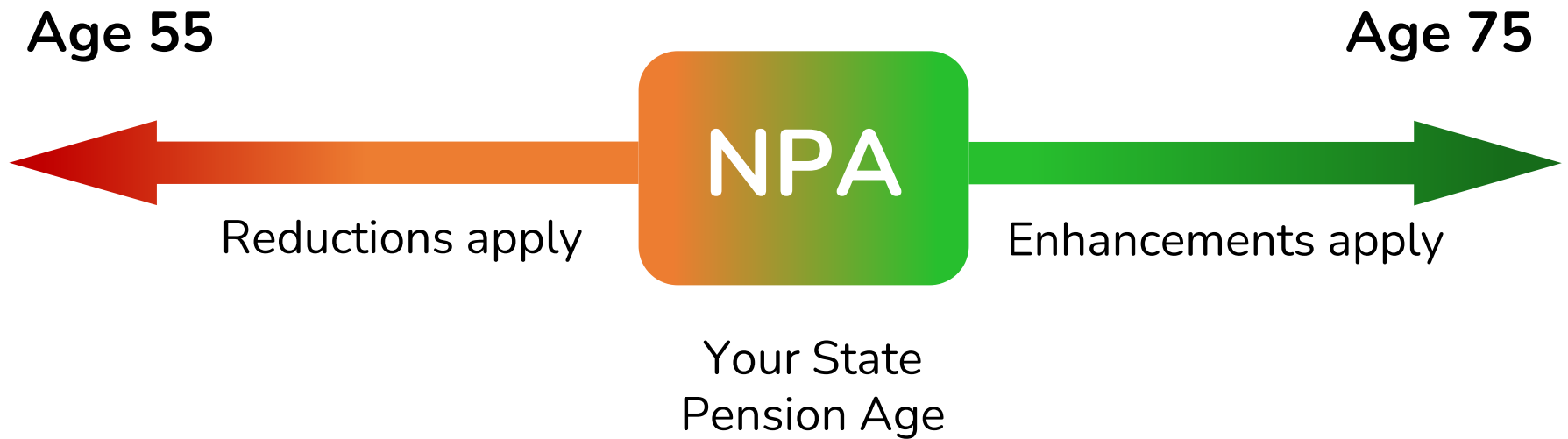
# Prepare, but be aware...

## Beware of pension scams

- Reject unexpected offers
  - Cold calls about pensions are illegal
- Check who you're dealing with
  - [Financial Services Register](#)
  - Financial Conduct Authority: 0800 111 6768
  - [FCA Warning List](#)
- Don't be rushed or pressured
- Get impartial information or advice







# When can you retire?



**Note:** Minimum age 57 from 6 April 2028

# Retirement options

- Age 55-75**  without employer consent
- Flexible 55+**  with employer consent
- Redundancy/efficiency**  at age 55+
- Ill health**  at any age, subject to conditions

# Flexible retirement from age 55

- Employer policy and consent needed
- Reduce hours or grade of job
- Pension benefits reduced if taken earlier than Normal Pension Age
- Rule of 85 will be taken into account (if you are protected and under age 65)
- Take some or all of the pension already built up and continue to build up a second pension in the reduced pay/hours post

# Redundancy / Efficiency of the service from age 55

- Pension paid immediately and **unreduced**
- Based on benefits you have built up to retirement date
- No option to defer payment, transfer to a different scheme or combine your benefits if you re-join the LGPS
- Previous Government planned to restrict exit costs in the public sector
- Rules could change if current Government adopts the policy



## Ill health retirement – any age

Based on the opinion of an independent doctor, your employer determines if:

- You are permanently incapable of discharging efficiently the duties of employment that you currently have, **and**
- You are not immediately capable of undertaking gainful employment

‘Gainful employment’ is paid employment for 30 hours a week for a year

## Ill health retirement tiers

### Tier 1

- Unlikely to be capable of gainful employment before Normal Pension Age
- Pension paid with no reduction
- Pension enhanced – based on period to Normal Pension Age

### Tier 2

- Unlikely to be capable of gainful employment within three years of leaving, but likely to be able before Normal Pension Age
- Pension paid with no reduction
- Pension enhanced - 25% of tier 1 award

### Tier 3

- Likely to be capable of gainful employment within three years of leaving
- Pension paid with no reduction, but not enhanced
- Paid for a maximum of three years, employer review after 18 months



# How your Pension is calculated

Membership up to 31 March 2008	Membership from 1 April 2008 to 31 March 2014	Membership from 1 April 2014
Annual Pension = Membership x Final Pay / 80	Annual Pension = Membership x Final Pay / 60	Annual Pension = Pensionable pay for each year / 49 (half that if in 50/50 section)
Automatic tax-free cash lump sum = 3 x Annual Pension	No automatic tax-free cash lump sum*	No automatic tax-free cash lump sum*

\* Option to convert pension into tax-free cash

# CARE pension calculation

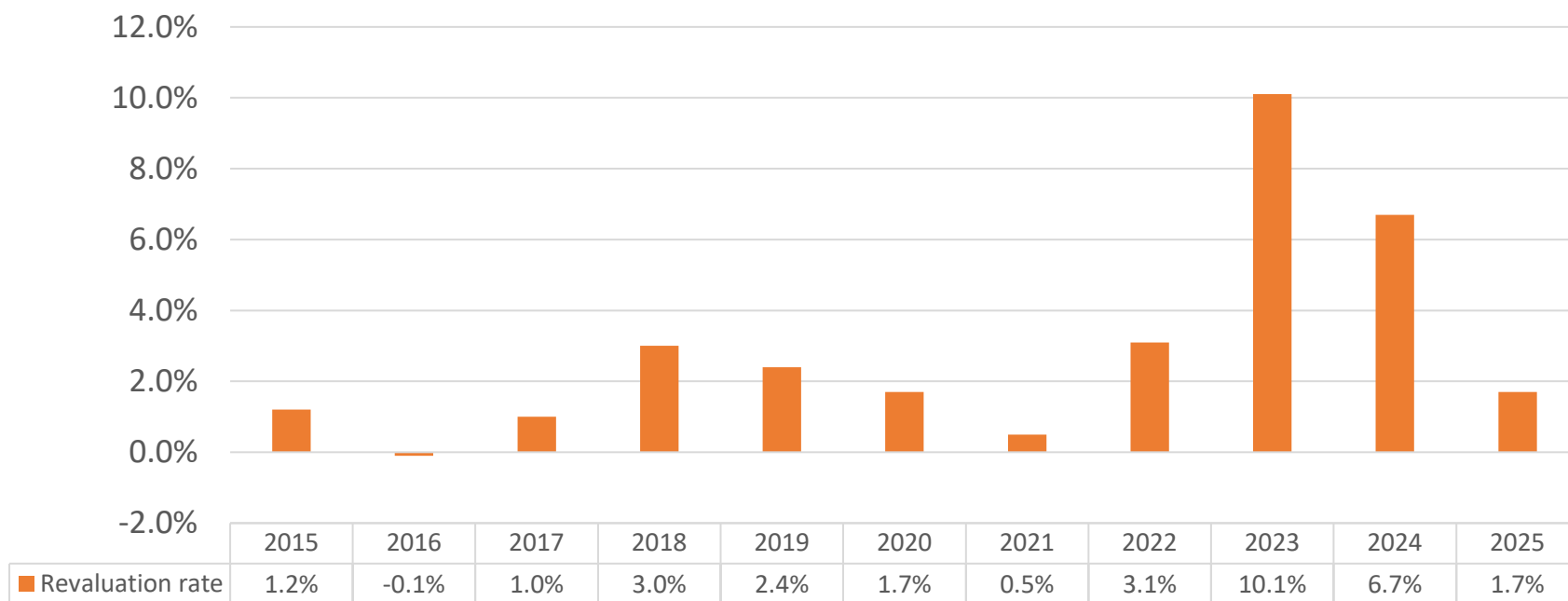
$$\begin{array}{ccccc} \text{Pensionable pay} & \div & \text{Accrual rate} & = & \text{Yearly CARE pension} \\ \hline \text{£29,400} & \div & 49 & = & \text{£600} \end{array}$$

*Revalued each year in line with inflation*

# Revaluation since 2015

Based on changes in the Consumer Prices Index

Revaluation rate



# Example of how a Pension is calculated

Annual Pension						
For the period 1 April 1993 to 31 March 2008						
15 years	x	1/80th	of	£29,400.00	=	£5,512.50
For the period 1 April 2008 to 31 March 2014						
6 years	x	1/60th	of	£29,400.00	=	£2,940.00
For the period 1 April 2014 to 31 July 2024						
Plus CARE Pension Account					=	£4,000.00
Total Pension					=	£12,452.50
Retirement Grant lump Sum*						
15 years	x	3/80ths	of	£29,400.00	=	£16,537.50

# Early payment – percentage reductions

Years early	Annual pension reduction	Automatic lump sum reduction
0	0%	0%
1	4.9%	1.7%
2	9.3%	3.3%
3	13.5%	4.9%
4	17.4%	6.5%
5	20.9%	8.1%
6	24.3%	9.6%
7	27.4%	11.1%
8	30.3%	12.6%
9	33.0%	14.1%
10	35.6%	15.5%
11	39.5%	Does not apply
12	41.8%	Does not apply
13	43.9%	Does not apply

Rule of 85 protects benefits built up before 01/04/2008 if you joined LGPS before 01/10/2006 – lower reductions apply. Please Staffordshire Pension Fund for more details


**Reduction factors are regularly reviewed**

# Estimated Pension Benefits – age 60

<b><u>Pension</u></b>		
Total 80ths Pension	=	£5,512.50
Less early retirement reduction (0.00%) – “Rule of 85” met	=	£0.00
		£5,512.50
Total 60ths Pension	=	£2,940.00
Less early retirement reduction (20.90%) – 5 years to 65	=	£614.46
		£2,325.54
Plus Total CARE Pension	=	£4,000.00
Less early retirement reduction (27.40%) - 7 years to NPA (67)	=	£1,096.00
		£2,904.00
Total Annual Pension		£10,742.04
<b><u>Lump Sum</u></b>		
Pre-April 2008 Lump Sum	=	£16,537.50
Less early retirement reduction (0.00%)	=	£0.00
		£16,537.50
Total Retirement Grant	=	£16,537.50

# Thought about taking a lump sum?

At retirement, you can turn some of your annual pension into lump sum:

- £1 annual pension turns into  £12 tax-free cash
- You cannot turn your whole pension into a tax-free lump sum
- You can generally take up to 25% of the value of your pension as tax-free cash
- Lump sum calculator

[www.lgpsmember.org/help-and-support/tools-and-calculators/lump-sum-calculator/](http://www.lgpsmember.org/help-and-support/tools-and-calculators/lump-sum-calculator/)



# Commuting Pension For Lump Sum

Based on previous example, members standard benefit package is as follows:

## Standard Benefits (No Conversion)

- Pension = £10,742.04
- Lump Sum = £16,537.50

However, on retirement, you can vary this standard package; you have the option to give up part of your retirement pension in order to provide a lump sum retirement grant (or larger lump sum retirement grant if you have membership before 1 April 2008). This is called "commutation".

## Maximum Conversion to Lump Sum

**(£100.00 Annual Pension will purchase £1,200.00 additional Lump Sum)**

- Reduced Pension = £7,791.54
- Lump Sum = £51,943.50

This shows that if the Scheme member gives up £2,950.50 of their standard pension (£10,742.04 - £7,791.54) they can get the maximum lump sum retirement grant allowable as part of their benefit package. On the basis that you get £12 extra lump sum for every £1 of pension given up:  $£2,950.50 \times 12 = £35,406.00 + £16,537.50 = £51,943.50$



# What do I need to do in order to take my pension?

- Notify your line Manager (and the Fund)
- Employer will provide leaver details to the Fund including date of leaving and salary information
- Due to the timing of your employer's payroll, your employer may not be in a position to submit a completed leaver form until approximately 6-8 weeks after you have left employment

# What happens once the Fund have been notified?

- On receipt of the leaver details from your employer, the Fund will aim to provide the following within 15 working days of receipt of this information:-
  - provide you with a final estimate of Pension benefits, and
  - provide you with the paperwork for you to complete and return to the Fund in order to put your pension into payment (we will also ask for verification of your date of birth and marital/partnership status).
- On receipt of your completed documentation, we will aim to make payment of any lump sum retirement grant within 18 working days (which includes the Bankers Automated Clearing System transaction). Your pension (together with any arrears) will be paid in the next payroll run after your information has been received.

# My Pension Portal (MPP)

[My Pension Portal \(MPP\)](#) gives you round the clock secure access to your Staffordshire Pension Fund record. This means you can:

- run estimates of your pension using the online benefit projectors to help you plan for retirement.
- calculate how much tax-free cash lump sum you could get.
- view the valuable life assurance and dependents pension provided.
- view and print your annual benefit statement.
- easily update your contact details.
- update bank/building society account details (pensioner members)
- view/amend your Death Grant nomination details.
- securely upload documents to your Pension record.
- send online requests/enquiries to us.

# Upcoming Upgrade to My Pension Portal

## Heywood Engage

My Pension Portal will be upgraded on **3 November 2025**.

The enhanced portal will feature a more modern, user-friendly design and improved compatibility with mobile devices while continuing to provide all the benefits you currently enjoy, plus more to come.

Further details, including any actions you may need to take to maintain access to your online account, will be shared later this year. Please keep an eye out for our upcoming communications.

# Register for My Pension Portal

- If you have not previously used My Pension Portal (MPP) before and want to do so, you will need to apply first for an Activation Code. Please go to our website to register at: [www.staffspf.org.uk](http://www.staffspf.org.uk) and complete following steps:
  1. Click on 'My Pension portal'
  2. Click on 'Access my pension portal'
  3. Click on 'Sign Up to My Pension (New User)'
  4. Complete the form with relevant details - Surname, NI Number (must be entered in UPPERCASE), Date of Birth and Email address
- Once you click 'sign-up' you will receive your activation code by post within 10 working days. However, if we already hold your email address on our records, your activation code will be sent to that email address.
- A pictorial guide and video are available on our [website](#) to help our Scheme members register for My Pension Portal.

Please note that all MPP users will need to re-register for the new portal (Engage) when it goes live in November.

# My Pension Portal Dashboard



Your Tasks Home My Account Admin



A EXAMPLE   **Schema:** Local Government Scheme   **Member Ref:** 12345   **Status:** Active

Welcome Mrs EXAMPLE

<b>Your Tasks</b> >	<b>Your Details</b> >	<b>Employment Details</b> >
Find tasks and items that you need to complete. There are currently no tasks for you to do.	View and amend your personal details.	View your current employment details. <ul style="list-style-type: none"><li><a href="#">Financial Details</a></li></ul>
<b>Pension Benefits</b> >	<b>Documents</b> >	<b>Nominations</b> >
View your pension benefits. <ul style="list-style-type: none"><li><a href="#">Benefit Projectors</a></li><li><a href="#">Benefit Statements</a></li><li><a href="#">Latest Valuation- (Divorce Sharing Order &amp; Annual Allowance Debits NOT deducted)</a></li></ul>	View the documents that relate to you and your pension. <ul style="list-style-type: none"><li><a href="#">Scheme Documents</a></li><li><a href="#">My Documents</a></li><li><a href="#">Document Upload</a></li></ul>	Make sure your loved ones are still cared for should anything happen to you. <ul style="list-style-type: none"><li><a href="#">Death Grant Nomination Details</a></li></ul>
<b>Settings / Configuration</b> >	<b>Contact Us</b> >	<b>News</b> >
Update your settings. <ul style="list-style-type: none"><li><a href="#">Change your Password</a></li><li><a href="#">Change Security Responses</a></li><li><a href="#">Consent Withdrawal</a></li><li><a href="#">Communication Preferences</a></li></ul>	Comments, questions, complaints? Get in touch.	

# What is an Annual Benefit Statement (ABS) and what should I do with it?

A yearly statement that shows you:

-  The LGPS pension benefits that you have built up at 31 March
-  An estimate of the pension benefits you might receive if you retire at your Normal Pension Age

## What should I do with my statement?



Check that your pay, employment and personal details are correct



Review your forecast of where you are likely to be at your Normal Pension Age. Remember, this does not include any other pension benefits you may be entitled to.



Use your ABS as a springboard for future retirement planning



# Accessing Annual Benefit Statements in MPP



Your Tasks

Home

My Account

A EXAMPLE    Scheme: Local Government Scheme    Member Ref: 123456    Status: Active

[Home](#) » [Your Dashboard](#) » [Documents](#) » My Documents

## My Documents

Please select the document you wish to view from the list below.

Document	Date	Type
<a href="#">MCCLOUD ABS NOTES (GROUP 2)</a>	08/09/2025	
<a href="#">SPF ABS 2025 inc PSO AA</a>	08/09/2025	
<a href="#">SPF ABS 2024 inc PSO AA</a>	08/09/2025	
<a href="#">SPF ABS 2023 inc LTA PSO AA</a>	08/09/2025	

# Annual Benefit Statements (Section 1)

## LGPS Personal Benefit Statement

Mrs A Example  
C/o Staffordshire Pension Fun  
1 Staffordshire Place  
Tipping Street  
Stafford

ST16 2LP

Issue Date: 31 August 2025

### Section 1: Personal Details

Full Name and title	Mrs Ann Example
Payroll Reference	123456
Partnership Status	Unknown
Employer at 31/03/2025	STAFFORDSHIRE C C
Date Joined Scheme	01/04/1998
Section of scheme at 31/03/2025	MAIN
CARE Pensionable Pay in year to 31/03/2025	£34,000.00
Final Salary Pensionable Pay	£34,000.00

It is important that the details above are correct as any inaccuracies will affect all of the calculations below.  
If any of the above details are incorrect please inform your personnel department.

# Annual Benefit Statements (Section 2)

<b>Section 2: Summary of Total Benefits at 31/03/2025</b>			
<b>Name: A Example</b>		<b>Payroll Reference: 123456</b>	
<b>Your benefits accrued at 31/03/2025 (as detailed in sections 3 and 4)</b>			
Annual pension	£16262.87	Automatic lump sum	£12750.00
<b>Death in service benefits</b>			
Death in service lump sum	£102000.00	Annual survivor's pension	£7100.23
<b>Your Nomination Details</b>			
<b>Name: A Example</b>		<b>Payroll Reference: 123456</b>	
<p><b>Nomination Date</b></p> <p>If this field is blank you have either not made a nomination at all or have made a nomination via the My Pension Portal previously. You can view or amend your nomination details at any time via the My Pension Portal in the 'Death Grant Nomination Details' area.</p>			

# Annual Benefit Statements (Section 3)

Section 3: Career Average Pension Benefits at 31/03/2025 (payable from 01/04/2030)								
Name: A Example			Payroll Reference: 123456					
<p><b>PLEASE NOTE:</b> The benefits calculated in this section of the statement are based on the pay figures below. It is important that you check this and the pension build-up on the line below and contact your employer to report any perceived inaccuracies.</p>								
Pensionable Pay for year to 31/03/2025 in Main section					£34000.00			
Pensionable Pay for year to 31/03/2025 in 50/50 section					£0.00			
<b>Amount of pension built up in the year to 31/03/2025</b>								
Main Section Pay / 49 £693.88	+	50/50 Section Pay / 98 £0.00	+	Additional Pension Bought £0.00	+	Transfers in £0.00	=	Total £693.88
<b>Total Career Average Pension in the year to 31/03/2025</b>								
Previous year closing balance £7421.73	+	Increase for the cost of living £497.26	+	In year build up (as shown above) £693.88	=	Total Career Average Pension at 31/03/2025 £8612.87		



Local Government  
Pension Scheme

# Annual Benefit Statements (Section 4 & 5)

Section 4: Final Salary Benefits at 31/03/2025 (payable from 01/04/2030)			
Name: A Example		Payroll Reference: 123456	
Final Salary pay £34000.00	Annual pension		Automatic lump sum
	Total	£7650.00	£12750.00
	Including 60ths	£3400.00	
	+ 80ths	£4250.00	
	+ Additional Pension	£0.00	
Section 5: Projections if you remain contributing to the scheme until 31/03/2030 (ie to your Normal Pension Age (NPA) of 67 Yrs 0 Days)			
Name: A Example		Payroll Reference: 123456	
Total Pension at NPA	£20304.67	Automatic lump	
Including projected Career Average Pension to NPA	£12082.26	sum at NPA	
and projected Final Salary pension to NPA	£8222.41	£12750.00	
Prospective survivor's annual pension if you remain in the scheme to NPA	£7100.23		
Including projected Career Average Pension to NPA	£3700.23		
and projected Final Salary pension to NPA	£3400.00		

# Annual Benefit Statements (Section 6)

<b>Section 6: Your Membership Details for Final Salary Benefits</b> <b>Name: A Example</b> <b>Payroll Reference: 123456</b>	
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Your employer supplies us with your membership information.

We have shown any other pension scheme membership transferred to the Local Government Pension Fund.

If you believe any of the details are incorrect, please let us know.

Employer	Period		Calendar length years/days	Percentage of whole time	Period of membership years/days
	From	To			

STAFFORDSHIRE C C	01/04/1998	31/03/2014	16/000	100.000000	16/000
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## McCloud Values

The Benefits above include these values where applicable

Estimated Provisional Underpin Amount	: £4333.32	Estimated Provisional Assumed Benefits	: £5446.48
Revalued Underpin Amount	: £0.00	Revalued Assumed Benefits	: £0.00
to 31/03 (Over NPA only)		to 31/03 (Over NPA only)	
Estimated Final Underpin Amount	: £4657.56	Estimated Final Assumed Benefits	: £5446.48
Estimated Final Guarantee Amount	: £0.00	Estimated Survivors Guarantee Amount	: £0.00

# Annual Benefit Statements (Section 6 cont...)

## McCloud Notes

Estimated Provisional Underpin Amount means the Final Salary benefit you would have built up in the 2008 scheme if it had continued between 1 April 2014 and 31 March 2022. This amount is calculated at the date of the Statement

Estimated Provisional Assumed Benefits means the Career Average pension that has built up in the 2014 scheme for the period between 1 April 2014 and 31 March 2022. This amount is calculated at the date of the Statement

If the Estimated Provisional Underpin Amount is greater than the Estimated Provisional Assumed Benefits the difference has been added to the pension amounts in Section 3 to produce the final result in Section 2

Revalued Underpin Amount and Revalued Assumed Benefits are only relevant if you are over Normal Pension Age at the date of the statement. These values have been calculated at your Normal Pension Age. If the Underpin amount is higher than the Assumed amount, the difference has been added to the pension amounts in Section 3 to produce the final result in Section 2

Estimated Final Underpin Amount means the Final Salary benefit you would have built up in the 2008 scheme if it had continued between 1 April 2014 and 31 March 2022. This amount is calculated as at your NPA

Estimated Provisional Assumed Benefits means the Career Average pension that has built up in the 2014 scheme for the period between 1 April 2014 and 31 March 2022. This amount is calculated as at your NPA

Estimated Final Guarantee Amount and Estimated Survivors Guarantee Amount is the difference between the Underpin Amount and the Assumed Benefit (where the Final Salary scheme would give a higher benefit). This amount is included in the pension values shown in Section 5 in the "Total Pension" and "Prospective survivor's pension" amounts

Further information about McCloud can be found on the separately published McCloud notes or in the Active Members Newsletter on our Website

# Retirement Planning

- Staffordshire Pension Fund is working with Affinity Connect to offer pre-retirement online courses for our Scheme members.
- The course is aimed for those of you who are:
  - thinking about retiring or taking your pension benefits within the next ten years; and
  - wanting to understand some of the key financial considerations about retirement.
- These are free to attend and open to employees of all our Scheme employers. Note: some employers e.g. Staffordshire County Council run additional dates for their staff
- Further details, including link to book can be found on our website:  
<https://www.staffspf.org.uk/Members/Active-Members/Leaving-the-Scheme/Retirement/Pre-Retirement-Course.aspx>



Local Government  
Pension Scheme



# Staffordshire Pension Fund Website Demonstration

<https://www.staffspf.org.uk/Home.aspx>



Keyword Search



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Finance and Investments

Governance

Videos - Pensions Made Simple

Contact us

## Thinking of retiring?



Information for members of the pension scheme who are close to retirement age or for members who are thinking of retiring. These pages will give you everything you need to know.

[Find out more](#)

## Currently paying in



This section is designed to provide you with information about the scheme. It includes the features, benefits and the different circumstances you may come across during your membership of the scheme.

[Find out more](#)

## My Pension portal



Our online portal enables you to view your pension online, calculate your own pension estimate to help you plan for retirement. You can also view and change your contact details and keep up to date with your pension.

[Find out more](#)

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# Questions



## Useful links

National LGPS member website	<a href="http://www.lgpsmember.org">www.lgpsmember.org</a> Calculators, videos, FAQs, general information about the scheme
Pension fund website	<a href="http://www.staffspf.org.uk">www.staffspf.org.uk</a> View further information on the scheme and access forms.
Member “My Pension Portal” (MPP)	<a href="https://staffspf.hostingssf.aquilaheywood.com/">https://staffspf.hostingssf.aquilaheywood.com/</a> View your benefit statement, use the benefit projector, update expression of wish details
Contact the fund	<b>Email:</b> <a href="mailto:pensions.enquiries@staffordshire.gov.uk">pensions.enquiries@staffordshire.gov.uk</a> <b>Phone:</b> 01785 278222 <b>Write to:</b> Pension Services Section, 1 Staffordshire Place, Tipping Street, Stafford, ST16 2LP