

# Highland Pension Fund

## Pension News

### **Welcome to our latest edition of Pension News**

This newsletter is for pensioner members of the Local Government Pension Scheme (LGPS) Scotland who receive a pension from Highland Pension Fund.

In this issue, we share details about your 2026 Pension Increase, highlight important changes that may affect you, and provide an overview of how the fund is performing. You'll also find practical pension information and other helpful news.



Photo: Loch Lochy from Laggan Locks – by Clement Farnan, Highland Council

## Your 2026 Pension Increase

The pension we pay you is adjusted each year so that your pension keeps pace with the cost of living. HM Treasury issue a Pensions Increase (PI) review order which tells us how much to increase your pension by each year. The order is currently linked to the Consumer Prices Index (CPI) and is based on CPI as at the previous September.

**CPI at September 2025 was 3.8%.** This means your LGPS pension will increase by **3.8% from 6 April 2026** – The first Monday of the new tax year.

### When will I see the increase?

As the increase takes effect from 6 April 2026:

- Your April pension payment will include a partial increase.
- Your May pension payment will reflect the full 3.8% increase.

### Pension increases are normally paid to:

- pensioners who are aged 55 or over,
- pensioners who retired through ill health at any age,
- spouses and dependants of former pensioners.

If your pension started within the last 12 months, you will receive a pro-rated increase this year based on the date your pension started. The table below shows the percentage increase that will apply based on the pension start date:

Date your pension started	% Increase
21 April and before	3.80%
22 April 2025 to 21 May 2025	3.48%
22 May 2025 to 21 June 2025	3.17%
22 June 2025 to 21 July 2025	2.85%
22 July 2025 to 21 August 2025	2.53%
22 August 2025 to 21 September 2025	2.22%
22 September 2025 to 21 October 2025	1.90%
22 October 2025 to 21 November 2025	1.58%
22 November 2025 to 21 December 2025	1.27%
22 December 2025 to 21 January 2026	0.95%
22 January 2025 to 21 February 2026	0.63%
22 February 2025 to 21 March 2026	0.32%

## Your State Pension

The Government confirmed that the State Pension will continue to rise in line with the government's 'triple lock'. The triple lock guarantees that increases will be the highest of three measures – CPI inflation, average earnings or 2.5%. This is excellent news for pensioners and means that the **State Pension will increase by 4.8% (in line with average earnings growth) from April 2026.**

If you paid into the 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 part of your pension includes GMP, the way increases are applied may be shared between your LGPS pension and your State Pension. This depends on your State Pension Age, and the period during which your GMP was built up.

**More information about GMP can be found on our website:**

<https://www.highlandpensionfund.org/news/pension-increase-2026/>.

## Tax and your pension

Your monthly pension is taxable and the rate of tax you pay depends on all your income, including other pensions, your state pension and any other income you may have. Following your annual pensions increase, HMRC may need to change your tax code. We only change your tax code when HMRC instructs us to do so, we have no part in deciding your tax liability or tax code.

If you live or spend most of your time in Scotland, you will pay **Scottish income tax** and your tax code will start with an 'S'. If you move into or out of Scotland, you must tell HM Revenue and Customs (HMRC) so they can make sure you have the correct tax code.

The easiest way to check your tax is through the HMRC personal tax account. You can use your personal tax account to:

- Change your address with HMRC
- Check your tax code, personal allowance and income details for up to four previous tax years
- Tell HMRC about any changes that could affect your tax code
- Update any employer and pension provider details
- See how much tax is due for the current tax year
- Check tax code changes and access information on why they have changed

- Get an estimate of your state pension and check your National Insurance record
- Claim marriage allowance
- Claim a refund of overpaid tax

**To sign in, or to set up your personal tax account visit: <https://www.gov.uk/personal-tax-account>.**

HMRC have produced short YouTube videos giving an overview of:

- Your personal tax account: [https://www.youtube.com/watch?v=rz2P\\_l8dMd8](https://www.youtube.com/watch?v=rz2P_l8dMd8).
- The HMRC App: <https://www.youtube.com/watch?v=TuhQWSOvQSM>.

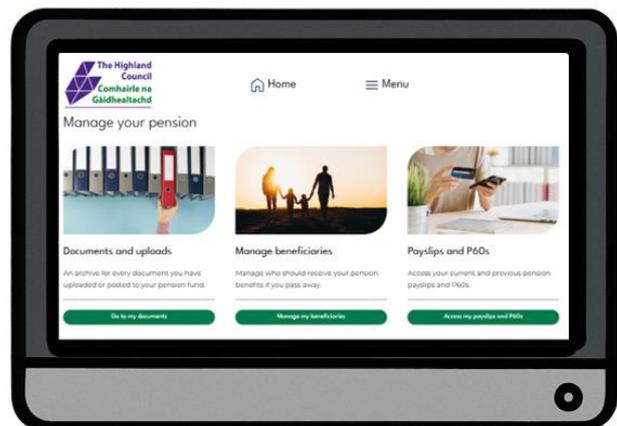
If you have any questions about your tax code you should contact HMRC directly on 0300 200 3300 between 8.00am and 8.00pm, Monday to Friday, quoting your National Insurance Number. Alternatively, you can write to: HM Revenue & Customs, Centre 1 Area, Large Processing Office, Queensway House, East Kilbride, G79 1AA.

## Accessing your pension information online

### My Pension – self-service portal

As a pensioner member, we want to ensure you have easy and secure access to your pension information whenever you need it.

**My Pension** is our secure member portal that gives you instant access to your pension details – including your payslips, P60s and other important documents.



**My Pension** improves security, reduces administrative delays and is better for the environment. **You can register now at:**

<https://highlandpensionfund.mypensiondetails.co.uk/registration>.

### Say goodbye to clutter!

All your online payslips and P60s are stored securely in one place so you don't need to keep paper copies lying around. Instead of searching through piles of paperwork, you can quickly and safely view your payment information online whenever you need it.

## What to Expect on Your Spring Payslips

Here is a quick guide to what you'll see on your next few payslips:

Month	What you'll see:
<b>March</b>	Your payslip will include your end of year totals for the financial year.
<b>April</b>	You'll see part of your new pension rate, reflecting the annual pension increase that applies from 6 April 2026.
<b>May</b>	This payslip will show your first full month at the new increased rate. This is the amount you'll receive going forward.

## Payslips and end of year P60 certificates

To view your Payslips and P60 certificates, [log into your My Pension account](#) and select Payslips and P60s from the menu:



### Payslips and P60s

Access your current and previous pension payslips and P60s.

[Access my payslips and P60s](#)

A summary screen will appear. From here you can choose **Payslips**, **P60s** or select a specific **tax year** using the dropdown arrow:

## Payslips and P60s

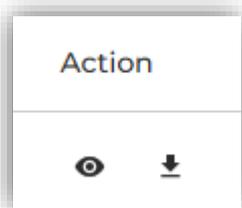
Payroll number  
34123456

Tax year   
2025 - 2026 

 **Payslips**

 **P60s**

You'll see two action buttons beside each monthly summary:



-  View – this opens a breakdown summary on screen.
-  Download – this downloads a PDF copy for your records.

Your PDF documents will be displayed as follows:

## P60 statements

Your P60 statement shows how much you've earned from your pension and how much tax you've paid (if any). Your P60 will be available from the end of May. You might need it if you are completing a self-assessment tax return, checking your tax position, or speaking to HMRC about anything tax related.

## Dates for your Diary

During 2026/27, your pension payments will be paid to you on the following dates:

Pension payment dates 2026/27	
30 April 2026	30 October 2026
29 May 2026	30 November 2026
30 June 2026	22 December 2026
31 July 2026	29 January 2027
28 August 2026	26 February 2027
30 September 2026	31 March 2027

# Protection for you and your family

## Power of Attorney

As time goes by, you may need some help from family members or trusted friends with financial affairs. If someone is assisting you and needs to speak to us or make changes on your behalf, we need sight of either a Power of Attorney or Financial Guardianship Order. This official document will be held on record and will allow us to take instructions from them. You can find out more information and how to make a Power of Attorney, by visiting the Government website at: [www.gov.uk/power-of-attorney](http://www.gov.uk/power-of-attorney).

## Lump sum death nominations

A survivor's pension may be payable to your husband, wife, civil partner or cohabiting partner as well as your dependent children. You don't need to make a nomination for this. If there is an entitlement, we will pay it automatically. You can find out more about survivor's pensions on our website at: <https://www.highlandpensionfund.org/your-pension/pensioners/death-in-retirement/>

A lump sum death grant may become payable upon death. This amount is typically calculated as follows:

Death grant calculations	
<b>If you left the scheme after 31 March 2009:</b>	10 x your annual pension, less what's already been paid.
<b>If you left the scheme before 1 April 2009:</b>	5 x your annual pension, less what's already been paid.

A death grant is not payable if you are only receiving a dependant's pension (for example a pension paid to you following the death of a spouse).

Keeping your beneficiary details up to date is extremely important. This helps us understand who you would like to be considered for any death grant that may become payable and it makes the process easier for your loved ones. Highland Pension Fund retains absolute discretion over how any death grant is distributed. In the majority of cases, payment will simply be made in accordance with your nomination, however there may be circumstances where this is not possible – for example, if your nominee has passed away before you.



## Manage beneficiaries

Manage who should receive your pension benefits if you pass away.

Manage my beneficiaries

## Managing your beneficiary preferences

You can view and manage your beneficiary information through your **My Pension** account.

### Log in or register at:

<https://highlandpensionfund.mypensiondetails.co.uk/login> and select **Manage beneficiaries**.

Alternatively, a nomination form is available in the **Resources** section of our website at:

<https://www.highlandpensionfund.org/resources/nomination-form-beneficiary/>.

For pensioners without internet access, a paper form can be posted to your home address on request – our contact details can be found at the end of this newsletter.

## The LGPS and Tell Us Once

**Tell Us Once** is a service that allows the person registering a death to inform several Government organisations at the same time. At what is often a very stressful time, it removes the need to contact each organisation individually. It also ensures that the relevant organisations receive the information quickly and directly from an official source, meaning no further verification is required.

The service involves completing a simple form. It is usually offered when a death is registered with the local authority registrar. The registrar will either complete the form with the individual or provide instructions on how to do it online or over the phone.

**Please note** – there is a specific **tick box** on the Tell Us Once form that must be selected to notify pension schemes. If this box is not completed, we will not receive a notification, and your pension may be overpaid.

# Keep us up to date with changes

## Changing bank details?

If you change your bank account, please remember to let us know, as banks do not share this information with us. The quickest and most secure way to change your bank details is through you [My Pension account](#)



### Bank details

Manage and update your bank details for your pension income.

[Manage my bank details](#)

**To ensure your new bank details are used for your next pension payment, we must receive changes by the 15<sup>th</sup> of the month**, otherwise the change will not be made until the following month, and your payment may be returned to us by the bank. If the 15<sup>th</sup> falls on a weekend, the deadline will be the Friday before.

**We are unable to accept a change to bank details by telephone, email or letter.**

For pensioners without internet access, please contact us to request a bank mandate form which will be posted to your home address – contact details can be found at the end of this newsletter.

## Moving House?

If you move house, please tell us as soon as possible. The quickest and most secure way to update your address is by [logging into your My Pension account](#). When updating your home address, please also check and update your email address to help us stay in contact with you.

**We are unable to accept changes by telephone, email or letter.** For pensioners without internet access, please contact us to request a change in details form which will be posted to your home address – contact details can be found at the end of this newsletter.

 **To keep your personal information safe, it is recommended that:**

- You turn on **two-step verification** for your email accounts
- You use strong, unique passwords
- You be cautious of unexpected emails requesting personal information
- You contact us if your email account has been compromised on 01463 702441

## Returning to work after a redundancy retirement?

If your retirement benefits included compensatory added years as part of a redundancy or efficiency package, your pension could be affected if you return to work, even if you don't re-join the LGPS. As explained in the letter we sent you when you retired, you should contact us **before** taking up any new employment, so we can check how it may affect your pension – contact details can be found at the end of this newsletter.

## Help and Advice

**The Pensions Advisory Service, Pension Wise and the Money Advice Service have been replaced with a single service called Money Helper.**

Money Helper is a free, government-backed service that offers independent and impartial guidance. They help with everyday money, budgeting, debt advice and understanding state benefits. Visit their website to find out how they can support you: [www.moneyhelper.org.uk/en](http://www.moneyhelper.org.uk/en).



## You may be eligible for Pension Credit

Pension Credit is one of the most unclaimed benefits and thousands of people are missing out. According to the latest figures there is £1.7 billion available in unclaimed Pension Credit, and it's estimated that around 850,000 households are currently not claiming it when they could be. Pension Credit can be worth thousands a year.

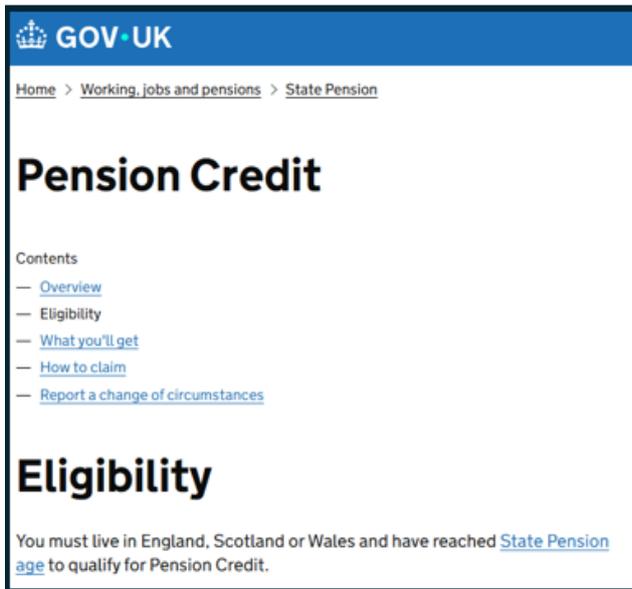
### What is Pension Credit?

Pension Credit is a benefit designed to help older people on low incomes with the cost of living. 'Older' means over your State Pension age, although you don't have to be getting the State Pension to claim it. Pension Credit tops up your income to:

- £218.15 a week if you're single
- £332.95 a week if you're a couple

You don't have to be married or in a civil partnership to count as a couple – you can simply be living with your partner. And it's possible you could get more if you have a disability, are on certain benefits or have caring responsibilities.

You can find out more information and check your eligibility by visiting the Government website at: <https://www.gov.uk/pension-credit/eligibility>.



## Pension Credit myths busted

Apparently, lots of people don't claim Pension Credit because they automatically assume they don't qualify.

- I own my home – I can't possibly qualify for Pension Credit  
Not true. Pension Credit is based on your income. Owning your home doesn't make any difference.
- I'm still working - isn't Pension Credit just for people on pensions?  
No. It's the total amount of your income that counts for Pension Credit, whether it's earnings from employment, or pension.
- I've heard having savings means you can't claim Pension Credit  
This isn't true, either. Savings of £10,000 or less don't affect your eligibility for Pension Credit. If you've got savings of more than £10,000, every extra £500 counts as income of £1 a week. So if you've got £12,000 in savings, the Pension Credit calculation counts this as income of £208 a year. Whether you qualify for Pension Credit depends on how much other income you have as well as this.

# Fund performance 2026 update



Under the UK Government’s Public Service Pensions Act, the Scheme must undergo a formal valuation every three years to assess the cost of providing member benefits and to ensure the long-term sustainability of the fund. The next valuation is due in **2026**, and work is currently underway to complete this statutory review.

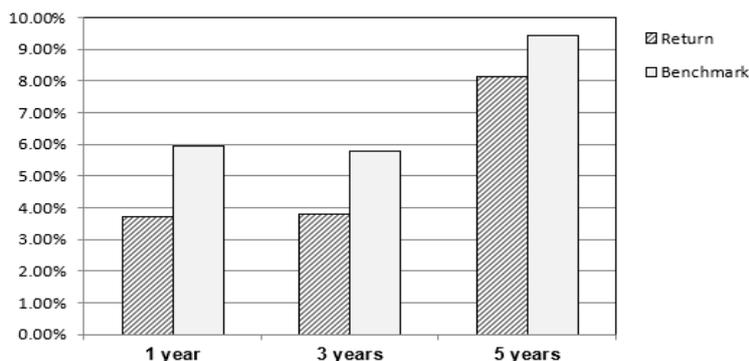
The last valuation took place at 31 March 2023 and the results are published on the resources section of our [website](#) or you can view them [here](#).

## How we invest

Local Government Pension Funds must follow specific regulations that make sure investments are prudent, responsible and spread across a range of different asset types. This helps manage risk and support stable, long-term returns. Information on these regulations and how we invest can be found in the [Statement of Investment Principles](#) which is available to view on the resources section of our [website](#). We also publish a list of all our investments every quarter and our investments as at December 2025 can be found [here](#).

## Investment performance

In terms of investment performance, over the last 5-year period the returns average out as 10.9% each year (against a benchmark target of 13.6%).



As well as making decisions that are in the best financial interests of our members, we also consider the wider risks that can affect the long-term value of the fund. This includes considering **Environmental, Social and Governance (ESG)** factors such as climate risk, working practices, and how companies are run.

We assess and manage these risks carefully to help protect the fund over the long term. Our full approach is set out in our **Responsible Investment Policy**, which explains how we incorporate ESG considerations into our investment decisions. You can find this document in the resources section of our website.



The Institutional Investors  
Group on Climate Change

We are also a member of the Institutional Investors Group on Climate Change (IIGCC) - a European membership body that brings investors together to support action on climate change and the voice of investors taking actions for a prosperous, low carbon future. You can find out more at: [www.iigcc.org](http://www.iigcc.org).

### Financial performance (2024/25)

<b>Opening value of pension fund assets +£273m (£2.649bn)</b>			
<b>Contributions</b> 	<b>+£75.9m</b>	<b>Pension benefits</b> 	<b>-£115.7m</b>
<b>Return on investment</b> 	<b>£55m</b>	<b>Management expenses</b> 	<b>£-14.2m</b>
<b>Closing value of pension fund assets</b>			
<b>+£55m (£2.715bn)</b>			

## Current scheme membership

■ Contributing members ■ Deferred pensioners ■ Pensioners



## Pension Fund Accounts

Highland Pension Fund accounts are published each year in the [resources section of our website](#). You can access the Pension Fund accounts for 2024/2025 [here](#). The 2025/26 accounts will be available in June 2026 and will be published on our website: [www.highlandpensionfund.org](http://www.highlandpensionfund.org).

## The McCloud Remedy

### What is the McCloud Remedy?

When the Government reformed public service pension schemes in 2014 and 2015, the LGPS changed from a final salary to a career average pension scheme and protections were introduced for older scheme members. In December 2018, the Court of Appeal ruled that younger members of the Judges' and Firefighters' Pension Schemes had been unlawfully discriminated against because the protections did not apply to them. This ruling is called the 'McCloud judgment' and as a result of the ruling, changes have been made to the LGPS to remove the age discrimination - these changes are known as the 'McCloud remedy'.



## How did the protection work in the LGPS?

In 2015, the LGPS (Scotland) changed from a final salary scheme to a career average scheme. Older members who were closer to retirement were protected from these changes. Members were protected if they met these conditions:

- born before 1 April 1957
- joined the LGPS before 1 April 2012 (or another public service pension scheme)
- under age 65 and an active member between 1 April 2015 and 31 March 2022
- took their pension straight away when they left the LGPS.

When a protected member retired, their pension fund compared the career average pension they built up before age 65 with the pension they would have built up in the final salary scheme. If the final salary pension was higher, the difference was added to their pension. This protection is called the 'underpin'. There were problems with the underpin as the 'old' rules did not guarantee that all protected members got a pension at least as good as they would have got under the final salary scheme.

## Changes to the LGPS

The LGPS rules changed from 1 October 2023 because of the McCloud remedy. The changes are backdated to 1 April 2015, when the career average scheme started. If you qualify for underpin protection, you will be protected even if you have already left the LGPS or taken your pension.

### The McCloud remedy means two main changes for LGPS members:

1. Qualifying younger members are now protected by the underpin too. This removes the discrimination found in the McCloud judgment.
2. The new underpin rules are much more detailed. This means that the underpin works fairly and consistently for all protected members. If you were protected by the 'old' underpin rules when you took your pension before 1 October 2023, your pension might increase under the 'new' rules.

## Am I affected?

Not all LGPS members are affected by the McCloud remedy. You can use the [Am I affected](#) tool to find out if you are affected. The basic rules are also set out below:

You will not be affected by the McCloud remedy if:

- you turned 65 before 1 April 2015
- you left the LGPS before 1 April 2015.

Your LGPS pension is protected by the McCloud remedy if:

- you were a member of the LGPS or another public service pension scheme before 1 April 2012
- you were a member of the LGPS in the remedy period between 1 April 2015 and 31 March 2022
- you were under age 65 in the remedy period, and
- you have not had a disqualifying gap.

Underpin protection only applies to pensions built up in the remedy period (1 April 2015 to 31 March 2022). The protection stopped earlier if you left the Scheme or reached your final salary normal retirement age (usually 65) before 31 March 2022. There's no underpin protection from 1 April 2022 onwards. Pensions built up after this date are based on the career average scheme only.

## What does this mean for me?

Underpin protection works in different ways for different members. You find detailed information and [examples of how different members are affected](#) in the links below:



## What should you do?

**You do not need to do anything.** We are currently reviewing all the pensions we are paying to work out which ones will increase. If you are due an increase, we will pay this increase to you automatically along with the arrears of pension and interest. Although these changes came into force from 1 October 2023, it will take time for us to review all the pensions we are paying as the new underpin rules are very complex. We will only write to you if the new rules mean your pension will increase because of the remedy.

**If you or someone you know is contacted by a third-party organisation selling a service to help you claim additional pension you should not engage with them. These claims could be costly and are unnecessary because if you've been affected you automatically benefit from any protection that's provided.**

For more information about the McCloud remedy, please visit the national LGPS (Scotland) website: <https://www.scotlgpsmember.org/mccloud-remedy/>.

## **Data Protection Regulations (DPA 2018)**

The Data Protection Act 2018 is the UK's implementation of the General Data Protection Regulation (GDPR). Everyone responsible for using personal data has to follow strict rules called 'data protection principles'. They must make sure the information is: used fairly, lawfully and transparently.

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

- used fairly, lawfully and transparently
- used for specified, explicit purposes
- used in a way that is adequate, relevant and limited to only what is necessary
- accurate and, where necessary, kept up to date
- kept for no longer than is necessary
- handled in a way that ensures appropriate security, including protection against unlawful or unauthorised processing, access, loss, destruction or damage.

The Highland Pension Fund is very careful when managing 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.

For more information, please refer to our **Privacy Notice** which can be viewed [here](#) – it is also published on the **Resources** area of our website [www.highlandpensionfund.org](http://www.highlandpensionfund.org).

## Managing your data

Highland Pension Fund is run by the Highland Council, as the administering authority of the Local Government Pension Scheme (Scotland). We are required to hold certain information about you (personal data) to administer the Fund and to calculate and provide you (and your beneficiaries) with benefits. We obtain some of this personal data directly from you and we also obtain data from your employer (for example, salary information) as well as from other sources including public databases. To comply with regulations, Highland Pension Fund is required to share limited personal information with other public service bodies to prevent and detect fraud.

### **LGPS National Insurance Database**

This is a data sharing project with all other Local Government Pension Funds in Scotland. It allows funds to identify if a member has any LGPS records elsewhere; information which is necessary to help administer the pension scheme, calculate pension benefits and avoid overpayment of lump sum death grants.

### **National Fraud Initiative**

The Fund has a legal obligation to participate in the National Fraud Initiative (NFI), a counter fraud exercise led by Audit Scotland. This exercise takes place every 2 years and compares information about individuals held by different public bodies to identify circumstances that might suggest the existence of fraud or error.

### **Address Tracing and Mortality screening (ATMOS)**

ATMOS is an enhanced mortality screening service which identifies potential mortality matches based on data held by the General Records Office Disclosure of Death Registration Information (GDO-DDRI) and the National Deceased Register (NDR).

### **Tell Us Once**

This service allows the Fund to be automatically notified when a death is registered. The Fund does not sell any information to third parties and data collected and shared is processed in line with the UK General Data Protection Regulation and Data Protection Act.

# Useful contact information

## Highland Pension Fund

### Pension Benefits Team

Calculate and process your retirement benefits and annual increases.

### Pensioner Payroll Team

Process and prepare your monthly pension payments, payslips, P60 certificates, operating tax code changes and tax returns.

Telephone: 01463 702441

Email: [mypension@highland.gov.uk](mailto:mypension@highland.gov.uk)

Website: [www.highlandpensionfund.org](http://www.highlandpensionfund.org)

## HM Revenue and Customs (HMRC)

Responsible for 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](http://www.gov.uk/contact-pension-service)

Telephone: 0800 731 7898

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## Your feedback – Spring 2026



We welcome your feedback on any of the services we provide, as well as any suggestions for what you would like to see in future editions of our newsletters.

To share your views, please complete our feedback form – [You can access the form here!](#)