lgps

Shropshire County Pension Fund

Deferred Member News

For more information visit: www.lgpsmember.org | Summer 2026

Welcome to the 2026 newsletter for deferred 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 Shropshire County Pension Fund.

Frequently asked questions

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 and write to you.

Your annual benefit statement shows the pension we have worked out that will be payable if you claim it from your normal pension age (NPA). If you are over 65 and older than your NPA, your annual statement will also include increases for retiring after your NPA.

What is my NPA?
Your Normal Pension Age (NPA) is the date from which your LGPS pension can be paid without any reductions. This age is different for each member and depends 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.

If you're unsure of your State Pension age, you can check it online at: www.gov.uk/state-pension-age

When can I take my deferred benefits?
Currently, 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. If you want to take your benefits early, before your Normal Pension Age, please complete the Application for payment of benefits form. **Scan the code with your**

mobile phone to get started:

You can take your benefits:

- **From age 55 to your Normal Pension Age (NPA):** You can take your benefits early, although they will usually be reduced.
- **At your NPA:** You can take your benefits in full, with no reduction.
- **After your NPA (up to age 75):** Your benefits may increase as they are being paid later. However, if you left the LGPS before 1 April 1998, you must take your pension by your NPA.
- **Before your NPA due to ill health:** If approved by your former employer, you may be able to take your benefits early without any reduction.

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 'Changes to NMPA' section later in the newsletter for more details.

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

If you choose to take your deferred benefits before your Normal Pension Age (NPA), they will usually be reduced. This is because your pension is likely to be paid over a longer period of time.

Our benefit calculators on the My Pension Online portal can help you work out how much your pension might be if it were to be reduced.

I paid additional voluntary contributions (AVCs) before I left – what happens with those?

If you paid AVCs before you left, your AVC provider will continue to send you a separate annual statement. Your provider may also have a portal you can access to view your AVC pot.
When you choose to claim your LGPS pension, we will include your AVCs into the options we provide to you.

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 without 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 became deferred. If you left the LGPS after 31 March 2008, your former employer must also consider whether you are likely to be able to undertake any gainful employment within the next three years.

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

If you think this may apply to you, you should contact your former employer. They will arrange for an independent registered medical practitioner to provide an opinion, to help with their decision.

Do my deferred benefits keep their value against inflation?

Yes. Each April, the value of your deferred pension is adjusted based on the Consumer Price Index from the previous September. The standard increase applied from 6 April 2026 was 3.8%.

If you became a deferred member before 22 April 2025, 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. 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.

If you join another public sector pension scheme, you will usually need to register your interest in transferring your deferred LGPS pension within 12 months of joining your new scheme. Your new pension scheme will be able to provide more information about the transfer process and your options.

What happens to my deferred benefits if I die?

A death grant may be paid as a lump sum, and the amount depends on when you left the scheme:

- 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. If you have a linked Additional Voluntary Contribution (AVC) fund, the value of the fund at your date of death will be paid with the death grant.

Please see the 'Are your nominated beneficiaries up to date' section 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 spouse or 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.

How do I update my personal details?
You can update your information by logging into your online pension account. If you need to change your name, partnership status or gender, we need to see a copy of the relevant legal document.

Pensions Dashboards update

You may have already received previous communications about the introduction of the Pensions Dashboard. In the past twelve months, the Fund has connected to the Pensions Dashboard.

The Pensions Dashboard is an online tool which will allow you to securely locate and view all your pension information in one place including your LGPS benefits, State pension and any other pension savings you may have accumulated over the years.

The Government is prioritising a non-commercial dashboard which will be provided by The Money and Pensions Service (MaPS), an arm's-length body of the Department for Work and Pensions. This will be available on the MoneyHelper website, the government backed money and pensions guidance service. It will be open to all savers with a pension built up in the UK that has:

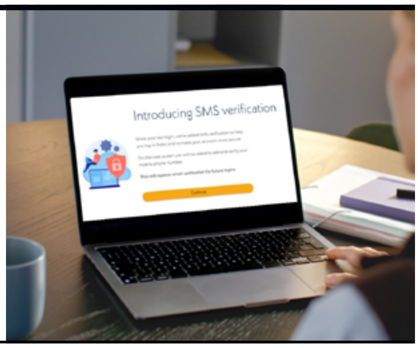
- not yet been accessed, or
- is not currently being paid (for the State Pension, you must be under State Pension age).

Commercial dashboards will follow later, provided by banks and other financial bodies.

We don't yet know when dashboards will be available to the public. However, their development has taken an important step forward with the second phase of consumer testing for the MoneyHelper Pensions Dashboard (MHPD) now underway. This will support further refining and improving of the service before it is publicly available.

Over the coming months, MaPS are looking to build up the pool of people interested in testing the dashboard. This is so they can gain valuable insights from a broad range of participants and increase volumes over time.

For more information on Pensions Dashboards, please visit: www.pensionsdashboardsprogramme.org.uk



Enhanced security for your 'My Pension Online' account

My Pension Online:
Get to know your pension
Manage your LGPS pension savings with ease using the secure My Pension Online members portal on our website. The portal allows you to review your pension details, estimate future benefits and more.

We are committed to keeping your pension account safe. To help achieve this we have introduced SMS (text message) verification to the My Pension Online portal.

This additional level of security will send a unique one-time passcode to your mobile phone by text message each time you log in.

This will replace the one-time passcode traditionally sent to your email address, making logging in to your account faster and more secure.

Does this change affect me?

Yes, this change will apply to all members using the My Pension Online portal:

- **New members** registering for the first time will set up SMS verification as part of the registration process.
- **Existing members** who are already registered will be prompted to set this verification up the next time they log in.

Setting up SMS verification – What do I need to do?

Setting up SMS verification involves 4 simple steps, will be quick and only needs to be done once.

Step 1: ....

- When you log in (or when registering), you will be taken to the introducing SMS verification page explaining the change and what you will need to do.
- Select 'Continue' to go to the Set-Up SMS verification page.

Step 2: ....

- You will then need to enter your mobile phone number.
- The number will be securely stored and only used to send your one-time passcodes (OTP) going forward.

Step 3: ....

- A unique code will be sent to the mobile number you provided.
- You will need to enter this code on screen to confirm your number and complete the setup.

Step 4: ....

- Once verified, SMS verification will be active on your account.
- Future logins will use text message verification instead of email.

If you haven't already – register today!

Here's how to create your 'My Pension Online' account*

- **Visit the My Pension Online members portal:**
  https://mypension.shropshirecountypensionfund.co.uk/login
- **Click on 'Create an account' and follow the online instructions.**
  Please have your National Insurance number ready as it's needed to create your account. When asked for your email address, we strongly recommend you use a personal email address so we can contact you if your circumstances change.

*If you already have an account and **have not accessed it since October 2024,** you need to create a new account on the portal. You will only need to do this once.

For further assistance, check out the My Pension Online FAQs page and view our guide:
https://www.shropshirecountypensionfund.co.uk/contributing-member/my-pension-online-frequently-asked-questions/

Scheme Changes – Improving access and fairness in the LGPS

The Government has confirmed a series of changes to the Local Government Pension Scheme (LGPS) to make the LGPS fairer for all members. Most changes took effect from 1 April 2026, and some applied retrospectively. Here is a summary of the key changes and what they may mean for you.

Fairer survivor benefits: From 1 April 2026, survivor pensions are calculated more consistently to ensure equal treatment regardless of the sex of the deceased member or their surviving spouse/civil partner.

Some survivor pensions will be increased as more of the member's service before April 2014 will now count and may become payable for the first time – this is most likely to affect male survivors of female members who left the pension scheme before April 1988.

For more information about the recent scheme changes, please visit the News section on the Fund's website: www.shropshirecountypensionfund.co.uk/news/improving-access-and-fairness-when-it-comes-to-your-pension/

Changes to death grants: There are also changes to the rules around death grants:

- **Age limit removed:** A lump sum death grant may now be paid even if a member dies after age 75.
- **More flexibility:** Pension funds can now use discretion to decide who receives a late death grant. This means the death grant will be taxed at each beneficiary's marginal rate of tax, rather than the 45% charge that applies when it is paid to personal representatives. A 'late' death grant is usually one that is not paid within two years of the date of death.

The Normal Minimum Pension Age (NMPA) is changing

The Normal Minimum Pension Age (NMPA) is the earliest age you can usually take your pension benefits. The NMPA is currently 55, but it is due to increase to 57 from 6 April 2028. This change does not apply if you 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 will increase to 57.

If you were born between 6 April 1971 and 5 April 1973

You can choose to take your pension between age 55 and 5 April 2028 (the day before the NMPA increases). If you do not take your pension before this date, you will need to wait until age 57.

If you were born on or before 5 April 1971

You will already be age 57 by 6 April 2028, so this change will not affect you.

Will I be protected from the increase in NMPA?

Some members may be entitled to a protected pension age of 55, meaning they could still take their benefits before age 57.

This may apply if:

- you were a member of the LGPS in England and Wales before 4 November 2021, or
- you transferred pension benefits into the LGPS and meet certain conditions.

The Government has consulted on proposals to allow eligible LGPS members to retain a protected pension age. However, final regulations have not yet been confirmed and the position may still change.

We will provide further updates once the regulations are finalised. You can also keep up to date at: www.gov.uk

Rejoining the scheme/Combining your LGPS pension benefits

If you were previously a member of the LGPS in England or Wales and you re-join the Scheme, you have the option of joining your deferred pension(s) with your new pension or leaving them separate.

Even if you don't wish to join the pensions together, you must let your new fund know the dates of service as this may affect your future pension benefits.

If you do not inform the new fund of the former service within 12 months of re-joining, your benefits may automatically be joined or kept separate depending on the type of previous LGPS pension benefits you hold.

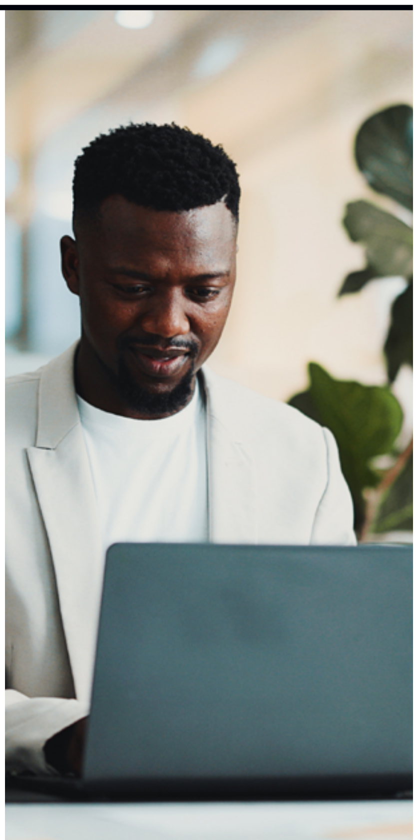
Different rules apply depending on what type of LGPS benefits you have, when you left the LGPS, and how long you were a member.

Things to consider when deciding whether to combine your benefits:

- **Redundancy or ill health:** if you leave your role because of ill health or redundancy and you keep your pension records separate, whilst your current LGPS pension would be paid early without reductions, your previous LGPS pension would not.
- **Retiring early:** If you retire before your Normal Pension Age (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 your entire pension will be reduced for early payment.
- **Final salary link:** If you were in the LGPS before 31 March 2014, left after 1 April 2014, rejoin within five years and combine your benefits, your pension will keep its final salary link and your LGPS membership from pre-April 2014 will be linked to your new full-time salary.

Please note: If you opted out on or after 10 April 2015 and qualify for deferred pension benefits, your pension cannot be combined (unless your service is concurrent).

It may not always be in your interest to join a deferred benefit with an active pension account. You should contact your new pension fund when you join the LGPS to tell them that you have been a member of the Scheme before. They will let you know your options and what you should think about when you make your decision. It is important that you think about your options carefully and that you are aware of the deadlines that apply. You will not be able to change your decision later.



Understanding your pension with videos

If you'd like a clearer understanding of your LGPS pension and the options available to you as a scheme member, but don't have much time, the Pensions Made Simple videos are perfect to watch. These short videos offer a quick summary of important topics, including "How your pension works," "Protection for you and your family," "Life after work," and "The McCloud remedy."

To watch the videos, visit:
www.lgpsmember.org/help-and-support/videos/

Are your nominated beneficiaries up to date?

As a deferred member of the LGPS, if you die before taking your pension, a lump sum death grant may be paid to one or more people you have nominated (your beneficiaries).

The amount payable depends on when you left:

- **Left after 31 March 2008**
  A lump sum equal to five times your deferred annual pension is payable.
- **Left before 1 April 2008**
  A lump sum equal to three times your deferred annual pension is payable.

However, if you are also an active member of the LGPS when you die, the death grant payable is the higher of your deferred death grant as calculated above, or the death grant payable in respect of your active membership.

If you hold more than one deferred LGPS benefit, a separate death grant will be payable from each deferred benefit, provided you are not also an active LGPS member at the time of your death.

You can complete an "expression of wish" to tell us who you would like to receive any death grant. While any expression made is not legally binding, it helps guide the Fund's decision. The Fund retains absolute discretion over the final payment. If you are considering nominating a child under age 18, you may wish to seek independent legal advice, particularly about setting up a trust.

To make or update your expression, log on to our online member portal. **We recommend reviewing your nomination regularly and updating it if your personal circumstances change.**

£48,000 lost daily to Pension Fraud

Pension scams are an ever-growing threat, with criminals becoming increasingly sophisticated in their tactics to steal your pension.

In 2024, Action Fraud reported that over £17.5 million was lost to pension fraud - roughly £48,000 every single day - with victims losing an average of £33,800 each. The true scope is likely higher, as many cases go unreported.

There are different types of pension scam, but they can all lead to the possibility of you losing a lifetime's worth of savings in an instant. Action Fraud has identified two common scammer tactics:

1. **Investment fraud,** where high-pressure tactics are used to push victims into hasty decisions.
2. **Impersonation,** where scammers pose as you to access your pension by obtaining sensitive information such as passwords.

Remember, the fund will never ask for these details.

Being alert to the following could protect your pension:

- Contacting you out of the blue by phone, text or email, promising quick cash, loopholes or pension loans.
- Promises of high or guaranteed returns.
- Pressure to act immediately on time-limited opportunities.

There are ways to help avoid pension scams:

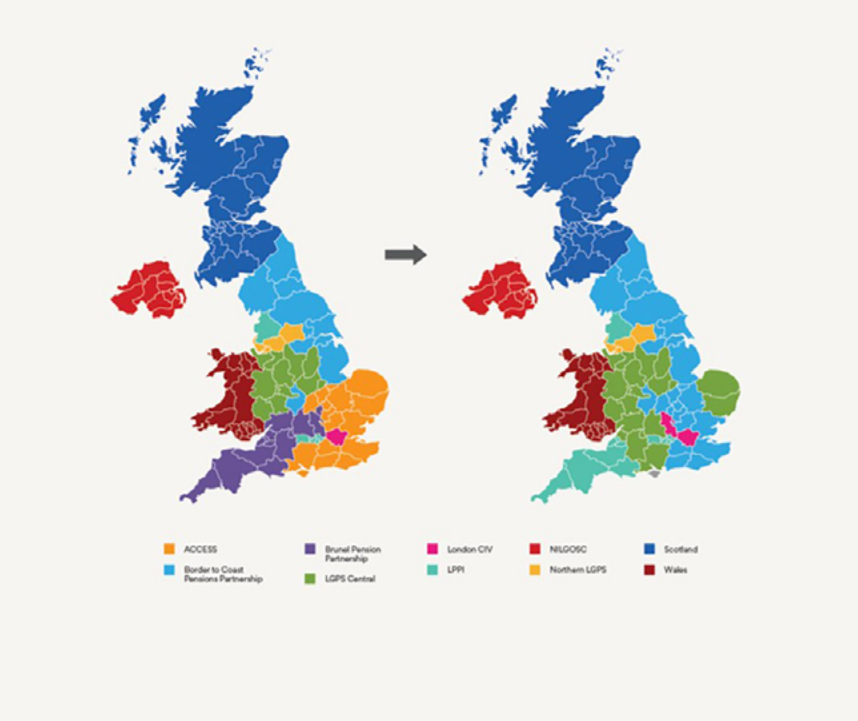
- Never share personal or financial information with a cold caller - hang up immediately.
- Always seek advice from an independent Financial Conduct Authority-authorised adviser before making any decisions.
- If an offer sounds too good to be true, it almost certainly is.

Shropshire County Pension Fund has signed up and have self-certified as meeting the industry standards of The Pensions Regulator's pledge to combat pension scams and protect scheme members.

If you think you have fallen victim to a pension scam, report it by contacting Action Fraud:

Tel: 0300 123 2040
Website: www.reportfraud.police.uk

All change at LGPS Central



How Pension Investments are managed has been in the news recently with the passing of the Pensions Bill. The Government introduced the idea of pooling 10 years ago and seven pools were set up to assist with the investments of the LGPS in England.

The Shropshire County Pension Fund was originally one of eight funds that set up LGPS Central. Fast forward to today and under the Government's "Fit for the Future" review the number of pools is being reduced from seven to five.

LGPS Central were selected as one of the five continuing pools and as a result of the reduction, will see seven new Funds join from 1 April 2026. The map above shows the changes across the UK.

(Note there have been no changes to Scotland, Wales or Northern Ireland from the review).

The expansion of LGPS Central, with the addition of Hampshire, Isle of Wight, Norfolk and Suffolk from the former Access Pool and Gloucestershire, Oxfordshire and Wiltshire from the former Brunel Pool have oversight on assets approaching £100Bn in value. LGPS Central will become the principal investment advisor to all the member funds.

The pools have been tasked with developing local investment options that will deliver investment into UK private markets.

As we move forward the strong partnership the Fund has developed with LGPS Central will continue to develop to ensure all our strategic needs can be met.

Contacting the Pension Team

01743 252130

www.shropshirecountypensionfund.co.uk/contact-us/

www.shropshirecountypensionfund.co.uk

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Helpdesk phonelines are open: Monday, Tuesday, Thursday 10am - 4pm.
Wednesday and Friday 10am - 1pm (excluding bank holidays)

Office hours
Monday to Thursday:
8.45am to 5pm
Friday:
8.45am to 4pm
All of our newsletters are available to view online.