

In-Touch

2024

6.7%

Pensions Increase 2024

Your

P60 Explained

News

and Updates

Your Questions

Answered



**Buckinghamshire
Council**

Buckinghamshire Pension Fund

- lgps.buckinghamshire.gov.uk
- ms.buckinghamshire.gov.uk
- pensions@buckinghamshire.gov.uk
- 01296 383 755

lgps

Local Government
Pension Scheme

Contents

Welcome	2
Your pension updates	3
Your questions answered	6
Pension payment dates	7
Pensions increase 2024	8
Reading your P60	10
The McCloud judgement	12
Money Matters	14
Useful Contacts	16

Welcome!

Welcome to In-Touch 2024, the annual newsletter for those receiving a pension from Buckinghamshire Pension Fund. Inside you'll find important information about your pension, as well as the latest scheme news. If you need any help please **contact us** and we'll be happy to assist. Please be sure to read this newsletter first. It may answer your question and save you time. We hope you find this year's In-Touch useful and informative.



Your feedback matters

Last year we asked what you thought of In-Touch and the feedback you provided has been used to help design this year's issue. Once again, we are looking for your help. Did you find In-Touch useful? Is there something we could improve? Tell us by completing **this short anonymous survey**, or by emailing: pension.feedback@buckinghamshire.gov.uk

Important disclaimer

This newsletter was correct at the time of publication and is intended for general information purposes only. It does not confer any contractual rights, nor does it seek to supplant or interpret the regulations. In the event of a dispute, the relevant regulations will prevail.

Your pension updates

Pensions Increase 2024

The pensions increase for 2024 is 6.7%. For more information on how the pensions increase applies to your pension see **page 8**.

Receiving your 2023/24 P60

Your P60 will be uploaded to **'my pension online'** by 31 May 2024. It shows how much we've paid you over the previous year and the amount of tax, if any, that was deducted. More information about your P60 can be found on **page 10**. We'll send you an email to let you know when it is ready to view.

Don't forget to tell us if something changes

If we write to you and the post is returned to us, for your security, we will suspend pension payments until we receive confirmation of your new address. To avoid this happening, please remember to update us with your new contact details when they change. You can do this quickly and easily using **'my pension online'**. If you want to update your name or bank details, you can complete a **change of details form**.



Help us to keep your pension safe

Occasionally we perform checks to make sure your pension is being paid to the correct person. This is required by law and for your own security. If you receive a letter from us, there's no need to be concerned. Please just complete the enclosed form and return it in the pre-paid envelope. If you think there may be a delay in being able to return the form, please **contact us**. If we don't hear from you we will suspend your pension payments until confirmation is received. We appreciate your support in helping us to keep your pension safe.

Changes to 'my pension online'

We're pleased to announce that our self-service portal, '**my pension online**' has had a makeover! The improved site has a fresh modern layout and features additional security steps to help keep your account safe. If you haven't yet registered for '**my pension online**', you can get started by visiting: **ms.buckinghamshire.gov.uk** and selecting 'Sign up'.

If you're already registered for '**my pension online**' you will need to complete **a few simple steps** to transfer your details over to the improved site. Once on the '**my pension online**' homepage, you can select the second option 'transfer account'. When you have completed the transfer process, you will be able to login. If you need any help please **contact us**.

Government introduces new limit on tax-free cash

In March 2023, the government announced changes to pension tax controls in the Spring Statement. This included raising the Annual Allowance limit from £40,000 to £60,000 and confirmation that the Lifetime Allowance would be removed. The Lifetime Allowance was the limit you could have in pension savings without incurring a tax charge. Following a brief consultation, the government confirmed it would be abolished from 6 April 2024 and new tax-free lump sum allowance limits would be put in place.

The Lump Sum Allowance (LSA) of £268,275 is the maximum tax-free cash you can take from all your pensions over the course of your lifetime. If you take a pension after 6 April 2024, your pension provider will request details of any lump sums you have received to check your entitlement to tax-free cash against this new limit. If you exceed the limit, it will usually be taxed at your marginal rate unless you have a valid protection certificate. Additionally, the government has introduced a Lump Sum and Death Benefit Allowance (LSDBA) of £1,073,100 which is the maximum that can be paid tax-free from both pension lump sums and death grant lump sums before age 75. If you think you may be affected, see **tax controls on your pension** for more information.

Investment update

The UK has been subject to particularly high inflation and you may have heard that this is affecting pensions. Your LGPS pension doesn't depend on investment performance. You can be reassured that the appropriate steps are being taken to safeguard the pension Fund against economic uncertainty now and in the future.

In the Autumn Statement, the government announced changes to LGPS investments aimed at improving returns for savers and growing the economy. The changes, which come into effect during 2025, include expanded pooling and an increase in local investments. They will not affect your pension payments.

96% of Buckinghamshire Pension Fund's assets are pooled together with 9 other LGPS Funds under the Brunel Pension Partnership. On 6 December 2023, Brunel published its annual Climate Change Progress report which you can access on **their website**.

State pension

The government has confirmed that state pensions will increase by 8.5% in April 2024. State pensions usually increase each year by the higher of CPI, average earnings growth (prior three years) or 2.5%. As it was higher than both CPI and 2.5%, it is the average earnings growth increase of 8.5% which will be applied to state pensions.

If you have not reached state pension age, you can get a forecast from **the DWP website**. For all other questions about state pensions, **contact State Pensions (DWP)**.



Your questions answered

I think I am paying the wrong amount of tax, what should I do?

Tax-related queries should be directed to **HMRC**.

I have another LGPS pension with you, can I put this into payment?

If you have a **deferred LGPS pension** you are not yet receiving payment of, you can choose to take this after age 55 voluntarily by providing us with 3 months' notice. You can get an estimate of how much you'll receive by using '**my pension online**' or by contacting us. If you have another LGPS pension you are currently paying into, you would usually need to leave the associated employment first.

Can I still receive my pension if I move overseas?

If you have a UK bank account and you live abroad, you should check that this is possible directly with your bank. We can also pay your pension overseas by using Convera (formally Western Union). **Contact us** to set this up.

Am I able to take my pension as a one-off lump sum?

Taking your pension as a one-off lump sum is called 'trivial commutation'. It's only available for small pension pots under certain circumstances. The rules about who can trivially commute, and the amount you will receive, is set by the Government. We can look into this for you, but we recommend you **review the eligibility criteria first**.

I've been asked for information about my pension for a divorce, how much does this cost?

If you need an estimate for a divorce, this is charged at £500 plus VAT. There are further charges for any additional work and for implementing a pension sharing order. **Contact us** for full details of costs. For more information **visit our website**.

What pension benefits are payable to my family and loved ones when I die?

A survivor's pension may be payable to any spouse, civil partner or, if you were in the scheme after 1 April 2008, an eligible cohabiting partner. The amounts payable depend on your dates of membership. Children's pensions are payable to children who meet the eligibility criteria. If you're aged under 75 and have had your pension in payment for less than 10 years, there may also be a death grant payable when you die. This is separate to any survivor's pensions payable.

See **what happens to your pension when you die**.

Can you speak to someone about my pension on my behalf?

If you want us to share information about your pension with a third party such as a financial advisor or a relative, you must provide us with a signed letter of authority which is valid for 3 months only. If you wish for the person to contact us about your pension after the letter expires, you must provide us with another letter. We can also communicate directly with someone else about your pension if that person holds a current Lasting Power of Attorney (LPA) for you. For more information on what we need to receive to put in place either a letter of authority or a LPA, visit **our website**.

Pension payment dates 2024/25



The table below shows the day your pension will be paid each month:

Month	Pay date
April 2024	Tuesday 30th
May 2024	Friday 31st
June 2024	Friday 28th
July 2024	Wednesday 31st
August 2024	Friday 30th
September 2024	Monday 30th
October 2024	Thursday 31st
November 2024	Friday 29th
December 2024	Tuesday 31st
January 2025	Friday 31st
February 2025	Friday 28th
March 2025	Monday 31st

Pension payslips

We produce printed payslips in May and September only. We no longer send payslips for any other reason. You can find details of monthly pension payments made to you on **'my pension online'**. Please ensure you keep us updated with your contact details. You can do this easily using **'my pension online'**. If a payslip is returned to us, we will suspend payment of your pension for security reasons until we receive written confirmation of your new address.

Pensions Increase 2024

Each April, your LGPS pension is revalued by pensions increase to keep up with the cost of living. Pensions increase is set by the Government and based on the CPI (Consumer Price Index) for the previous year up to September. This year's pensions increase is 6.7%

The full pensions increase will be paid as part of your LGPS pension; however,

- if you started receiving your pension after 24 April 2023, but before 23 March 2024 you will receive a **partial increase**, and
- if you paid into the LGPS between 6 April 1978 and 5 April 1997 and reached state pension age before 6 April 2016, you will have **GMP protection**, and some of the increase will be paid as part of your state pension.

Your April payment

The pensions increase will apply from 8 April. This means that your April pension will be less than it will be in May when any increase due is applied to the whole month.

Example:

The rate of annual pension on 1 April 2024 is £13,500

We can work out the pension payable between 1 April 2024 and 7 April 2024 (7 days) as:

$$£13,500 \div 12 \text{ (months)} \div 30 \text{ (days in April)} \times 7 = £262.50$$

The full increase should be applied to this person's pension. After the increase is applied, the rate of annual pension will be $£13,500 \times 6.7\% = £14,404.50$

We can work out the pension payable between 8 April 2024 and 30 April 2024 (23 days) as:

$$£14,404.50 \div 12 \text{ (months)} \div 30 \text{ (days in April)} \times 23 = £920.29$$

These amounts are added together to get the April pension payment:

$$£262.50 + £920.29 = £1,182.79$$

Partial increase

If you started receiving your pension after 24 April 2023 you will receive a partial increase as displayed in the table below.

Pension beginning	Pension increase %
24 April 2023 – 23 May 2023	6.14%
24 May 2023 – 23 June 2023	5.58%
24 June 2023 – 23 July 2023	5.03%
24 July 2023 – 23 August 2023	4.47%
24 August 2023 – 23 September 2023	3.91%
24 September 2023– 23 October 2023	3.35%
24 October 2023 – 23 November 2023	2.79%
24 November 2023 – 23 December 2023	2.23%
24 December 2023 – 23 January 2024	1.68%
24 January 2024 – 23 February 2024	1.12%
24 February 2024 – 23 March 2024	0.56%

GMP protection

LGPS pension built up between 6 April 1978 and 5 April 1997, will have a protection included known as a Guaranteed Minimum Pension (GMP). If you have more than one LGPS pension, you could meet the qualification for GMP in both records depending on when you paid into the scheme for each. The GMP is the amount of pension you would have earned if you had not been contracted out of paying into SERPS (State Earnings Related Pension Scheme) and later S2P (State Second Pension) and ensures you do not receive less than you would have done had you contributed to SERPS/S2P. The GMP does not appear separately on any pension statement and only comes into force when you reach GMP age (currently 60 for a woman and 65 for a man).

The full pensions increase will be paid to you as part of your LGPS pension if:

- You took your pension after GMP payable age but before you reach(ed) state pension age, or
- you reached state pension age after 6 April 2016

If you reached state pension age before 6 April 2016, increases on GMP built up before 5 April 1988 are included in your state pension. For GMP built up after 6 April 1988, the first 3% will be included in your LGPS pension, the rest will be paid as part of your state pension. As this year's pensions increase is 6.7%, 3% will be paid as part of your LGPS pension benefits and 3.7% will be paid as part of your state pension. More information about GMP can be found on **our website**.

Reading your P60

Your P60 will be uploaded to **'my pension online'**. It shows how much pension has been paid to you and how much tax, if any, was deducted during 2023/24. If you have more than one pension, you will receive a separate P60 for each. You may need to use this information to complete a self-assessment tax return or to provide proof of income and the tax you have paid. Otherwise, you can just keep it for your records. We'll email you to let you know when it's ready.

How much tax should I pay?

Pension is counted as earned income. The amount of tax you pay depends on your individual circumstances. Tax will usually be payable if your pension from us, plus any other income you receive, exceeds your personal tax allowance. Tax allowances are set by HMRC. HMRC issue us with your tax code, and this is applied to your pension. We are unable to answer any questions about your tax code. You can find out more information on the **HMRC website**.

If you have any questions

If you have any queries about your P60, your pension, or how much tax you have paid, make sure you contact the right people:

Contact us if your question is about...

- Your pension payments
- Changing your bank details
- You want to manage your pension online
- Personal details are held incorrectly
- Other non-tax related questions

Contact HMRC if your question is about...

- Tax codes
- Taxable income
- Tax rebates, rates and allowances
- If you believe the tax paid is wrong
- Any other tax related queries



You can find both ours and HMRC's full contact details on our contact list on the back cover

A guide to your P60

Employer PAYE reference: This is our registration number for tax purposes. You should quote this if you contact HMRC with any queries about the tax you have paid.

Tax deducted: The total tax paid during the tax year.

Previous employments: This is any amount HMRC has told us about in respect of previous employments. For most people, this will be blank.

Total for the year: The amount we paid to you during the tax year. It is the gross figure before any tax deductions.

This employment box: These are the final figures of how much pension and tax you have paid for the tax year.

Final tax code: This was the final tax code held on your record for the tax year. This was issued to us by HMRC. If you have changed tax codes after 5 April 2024, it may not be reflected on the P60.

Lifetime allowance used: The lifetime allowance was the amount you could have in pension savings before you paid additional tax. For 2023/24 it was £1,073,100. This amount is set by the Government. The figure shown on your P60 in this space is the total percentage of the lifetime allowance used by your pension pot. In this example, the pension uses up 1.3% of the current lifetime allowance. If you took your pension before the lifetime allowance was introduced on 6 April 2006, this box will be blank. From 6 April 2024 the lifetime allowance will be abolished (see [page 4](#) - for more information)

P60 End of Year Certificate 2019 - 20 This is a printed copy of an eP60 **DO NOT DESTROY**

Employer's name and address: Buckinghamshire Council, Walton Street Offices, Walton Street, Aylesbury, Buckinghamshire, HP20 1UD

Employer PAYE reference: 120 / JZ54321

Tax Year to 5 April: 2024

National Insurance number: NH743210C

Works/Payroll number: C12345678M

First two forenames: KATHY

National Insurance contributions in this employment

NIC table letter	Earnings up to the Lower Earnings Limit (where earnings are equal to or below the Lower Earnings Limit)	Earnings above the Lower Earnings Limit, up to and including the Primary Threshold	Earnings above the Primary Threshold, up to and including the Upper Earnings Limit	Employee's contributions due on all earnings above the Primary Threshold
	£	£	£	£ p

Statutory Payments 'in this Employment' figure below

Statutory Maternity Pay	£	p
Statutory Paternity Pay	£	p
Statutory Shared Parental Pay	£	p
Statutory Adoption Pay	£	p

Pay and Income Tax details

Total for the year		Previous employment		This employment	
Pay	Tax deducted	Pay	Tax deducted	Pay	Tax deducted
£ 1039 p 20	£ 50 p 00	£ 0 p 00	£ 0 p 00	£ 1039 p 20	£ 50 p 00
Final tax code: 291L	Week 53 Indicator	Lifetime Allowance Used (%)	Postgraduate loan deductions in this employment (whole £s only)	Student Loan deductions in this employment (whole £s only)	Tax deducted or if refund mark 'R'
		1.30			The boxes marked * should be used for your tax return - you get one

Certificate by Employer/Paying Office: this form shows your total earnings and tax for Income Tax purposes in this employment for the year. Any overtime, bonus, commission etc. Statutory

LGPS regulations changed due to the McCloud judgement

The LGPS changed from a final salary scheme to a Career Average Revalued Earnings (CARE) scheme on 1 April 2014. All members were automatically moved across to the CARE scheme, but members closer to retirement were given an additional protection, known as 'the underpin', to ensure that they did not receive less pension. In 2018 a Court of Appeal ruling found that only providing protection for older members was age discrimination.

On 1 October 2023, changes were made to the LGPS regulations to extend underpin protection to more members. If you qualify for the extended protection, we'll check to see if the pension you built up between 1 April 2014 and 31 March 2022 would be higher if it was worked out as final salary pension. If we previously applied an underpin to your pension, we'll check if your pension needs to increase.

Will it affect me?

This change won't affect everyone. To qualify you must meet the criteria below:

- You paid into the LGPS or another public service pension scheme before 1 April 2012
- You paid into the LGPS between 1 April 2014 and 31 March 2022
- You were under age 65 for at least a portion of this period
- You did not have a continuous period of 5 years or more where you were not a member of the LGPS or another public service pension scheme

Previous public service/LGPS pension

If you paid into another LGPS pension or a public service pension before 1 April 2012, you don't have to have combined these to qualify for underpin protection. However, you do need to make us aware of this if you haven't already done so. In December 2023, we issued a letter to anyone we think could be affected via **'my pension online'**. The letter included a form which you can use to tell us about any other relevant public service or LGPS membership. If you didn't receive a letter, it's likely this change doesn't affect your Buckinghamshire Pension. If you meet the qualifying criteria above or you received a letter from us, you can use the flow chart below to find out whether or not you need to complete the form.

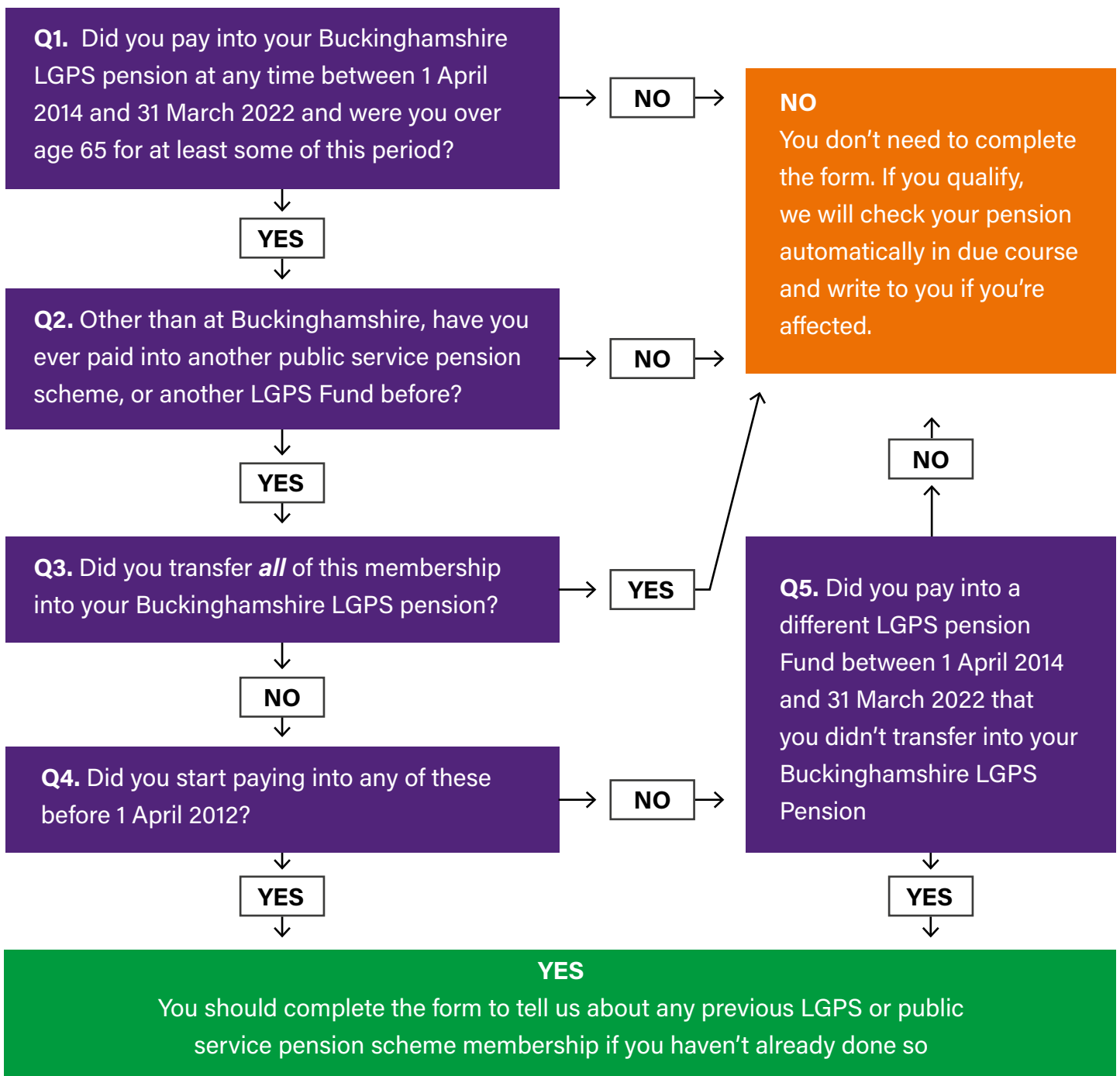
I'm receiving a dependant's pension, what do I do?

We will also need to check dependant's pensions to see if an underpin applies. We issued a letter to anyone in receipt of a dependant's pension that we think could be affected, but we did not ask for details of previous public service/LGPS membership. We are awaiting further guidance from the Government on how to gather this information and we may be in touch with you at a later stage if we need more information. You don't need to do anything at the moment.

If I qualify, what will happen to my pension?

Most people won't see any changes to their pension at all, as they will be better off under the CARE scheme rules. Where there is an uplift, it is unlikely to be substantial. Any change will be an increase, your pension will not go down.

If you think you qualify, you don't need to contact us to ask us to check your pension. If you're affected, we will check your pension automatically and write to you during the course of the project. This is a very large task, and it will take a long time to check everyone. This means that if you're affected, you may not be contacted for some time. See **The McCloud Judgement** for more information.



Money Matters

Help with the rising cost of living

If you're struggling with the cost of living you may be able to get assistance from your local council. This is sometimes known as the 'household support fund' and you don't have to be claiming any type of state benefit to access it. If you are a Buckinghamshire resident, the **Helping Hands Team** may be able to assist you. You can request support by calling 01296 531 151 Monday to Thursday (9am-5.30pm) and Friday (9am-5pm). If you're in immediate need and your request cannot wait until the next working day, you can call 0800 999 7677.

Are you missing out on benefits you're entitled to?

According to AGE UK, each year pensioners miss out on £2.2billion in unclaimed state benefits such as pension credits. Claiming pension credit can mean you're entitled to additional benefits such as a free TV licence (if over age 75) and the additional cost of living payments pledged by the government. You can check if you're entitled to receive any state benefits by using the free benefit calculation tool run by the organisation '**Entitled To**'

Finding lost pension pots

If you've lost track of a personal or workplace pension you paid into, you can search through a database of more than 200,000 providers using the Government's Pension Tracing Service. **Visit their website** to get started, or for help over the phone, call **0800 731 0193**.

Getting advice about money and pensions

MoneyHelper may be able to provide you with free advice about your pension. Their contact details can be found on the back cover. If you want to seek the help of an Independent Financial Advisor, it's important you check the advisor is registered with the FCA (Financial Conduct Authority) and qualified to assist you in the area you need help with. If you use an unregulated advisor, you won't have access to compensation if something goes wrong. Visit the **FCA website** for more information.

Get scam savvy!

Each year millions of pounds are lost to pension scams. Knowing the common warnings signs can often help to stop a scam in its tracks. These include:

- A guaranteed better return on your savings
- High pressure/time limited sales tactics
- Unusual or high-risk investments
- Complicated structures so you can't tell where your money is going
- Significant deductions from your pension due to fees
- Pension cold calling usually offering you a free pension review

If you suspect a scam, please help stop it by calling **Action Fraud** on **0300 123 2040**. See **Avoiding Pension Scams** for more information.

Tax in retirement

If you're thinking of going back to work while receiving a pension, it's worth considering the tax implications. If you exceed your **personal tax allowance** you will pay income tax on the excess. If your income increases, the tax you pay may also increase. It's best to tell HMRC when you get income from multiple sources to ensure they apply the correct tax code. For more information, see MoneyHelper's '**guide to tax in retirement**'

There may still be time to pay back national insurance contributions

If you have missing years from your national insurance record between 2006 to 2016, you may not receive full state pension. If you're between age 40 and 73 and you haven't yet claimed your state pension, you have until 5 April 2025 to buy these years back. You may even be able to apply to have these gaps covered for free if the reason for the gap was due to certain life circumstances. More information is available on the **MoneyHelper website**.

CSSC Card savings

Retired local government workers are entitled to CSSC membership at the reduced price of £4.50 a month. With CSSC membership you benefit from free entry to English Heritage sites as well as access to cashback deals on many high street retailers and days out. Find out more at: **[cssc.co.uk](https://www.cssc.co.uk)**



Useful contacts

Buckinghamshire Pension Fund

Website: lgps.buckinghamshire.gov.uk

For all queries about your LGPS pension:

Helpline: 01296 383 755

Monday - Thursday 9am-5.30pm

Friday 9am-5pm

Email: pensions@buckinghamshire.gov.uk

Contact us via 'my pension online':

ms.buckinghamshire.gov.uk

Write to us:

The Pensions and Investments Team

Buckinghamshire Council, Walton Street Offices,

Walton Street, Aylesbury, HP20 1UD

Pension Credits (state benefit)

Website: www.gov.uk/pension-credit/how-to-claim

To claim your pension: 0800 991 234

Monday – Friday 8am-6pm

To talk to someone about your pension credits:

0800 731 0469

Monday & Friday 8am-3pm

Tuesday, Wednesday & Thursday 10am-3pm

MoneyHelper

Government backed free and impartial money and pensions service

Website: www.moneyhelper.org.uk

Helpline: 0800 111 3797

Monday – Friday 9am-5pm

Buckinghamshire Council

(Council tax, social care, COVID-19 support)

Website: www.buckinghamshire.gov.uk

Customer service: 0300 131 6000

Monday – Thursday 9:30am-5:30pm

Friday 9am-5pm

Tax Queries

HMRC Tax office – For all tax related queries

www.gov.uk/log-in-register-hmrc-online-services

Call 0300 200 3300 (Monday - Friday 8am-6pm)

State Pension (DWP)

To claim your pension: 0800 731 7898

Monday – Friday 8am-6pm

To talk to someone about your state pension:

0800 731 0469

Monday & Friday 8am-3pm

Tuesday, Wednesday & Thursday 10am-3pm

Website: www.gov.uk/contact-pension-service

Age UK

Charity offering free advice and support on all matters

www.ageuk.org.uk

Age UK Advice Line: 0800 678 1602 (8am-7pm daily)

Citizens Advice

National charity providing advice and support services

www.citizensadvice.org.uk

Adviceline: 0800 144 8848

Monday - Friday 9am-5pm

Pension Tracing Service

Government service to help you locate lost pensions

www.gov.uk/find-pension-contact-details

0800 731 0193 (Monday – Friday 10am-3pm)

Office of the Public Guardian

To make or change a lasting power of attorney

www.lastingpowerofattorney.service.gov.uk/home

0300 456 0300

Email: customerservices@publicguardian.gov.uk