



Dear LGPS Pensioner

THE PENSION INCREASE (REVIEW) ORDER 2022

All public service pensions are adjusted each year to reflect changes in the cost of living. Your Local Government Pension is increased annually in line with the Pension Increase Order which is linked to Consumer Prices Index (CPI). The rate of this increase is based on the CPI over the 12 months period to September 2021. The rate of CPI increase was 3.1% and will be applied to your pension from 11 April 2022.

If your pension has been in payment for less than a year, the first increase to your pension will normally only be based on a proportion of the full increase depending on how many months your pension has been in payment for.

Pension increases are normally paid to: pensioners who are aged 55 or over, pensioners who retired through ill health at any age and to spouses and dependants of former pensioners.

If you paid into the Local Government Pension Scheme (LGPS) before 1997, the LGPS guarantees to pay you a pension that is at least as much as you would have earned had you not been contracted out of the State Earnings Related Pension Scheme (SERPS). This is called the Guaranteed Minimum Pension (GMP). If you are over State Pension Age the payment of increases may be shared between your LGPS pension and your State Pension. Further details are available on our website.

The State Pension will also rise by 3.1%

The government confirmed last year that the 'triple lock' which guaranteed that state pension increases would be the highest of three measures – CPI inflation, average earnings or 2.5%, would be temporarily adjusted in 2022 due to the economic impact of the covid-19 pandemic. Instead, in 2022 the 'triple lock' would be temporarily changed to a 'double lock' with increases being the higher of CPI or 2.5%.

Please find enclosed your Highland Council Pension Fund Newsletter for 2022 which contains useful information about the fund and your pension benefits.

For more information about the Local Government Pension Scheme (Scotland), including pension payments, pension increases and online forms and guidance, please visit our website www.highlandpensionfund.org.

Yours sincerely

Lindsay Junor
For Payroll & Pensions Manager
Corporate Resources & Finance Service

LOCAL GOVERNMENT PENSION SCHEME (SCOTLAND) LIFETIME ALLOWANCE

HM Revenue and Customs (HMRC) imposes two controls on the amount of pension savings you can make without having to pay extra tax. These controls are known as the annual allowance and lifetime allowance.

Lifetime Allowance (LTA) is the limit on the amount of pension benefits you can take from all of your registered pension arrangements before incurring a tax charge.

The current standard lifetime allowance is: **£1,073,100.00**

If the value of your pension benefits when you take them (not including any state retirement pension, state pension credit or any partner's or dependant's pension you are entitled to) is more than the standard lifetime allowance, or more than any protections you may have, you will have to pay tax on the excess benefits.

Lifetime Allowance covers any pension benefits you may have in all tax-registered arrangements - not just the LGPS.

The legislation specifies that scheme administrators must check whether the pension benefits arising (crystallising) from the scheme at date of payment exceed a member's available lifetime allowance. These occasions are known as benefit crystallisation events (BCEs) and measures your lifetime allowance every time a BCE occurs – this means it can be measured more than once.

If we started paying your LGPS pension benefits to you after 6 April 2006, we compared the value of your crystallised LGPS benefits to the amount of available Lifetime Allowance and provided you with a Lifetime Allowance certificate. If you were in receipt of retirement benefits from any other pension arrangements prior to, or at the same time as your LGPS benefits **and** you advised us of these amounts, the total percentage of lifetime allowance detailed on your certificate also included these benefits.

You are required to provide this figure to your pension providers every time a BCE occurs. You must add the percentages used across all tax-registered pension arrangements to determine your total lifetime allowance. Any crystallising amount that exceeds the available lifetime allowance is taxed. **It is your own individual responsibility to make sure that you have taken account of all pension arrangements.**

You can request an up-to-date lifetime allowance certificate at any time by emailing pensions.section@highland.gov.uk.

Further information and a factsheet on Lifetime Allowance can be found on the forms and publications section of our website www.highlandpensionfund.org.

PENSIONERS NEWS 2022



Welcome to our third edition of pensioners news which has been produced for all pensioners in the Local Government Pension Scheme (LGPS) Scotland who receive a pension from the Highland Council Pension Fund.

PENSION ADVICE SLIPS

Your monthly pension advice slip is available to view each month using **MyView** our online payroll service.

Your **March** pension advice slip will allow you to see year end totals for financial returns.

April will include a proportion of the new rate which is effective from 11 April 2022 under the Annual Pensions Increase Review Orders

Your **May** pension advice slip will show your first full month paid at your new increased rate.

If you are unable to take advantage of the online facility and have requested paper copies, paper advice slips will be issued for the months of March, April and May.

END OF YEAR P60 TAX CERTIFICATE

Your end of year P60 is a statement which is issued to tax payers each year. It contains information about how much you have earned and how much tax you have paid (if applicable).

You may require this information for filling in a self-assessment tax return, claiming a tax refund or for queries with HMRC.

Your P60 will be available to view and print using **MyView** by the end of **May 2022**. Should you require a paper copy, please contact us on 01463 702441.

If internet explorer is your default web browser this is no longer supported. **MyView is compatible with the following internet browsers: Chrome, Safari, Edge, and Firefox.**

TAX AND YOUR PENSION

Your monthly pension is taxable and the rate of tax you pay is based on your income from all pension arrangements including your state pension and any other income you may have.

If you live or spend most of your time in Scotland, you will be paying a **Scottish tax** and your tax code will start with an 'S'. If you move away from an address in Scotland, or move back to an address in Scotland, you must tell HM Revenue and Customs (HMRC) so they can make sure you have the right tax code.

We can only change your tax code on the direct instruction of HMRC and have no part in deciding your tax liability or tax code. If you have any questions about your tax code you should contact HMRC directly on (0300 200 3300) between 8.00am and 8.00pm, Monday to Friday, quoting your National Insurance Number.

Alternatively, you can write to:

HM Revenue & Customs,
Centre 1 Area,
Large Processing Office,
Queensway House,
East Kilbride, G79 1AA.

Get online with HMRC

Did you know HMRC now have an online system called a Personal Tax Account?

This allows you to set up an HMRC account where you can do things like see what tax code you're on, and how your tax is calculated. This is especially useful if you have various sources of income. You can even allow a family member or friend to manage your tax affairs on your behalf.

To find out more or to sign up, go to www.gov.uk and search for personal tax account.

Have you registered to use MyView our self-service portal?

Did you know you can now view and print your monthly pension advice slips and P60 Certificates online?

In addition, you can update your address and change the bank account into which your pension payments are made.

To register, email:
pensions.section@highland.gov.uk

MyView is compatible with the following internet browsers: Chrome, Safari, Edge, and Firefox.

LGPS FUNDS JOIN 'TELL US ONCE'

Tell Us Once is a service that lets an individual reporting a death inform many Government organisations in one go. At a stressful time, it saves the individual from having to contact a number of different organisations, and for the organisations themselves, means they get informed of the death quickly, from a central location, and officially, meaning separate verification is not needed.

Tell Us Once involves the completion of a simple form. It is typically used at the point an individual registers a death with a local authority registrar. The registrar will either complete the form with the individual, or provide the person with instructions as to how to complete the form over the phone to dedicated Telephony Agents, or via the web. Not all local authority registrars offer the Tell Us Once service, but well over 90% do and the number is increasing. Tell Us Once is now used in over 70% of deaths that occur in the UK.

IS YOUR LUMP SUM DEATH GRANT NOMINATION UP TO DATE?

If your pension has been in payment for less than 10 years and you are under age 75, there may be a lump sum death grant payable in the event of your death.

You can tell us who you would like the lump sum death grant payment made to using our death nomination form. A nomination form can be found on the **forms and publications** area of our website www.highlandpensionfund.org.

Alternatively, you can request a form by email or telephone (Contact details can be found on the covering letter).

You can revise your nomination at any time by completing a new nomination form.

Please ensure your nominated beneficiaries are kept up to date. You should also ensure that your Solicitor/Executor/Next of Kin are made aware of our contact details so we can arrange payment of any benefits to your dependants or estate as soon as possible.

Have your personal details changed?

It is important that your pension is accurate and paid on time. To ensure this happens we begin processing your pension payments approximately 1 week before it is paid to you. Please contact us as soon as possible if you have changed your bank account, address, name or other key information using MyView to ensure we have received and actioned your changes.

General Data Protection Regulation (GDPR)

GDPR is a regulation whereby the European Parliament, the Council of the European Union and the European Commission intend to strengthen the current data protection legislation. It became enforceable from 25 May 2018.

The regulation states that your personal data held by the Pension Fund should be:

- a) processed lawfully, fairly and in a transparent manner;
- b) collected for specified, explicit and legitimate purposes and not further processed in a manner that is incompatible with those purposes;
- c) adequate, relevant and limited to what is necessary in relation to the purposes for which it is processed;
- d) accurate and, where necessary, kept up to date; every reasonable step must be taken to ensure that personal data that is inaccurate, having regard to the purposes for which it is being processed, is erased or rectified without delay;
- e) kept in a form which permits identification of data subjects for no longer than is necessary for the purposes for which the personal data is being processed; and
- f) processed in a manner that ensures appropriate security of personal data, including protection against unauthorised or unlawful processing and against accidental loss, destruction or damage, using appropriate technical or organisational measures.

Please note that the Highland Council Pension Fund is very careful already about how it deals with your personal data. As a local authority Pension Fund, the Highland Council has a legal requirement to hold your data in order to comply with our legal obligations.

RE-EMPLOYMENT

If you were retired on the grounds of redundancy or efficiency and received compensatory added years as part of your benefit package, there is a possibility that your pension could be affected if you become re-employed, even if you do not re-join the LGPS. You should contact us before you take up such employment so that we can check your personal circumstances and advise if your pension could be affected.

PAY DATES FOR YOUR DIARY 2022/23:

Pension payments are made on the last banking day of every month with the exception of December payments which are made in advance of Christmas.

- **29 April 2022**
- **31 May 2022**
- **30 June 2022**
- **29 July 2022**
- **31 August 2022**
- **30 September 2022**
- **31 October 2022**
- **30 November 2022**
- **23 December 2022**
- **31 January 2023**
- **28 February 2023**
- **31 March 2023**

USEFUL CONTACTS

Pensioners Payroll

(Dealing with production and distribution of P60 certificates and tax returns)

Telephone (01463) 702342

Email payroll@highland.gov.uk

Pension Section

(Dealing with the calculation of your retirement benefits, annual increases and the production and distribution of your monthly pension payments)

Telephone (01463) 702441

Email pensions.section@highland.gov.uk

HM Revenue and Customs (HMRC)

(Dealing with setting and amending your tax code)

Telephone (0300 200 3300)

State Pension Benefits

You can find lots of useful information regarding the state pension and other benefits on the Government Website www.gov.uk/contact-pension-service

Telephone: 0800 731 7898

Our contact details

The Pensions Section
Corporate Resources Service
The Highland Council
Glenurquhart Road
Inverness
IV3 5NX



Telephone: 01463 702441



Website: www.highlandpensionfund.org

@ Email: pensions.section@highland.gov.uk

We welcome your feedback on any of the services we provide as well as any suggestion of what you would like to see in future editions of our Pensioners Newsletters.

If a copy of the information in this newsletter is required in large print, braille or audio format, please contact the pension team on 01463 702441.

This and all future newsletters will be available on the Pension Fund Website www.highlandpensionfund.org