

Deferred Pensioner Scheme Member Newsletter 2025

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

We have produced this newsletter jointly with other LGPS funds. If you would like more information about your pension benefits, contact Staffordshire Pension Fund.

It is reassuring for you to know that the LGPS is one of the largest pension schemes in the UK. It is a defined benefit pension scheme which means we calculate pensions based on salary and length of membership in the Scheme. A scheme member's pension is not affected by how well investments perform and therefore any volatile conditions in the market will have no effect on your pension. The LGPS provides you with a secure and guaranteed income every year in retirement.

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The McCloud remedy

What is the McCloud remedy?

When public service pensions changed from final-salary to career-average schemes, members who were within 10 years of their normal pension age were protected. In 2018, the Court of Appeal ruled this was unfair to younger members. The McCloud remedy, which was introduced from 1 October 2023, gives similar protection to eligible younger members.

Who is protected by the McCloud remedy?

Not all LGPS members are protected. Whether you are depends on your membership history in the LGPS and other public service pension schemes.

What should I do?

If you've been a member of another public service pension scheme or LGPS fund Before we pay your benefits, we will ask you to confirm whether you have any public sector membership held with another scheme. Your information helps us work out whether you're protected by the McCloud remedy. We may need to ask for more information from your previous pension provider to help us make sure your pension calculations are accurate.

If you haven't been a member of another public service pension scheme

You don't need to do anything. We'll work out whether you're protected by the McCloud remedy. If you qualify for protection, we'll work out any 'final guarantee amount' when you take your pension. **However, this increase applies to very few members.**

Annual Benefit Statements

From 2025, Staffordshire Pension Fund is required to reflect a member's underpin protection in annual benefit statements. Your 2025 pension statement will show how the changes affect you.

If your pension is protected by the McCloud remedy, details will be shown on your Deferred Pensioner Annual Benefit Statement under the section "McCloud Values".

This section will show the amount of pension built up in the career average pension scheme (CARE) for the McCloud remedy period (Estimated Final Assumed Benefits) and the notional final salary benefits that you would have built up had you remained in the final salary scheme (Estimated Final Underpin Amount). If the estimated final underpin amount is more than the estimated final assumed benefits, the increase will be added to your pension (Estimated Final Guarantee Amount). If your pension qualifies for underpin protection, this may also apply to any survivor pension that may be payable on your death (Estimated Survivors Guarantee Amount). **Please note that very few of our members will see an increase.**

Accompanying your 2025 annual benefit statement are a set of McCloud notes which set out how the McCloud protections affect different groups of members and which group we have identified you belong.

How do I get more information?

For further information on the McCloud judgment, please see the dedicated page on our website: www.staffspf.org.uk/Members/Active-Members/McCloud-Case.aspx

My Pensions Portal (MPP)



As a member of the Staffordshire Pension Fund, you can access your Local Government Pension Scheme (LGPS) records online.

My Pension Portal (MPP) is a simple to use, secure and user-friendly portal. MPP provides you with round the clock access to your Staffordshire Pension Fund record. This means you can:

- View and print your annual benefit statement.
- Produce your own pension quotes, helping you to plan for retirement.
- Calculate how much tax-free cash lump sum you could get.
- Easily update your contact details.
- View/amend your Death Grant nomination details.
- Securely upload documents to your Pension record.
- Submit enquiries via the portal.

If you have not already registered, you can apply for an activation code on the Staffordshire Pension Fund's website: www.staffspf.org.uk/Calculator/Self-Service-Calculator.aspx

Staffordshire Pension Fund has developed a video guide to help our Scheme members register for My Pension Portal as well as run benefit calculations online. These can be accessed from our website: <https://www.staffspf.org.uk/Videos-Pensions-Made-Simple.aspx>

Future Developments for MPP - Heywood Engage

My Pension Portal (MPP) will be upgraded to a new platform - Heywood Engage - on 3 November 2025. The enhanced portal will include all the features currently in MPP but feature a more modern, user friendly design and improved compatibility for mobile phones/tablets.

If you are currently registered for MPP, we will email you with instructions on how to access the new service, once it goes live.

Additional Voluntary Contributions (AVC's)

If your AVC plan is with Standard Life or Utmost, your annual statement, as of 31 March 2025, will be available on My Pensions Portal (MPP) by the end of August. This can be found within the MPP "My Documents" section.

For Scottish Widows AVC plan holders, your annual statement will be posted to your home address.

The normal minimum pension age (NMPA) is changing

The normal minimum pension age (NMPA) is the earliest age that you can take your pension. The NMPA is currently 55, but it will rise to 57 from 6 April 2028. This change does not apply if you have to take your pension early due to ill health.

What does this mean for me?

If you were born after 5 April 1973	The earliest age you can take your pension at will be increased by two years, to age 57.
If you were born after 6 April 1971 but before 6 April 1973	You can take your pension between your 55th birthday and 5 April 2028 (the day before the NMPA increases to 57). If you choose not to take your pension during this period, you'll need to wait until your 57th birthday at the earliest.
If you were born on or before 6 April 1971	You'll already have reached age 57 by 6 April 2028 so the change won't affect you.

Will there be any protection from the change in the NMPA?

You could be protected from the increase in the NMPA 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, as long as you meet certain conditions. We are waiting for a decision from the Government as to whether any protection will be introduced into LGPS rules to allow members who qualify for protection to continue with their right to take their LGPS pension from age 55. We will tell you when the

Government makes a decision on this, and you can keep up to date with developments at www.gov.uk.

Update on pensions dashboards

LGPS funds will be taking part in a new initiative called pensions dashboards.

Pensions dashboards let you safely view all your unpaid pension benefits, including your State Pension, in one place. This should help you find any pension accounts you may have lost and help you plan for your retirement.

All pension providers must connect to the dashboards by 31 October 2026. LGPS funds are prioritising working with specialist companies to connect to the dashboards by 31 October 2025.

The dashboards will become available to the public when the Secretary of State for Work and Pensions is satisfied that they are ready to support widespread use by the public.

When the dashboards become available to the public, you will need to use the Government's GOV.UK One Login to securely prove your identity as part of the registration process. Make sure your personal information is up to date by logging into My Pension Portal to check your pension record.

For more information on pensions dashboards, please visit:
www.pensionsdashboardsprogramme.org.uk

Warning - Pension Scams

**Don't let a scammer
enjoy your retirement**



The number of pension scams continues to rise. It's more important than ever to understand how to protect your money and the signs to look out for if you think you might be dealing with a scam. Scammers often claim to be from genuine pension providers. They may contact you unexpectedly, through methods such as email, text message, social media or illegal cold-calling. They may offer you a free review of your finances or the opportunity to free up your pension before you are 55.

Their aim is to persuade you to transfer your pension savings to them, by promising access to high-earning, low-risk benefits.

To reduce the likelihood of being scammed:

- reject unexpected offers or cold calls;
- check who you're dealing with by looking at the Financial Services Register at <https://register.fca.org.uk>;
- read The Pension Regulator's leaflet on scams at www.fca.org.uk/publication/documents/pension-scams-leaflet.pdf;
- don't be rushed or pressured into making decisions; and
- get impartial information and advice from www.moneyhelper.org.uk/en.

If you receive a phone call or email which you think may be from us but you're not sure, don't give your details. Contact us to find out if the call or email is genuine.

Staffordshire Pension Fund - pledge to combat Pension Scams



The Pensions Regulator is asking Pension Funds, trustees, providers, and administrators to pledge to do more, to protect Members and follow the principles of the Pensions Scams Industry Group (PSIG) Code of Good Practice. However, in accordance with industry best practice we have made the pledge to combat pension scams.

The Staffordshire Pension Fund already has well established due diligence processes in place to warn and prevent Members from being victims of pensions scams. By doing so we commit to:

- regularly warn Members about pension scams
- get to know the warning signs of a scam and best practice for transfers, by completing the scams module in the Pensions Regulator's Trustee Toolkit and encourage all relevant staff to do so.
- Study and use the resources on the Financial Conduct Authority (FCA) scam smart website.

To further assist you to avoid pension scams please see our information page on pensions scams on our website: www.staffspf.org.uk/Members/Pension-Scams.aspx

The State Basic Pension

The State Pension is a really important part of people's retirement. This is why it's so important to understand how it works.

This section provides information about the State Pension. We cover what you might get and how your National Insurance contributions determine your payments.

How much is the current State Basic Pension?

A new State Pension system was introduced from 6 April 2016. The full level of the State Pension is £230.25 a week in the 2025/26 tax year, which produces an annual income of £11,973.00.

The amount you may get might be lower as your entitlement to State Pension depends on your National Insurance record. You need a minimum of ten years' contributions or credits to get any State Pension, and at least 35 years on your record to get the full amount.

What is the State Pension Age?

The State Pension age is the earliest you can claim your State Pension. Your State Pension age depends on when you were born.

Currently, the state pension age stands at 66. However, for those born after 5 April 1960, there will be a phased increase in State Pension age to 67 between May 2026 and March 2028. Current law allows for State Pension age for men and women to increase from 67 to 68 between 2044 and 2046 but this timetable could be changed by the government.

It's important not to confuse the State Pension age with your retirement age. Retirement age is the age you retire – and it can vary a lot depending on your financial situation.

To find out more on how the State Pension works and how much might you get, please visit the MoneyHelper website: www.moneyhelper.org.uk/en/pensions-and-retirement/state-pension/how-does-the-state-pension-work-and-how-much-might-you-get

Retirement Living Standards

First published in 2019, the Pensions and Lifetime Savings Association's (PLSA's) Retirement Living Standards help us to picture what kind of lifestyle we could have in retirement.

Based on Loughborough University's research, the standards define three living standards and provide estimated costs for essential things such as bills, food, transport, leisure and clothing.

These standards are regularly updated to take account of changes in the cost of goods and services and in people's expectations for their retirement. The most recent study suggests that a single person will need £13,400 each year as a minimum income, £31,700 for a moderate standard of living and £43,900 to be comfortable. For couples, the equivalent numbers are £21,600, £43,900 and £60,600 each year.

You can find more information on the Retirement Living Standards on the PLSA website at www.retirementlivingstandards.org.uk.

The figures stated above are the general levels of spending needed to achieve a certain standard of living. The standards provide a general guide based on common costs for many people in retirement. However, it is important to remember that everyone's financial circumstances are different. You may need to allow for other costs depending on your circumstances, for example, mortgage, rent and social care costs, and any tax you may have to pay on your pension income. For more accurate planning, we would encourage you to think about the costs you may have in your retirement.

Once you have considered what you'll need or want to spend your money on and have developed your own personal target, the next step is to work out how much your retirement income is likely to be and understand how much you already have (for example, in savings).

The full State Pension for 2025 to 2026 is £11,973 a year. This will go a long way towards reaching the minimum Retirement Living Standard for single pensioners. And couples, where both pensioners are on the full State Pension, would achieve the minimum Retirement Living Standard. You can check your pension forecast at www.gov.uk/check-state-pension.

Other retirement income will include your LGPS benefits plus any other workplace pensions, personal pensions and any savings and investments you may have. If you've lost track of your pension pots, you can use the Pension Tracing Service to start tracking them down.

To find out how much you might get from your LGPS pension on a specific date, you can log in to the online portal for an estimate of your benefits if you were to take early retirement. The estimate will take into account any reductions that may apply.

Deferred Benefits FAQs

What are deferred benefits?

What is my NPA?

When can I take my deferred benefits?

Retirement Process

How much will I get if I take my benefits before my NPA?

I can't work because of ill health, so can I take my deferred benefits?

Do my deferred benefits keep their value against inflation?

Can I transfer my deferred benefits to another pension scheme?

What happens to my deferred benefits if I die?

Are your nominated beneficiaries up to date?

How do I update my personal details?

Rejoining the LGPS

What are deferred benefits?

Deferred benefits are benefits that are set aside to be taken at a later date. If you stop paying LGPS contributions, or finish working for an employer in the LGPS, we work out the deferred benefits that you will delay taking until a future date.

The amount you can see on your annual benefit statement is the pension we have worked out for you from your normal pension age (NPA). If you are over 65 and older than your NPA, your annual statement will include increases for retiring after your NPA.

What is my NPA?

The date your LGPS pension is due to be paid from, without reductions, is known as your normal pension age (NPA). It is unique to you and based on when you left the scheme.

- If you left after 1 April 2014, your NPA is linked to your State Pension age.
- If you left between 1 October 2006 and 1 April 2014, your NPA is 65.
- If you left before 1 October 2006, your NPA is normally 65 but could be as early as 60.

When can I take my deferred benefits?

You can take your deferred benefits at any age between 55 and 75, as long as you have left the job those benefits are linked to.

You can take your benefits:

- reduced, at any age between 55 and your NPA (see the note below);
- unreduced, at your NPA;
- with increases, after your NPA and up to age 75 (but if you left the LGPS before 1 April 1998, you must take your pension by the time you reach your NPA); and
- unreduced, at any age before your NPA if you are given access to them because of ill health.

Note: The Government has announced that the earliest age you can take your pension, other than for ill-health reasons, will increase to 57 from 6 April 2028. See '[The normal minimum pension age \(NMPA\) is changing](#)' section in the newsletter for more details.

Retirement Process

If you wish to receive payment of your deferred benefits, please notify Staffordshire Pension Fund. **Note: we must have three months' notice before these benefits can be paid.**

If you do decide to retire, you can let us know either by:

- submitting request via the online 'My Pension Portal',
- emailing pensions.enquiries@staffordshire.gov.uk; or
- writing to: Pensions Services, 1 Staffordshire Place, Tipping Street, Stafford, ST16 2DH.

Please quote your National Insurance number in any correspondence.

A retirement pack will be sent to you closer to your nominated retirement date which will contain the final estimate of your deferred pension benefits together with the retirement form to be completed before your benefit entitlement can be finalised.

If you are registered for our online service, My Pension Portal (MPP), the quotation letter will be published in the 'My Documents' area of your MPP record and an email will be sent to you to inform you that your retirement documentation is available to view. You can then return your completed retirement forms and relevant certificates via the 'Document Upload' area of MPP.

On receipt of your completed documentation, we aim to make payment of any retirement grant on, or shortly after, your "due date". Your retirement pension will be paid monthly in arrears, normally on the last day of each calendar month. However, if

the last day of the month falls on a Saturday or Sunday, payment will be made on the Friday before.

Each instalment of pension will be for that calendar month and will be one-twelfth of the annual amount. Note: the first pension will be adjusted pro rata depending on the number of days it has been in payment for that month. After your first pay advice (i.e. the statement that sets out details of monthly pay and deductions, etc.) a further pay advice will be issued only if your net pay changes up or down by £1 or more.

How much will I get if I take my benefits before my NPA?

If you take your deferred benefits before your NPA, they'll normally be reduced because your pension will be paid for longer. The following table shows the percentage your pension will be reduced by if you take it earlier than your NPA. If the number of years is not exact, the reductions will be adjusted accordingly.

Number of years	Pension reduction	Lump sum reduction (for membership to 31 March 2008)
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%	N/A
12	41.8%	N/A
13	43.9%	N/A

Our benefit calculators in the online portal can help you work out how much your pension might be with these reductions. If you have not already registered, you can apply for an activation code on the Staffordshire Pension Fund's website:

www.staffspf.org.uk/Calculator/Self-Service-Calculator.aspx

Please note: if you do decide to claim your Deferred Benefits, you are required to give 3 months' notice to Staffordshire Pension Fund.

I can't work because of ill health, so can I take my deferred benefits?

If you can't work because of ill health, you may be able to have your benefits paid in full, with no reductions, whatever your age. For your application to be approved, you must be permanently incapable of doing the job you were in when you stopped paying LGPS contributions and your benefits were deferred. If you left the LGPS after 31 March 2008, your employer would also need to consider whether you are likely to be able to do any gainful employment in the next three years.

Gainful employment is paid work of at least 30 hours a week that lasts for a year or more.

You will need to contact your former employer if you think this applies to you. They must ask an approved independent registered medical practitioner for an opinion to help with the decision on your application.

Do my deferred benefits keep their value against inflation?

Yes. Each April, the value of your deferred benefits is adjusted, based on the Consumer Price Index (CPI) from the previous September. The standard increase applied from 7 April 2025 was 1.7%.

If you became a deferred member before 23 April 2024, you'll get the full increase. However, if you became a deferred member after that date, your pension increase will normally only be a proportion of the full increase.

Can I transfer my deferred benefits to another pension scheme?

If you meet certain conditions, you may be able to transfer your deferred benefits to another pension scheme.

Please note that:

- you cannot transfer if you are within a year of your Normal Pension Age;

- you cannot transfer when you are paying into the LGPS – if you have a separate active pension record, you cannot transfer your deferred benefits to another pension scheme until your current LGPS membership ends; and
- you must transfer all your LGPS benefits at the same time, even if they are held in different pension funds.

Transferring your pension is an important decision and one that you should think about carefully. Visit our website to find out more about transferring your pension:

<https://www.staffspf.org.uk/Members/Deferred-Members/Transferring-deferred-benefits/Transferring-Deferred-Benefits.aspx>

What happens to my deferred benefits if I die?

A death grant may be paid as a lump sum.

If you stopped paying LGPS contributions before 1 April 2008, the death grant is three times your deferred pension. If you stopped paying contributions on or after 1 April 2008, the death grant is five times your deferred pension. If you are also still paying LGPS contributions for a different job at the time of your death, only the highest death grant will be paid.

Please see the section below for details on how to nominate a beneficiary to receive any death grant that is due or how to update an existing nomination.

A survivor's pension may also be paid to your dependants, such as:

- your husband, wife or registered civil partner;
- any eligible children; or
- someone you live with as if you were married (if you were still paying LGPS contributions on or after 1 April 2008).

You can use our online portal to find out how much your dependants could get:

<https://www.staffspf.org.uk/Calculator/Self-Service-Calculator.aspx>

Are your nominated beneficiaries up to date?

If you die after leaving the LGPS but before you take your pension, we may pay a death grant lump sum to your dependant, relative, personal representative or someone you have nominated (a 'beneficiary').

You can tell us who you would like to receive any death grant that might become due. However, this is not legally binding, and we will decide who to pay any death grant to.

To make or update your expression of wish, log on to our online [My Pension Portal \(MPP\)](#) or fill in an expression of wish form, which you can download from our website: <https://www.staffspf.org.uk/Members/Forms/Nominate-Beneficiary.aspx>

Please note, if you have previously completed a paper version of the Nomination of a Beneficiary for Death Grant form, this will be held on your pension record, but it will not show on MPP. You can check your Annual Benefit Statement, which should show the date you last completed a paper form.

How do I update my personal details?

Change of Address

You can let us know of your new address by logging in to your online [My Pension Portal \(MPP\)](#) account and updating your details directly. **Note:** if you are not already registered for MPP, please do not attempt to register before changing your address in another way, as the registration process entails Staffordshire Pension Fund sending out an activation key to the home address we currently hold on our records.

Alternatively, you can let us know of your new address either:

- by filling in an online form on the contact page of our website: www.staffspf.org.uk/Contact-Us/I-wish-to-change-address.aspx; or
- you can email us at: pensions.enquiries@staffordshire.gov.uk, quoting your National Insurance number.

Change of personal information

If any of the personal details shown on your annual benefit statement have changed, such as your name or marital/partnership status, please notify the fund so we can update your pension account. **Please note** that we will need to see a copy of the relevant legal document to make the change e.g. a copy of your marriage certificate, civil partnership certificate, decree absolute or deed poll. To notify us this should either be:

- in writing, quoting your National Insurance Number (see [contact details](#)); or
- you can email us at: pensions.enquiries@staffordshire.gov.uk, quoting your National Insurance number. You must also send in a scan or photo of the certificate.

Alternatively, if you have already registered to use [My Pension Portal](#), you can return your certificates via the 'Document Upload' of your online account.

Please note that we are not able to accept these changes by telephone.

Rejoining the LGPS

You might have to decide what to do with your LGPS pension (or pensions) if you have just started contributing to the LGPS and have made contributions to the scheme during a previous employment. Your personal circumstances and the length of time you were contributing to the LGPS will affect what happens to your previous LGPS pension. You should ask your pension fund for help if you are not sure if you have made contributions to the scheme in the past.

Paying in for less than two years

If you were paying into the LGPS for less than two years (or three months if you were in the scheme before 2014), and you do not have a continuous break in active LGPS membership of more than five years, your previous LGPS pension will be joined with your new pension record.

Paying in for more than two years

If you were paying into your previous LGPS pension for more than two years (or three months if you were in the scheme before 2014), what happens to your pension will depend on when you were last enrolled in the scheme.

If all of your previous LGPS pension membership was built up before 31 March 2014

If all of your previous membership in the LGPS was built up before 31 March 2014, you will have a choice about what to do with your previous LGPS pension. If you don't do anything, your pension records will stay separate. If you would like your LGPS pension records to be linked together, you must tell us within 12 months of starting your new role. We will then get in touch with your former employer to set this up.

If all of your previous LGPS pension membership was built up after 31 March 2014

If all of your previous membership in the LGPS was built up after 31 March 2014, your pension records will usually be joined together automatically. If you would like to keep them separate, you will need to tell us this within 12 months of starting your new role.

Things to think about

- **Redundancy or ill health**

If you leave your role because of ill health or redundancy, your previous LGPS pension will not be paid early with your current pension if you keep your pension records separate.

- **Retiring early**

If you retire before your NPA, your pension would normally be paid at a reduced rate to take account of the early payment. If you choose to join your pension

records together, you will not be able to take one pension early and leave the other until your NPA, as both pensions will be reduced for early payment.

- **Final salary link**

If you were in the LGPS before 31 March 2014, left after 1 April 2014, and rejoin within five years, your previous pension will keep its final salary link. Your pension records will be joined together (unless you contact us within 12 months of rejoining the scheme to ask us to keep them separate), so your LGPS membership from before 2014 will be linked to your new salary.

All the latest information

The following weblink takes you to 'no longer paying in' home page, where you will find scheme guides, forms and further information about your LGPS benefits:

www.staffspf.org.uk/Members/Deferred-Members/DeferredMembers.aspx

Contacting the Pensions Team

Phone: [01785 278222](tel:01785278222)

Email: pensions.enquiries@staffordshire.gov.uk

Website: www.staffspf.org.uk

Postal address: Staffordshire Pension Fund, 1 Staffordshire Place, Tipping Street, Stafford, ST16 2DH