lgps

Cambridgeshire
Pension Fund

Pension Update

For members of the Local Government Pension Scheme (LGPS) | **Summer 2026**

Welcome to the 2026 LGPS newsletter. This newsletter is for people who pay into the Local Government Pension Scheme (LGPS). It's written with help from other LGPS funds. To learn more about your pension, go to: **pensions.cambridgeshire.gov.uk**

Round-up

About the LGPS
The LGPS has been a career average pension scheme since 1 April 2014. This means your pension is based on your average pay over your working life. Each year, some of your pensionable pay is added to your pension account. This amount is adjusted to match the cost of living. It's then added to your total pension.

Cost-of-living adjustments
Every April, your pension is adjusted. In April 2025, the adjustment went up by 1.7%. This follows the Consumer Prices Index (CPI). You'll see this increase reflected in your pension statement.

Important reminder
Please check your pension statement. Make sure your 2025/2026 pensionable pay is right. This pay affects how the pension grows. Your employer gives us your pay details. If something is wrong, contact your employer as soon as you can.

Looking ahead
The cost-of-living increase for April 2026 is 3.8%. This increase will be included in your 2026 pension statement. This statement covers 1 April 2025 to 31 March 2026.

Pension scams

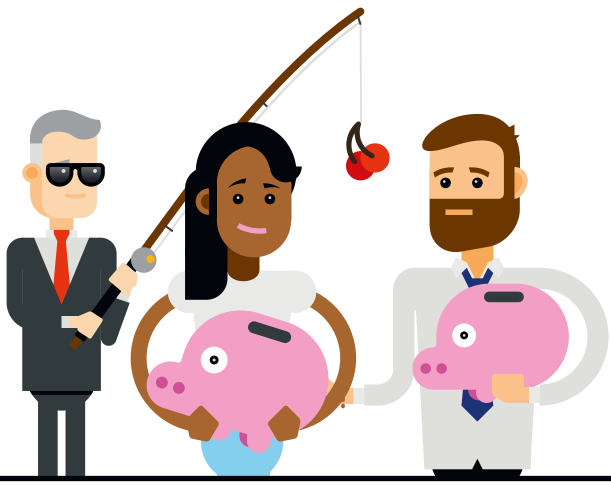
Pension scams are increasing. It's important to know how to protect your money and spot the warning signs.

Scammers may pretend to be from real pension companies. They may contact you out of the blue by email, text, social media, or phone call. They might offer a free review or say you can take your pension early (before age 55, rising to 57 from 6 April 2028). Their aim is to get you to move your pension to them by promising high returns with little or no risk.

How to protect yourself:

- Say no to unexpected offers or messages
- Check who you are dealing with on the Financial Services Register
- Say no to unexpected offers or messages
- Check who you are dealing with from MoneyHelper

If you get a call or email that seems to be from us but you're not sure, don't share your personal details. Contact us directly to check it is real.



Cost of living support

Most of us want to make our money go further. There are many ways to do this.

As costs rise, it's more important to plan your budget. MoneyHelper is a government-backed service that gives free, unbiased advice on money and pensions. They offer a budget planner tool to help you track your spending and manage your money.

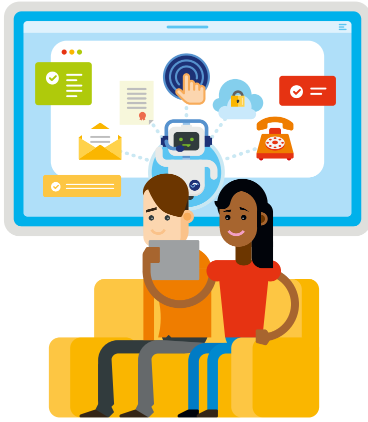
The planner shows where your money goes. This can help you see where you might cut costs or make better use of what you have left.

MoneyHelper also offers other helpful tools, like:

- budget guides
- a bill priority tool
- a debt advice finder.

If you're struggling to cover your basic costs, you can get help from Citizens Advice. They can support you even if you work, have savings, or own a home. Your local council may also be able to offer support.

Contact them to find out what help is available.



Pensions Dashboards update

You may have seen our earlier updates about Pensions Dashboards. In the past year, we've connected to the dashboards system. We're now sharing member pension data.

Pensions Dashboards will be an online tool. They'll let you safely find and view all your pensions in one place. This includes your LGPS pension, State Pension, and any other pensions you have built up.

The Government is working on a main dashboard. This will be run by the Money and Pensions Service (MaPS). It will be available on the MoneyHelper website.

You'll be able to use it if you've a UK pension that:

- you haven't taken yet, or
- isn't being paid yet (for the State Pension, you must be under State Pension age).

Other dashboards from banks and financial companies will come later. We don't know when dashboards will be ready for public use.

For more information, visit the Pensions Dashboards website.

Scheme Changes – improving access and fairness in the LGPS

The Government has made changes to the Local Government Pension Scheme (LGPS) to make it fairer for members. Most changes started on 1 April 2026. Some also apply to earlier dates. The following summary of the main changes and what they mean for you.

Fairer survivor benefits

From 1 April 2026, survivor pensions are worked out in a more equal way. This helps make sure everyone is treated fairly, no matter their sex or relationship type. Some survivor pensions may increase. This is because more service before April 2014 now counts.

In some cases, a survivor pension may now be paid for the first time. This may affect male partners of female members who left before April 1988.

Who could be affected?

The changes apply to deaths dating back to:

- **5 December 2005** for opposite sex marriages and same sex civil partnerships
- **14 March 2014** for same sex marriages
- **31 December 2019** for opposite sex civil partnerships.

Some partners who lived together may also see an increase. This may apply if the member died between 1 April 2008 and 31 March 2014.

You do not need to take any action.

We'll check our records and contact you if this affects you. This is a complex process and may take time.

Changes to death grants

There are also changes to the rules around death grants:

- **No age limit:** A lump sum can now be paid even if the member died after age 75. This applies from 1 April 2014. We are checking past cases and will contact anyone affected. Interest for late payment will be added.
- **More choice:** Pension funds can now decide who receives a late death grant. This may reduce the tax paid, as it will be taxed at each person's rate instead of a higher fixed rate.

A 'late' death grant is usually one paid more than two years after the date of death.

Stronger protection during time off work

From 1 April 2026, new changes help protect your pension when you take time off work. These changes aim to reduce the gender pension gap.

Child related leave

From 1 April 2026, your pension will keep building as if you were on normal pay during unpaid:

- additional maternity leave
- additional adoption leave (weeks 27–52)
- shared parental leave.

This builds on the current LGPS rules. These already say that during the first 26 weeks of maternity or adoption leave, your pension grows as if you are still on normal pay, even if you are unpaid.

Unpaid leave (authorised by your employer)

- **Less than 15 days:** your pension keeps building during your break. You and your employer will both pay normal pension contributions (this doesn't include strike action).
- **15 days or more:** the break doesn't count automatically. But you can choose to pay extra to make up the pension you missed.

Buying back lost pension (QAPA)

For unpaid leave of 15 days or more, new Qualifying Additional Pension Arrangement (QAPA) rules apply:

- you've more time to decide if you want to buy back the lost pension
- you pay contributions at your normal rate
- the extra pension matches what you would have built up if you were working
- you don't need a medical check.

For more details, visit the LGPS member website's Qualifying Additional Pension Arrangement (QAPA)

Are your nominated beneficiaries up to date?

If you die while paying into the LGPS, a lump sum death grant may be paid. This is usually three times your yearly pay. This money can be paid to one or more people you have chosen (your beneficiaries). You're covered from the day you join the scheme, no matter how long you've been a member.

If you've other LGPS benefits

If you also have:

- a deferred LGPS pension
- or an LGPS pension already in payment

The death grant will be the higher of:

- the total death grants from those pensions, or
- three times your yearly pay when you die.

How your pay is worked out

The yearly pay used is based on Assumed Pensionable Pay (APP). This is a set pay figure used to protect your pension if your pay drops. For example, this may happen if you're off work due to illness or certain types of leave.

Choosing who gets the payment

You can fill in an 'expression of wish' form. This tells the Fund who you'd like to receive the death grant.

- this isn't legally binding
- it helps guide the Fund's decision
- the Fund makes the final decision.

If you want to name a child under 18, you may want to get legal advice. This can help you decide if you should set up a trust.

Keeping your details up to date

You can:

- log in to the online member portal, or
- fill in an expression of wish form from the website.

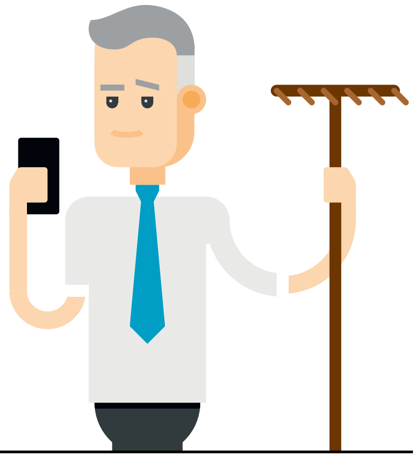
It's a good idea to check your choice regularly and update it if your situation changes.

Understanding your pension with videos

If you want a simple way to understand your LGPS pension but are short on time, the Pensions Made Simple videos **can help.**

These short videos offer a quick summary of key topics, including:

- How your pension works
- Protection for you and your family
- Life after work
- The McCloud remedy.



Planning your retirement income

Thinking about how much money you will need in retirement is important. It helps you plan for the future. The Retirement Living Standards can help you understand what life after work may look like and how much it may cost.

What are the Retirement Living Standards?
The standards were developed by Loughborough University They show three types of retirement lifestyles:

- **Minimum** - covering basic needs, with little left over for extras
- **Moderate** - offering more financial comfort and flexibility
- **Comfortable** - providing greater choice, security and leisure

They include costs like housing, food, travel, clothes, and free time. The figures are updated to reflect price changes.

How much income might you need?
Based on the 2026 estimates:
For a single person

- £13,900 - minimum
- £32,700 - moderate
- £45,400 - comfortable

For a couple

- £22,500 - minimum
- £45,400 - moderate
- £62,700 - comfortable

You can learn more at:
www.retirementlivingstandards.org.uk

Everyone's retirement is different
These figures are a guide only. Your own needs may be higher or lower. This depends on things like:

- whether you still have a mortgage or rent to pay
- any health or care costs
- tax on your pension income
- your hobbies, travel plans or family commitments.

It's a good idea to think about the lifestyle you want and set your own income goal.

Where will your retirement income come from?
Once you know how much you may need, think about where your money will come from.

1. State Pension
The full State Pension for 2026/27 is £12,548 a year.

This goes a long way towards meeting the minimum standard for a single person.

Couples where both partners receive the full State Pension would usually meet the minimum standard together.

You can check your State Pension forecast on GOV.UK

2. Other income
Your retirement income may also come from:

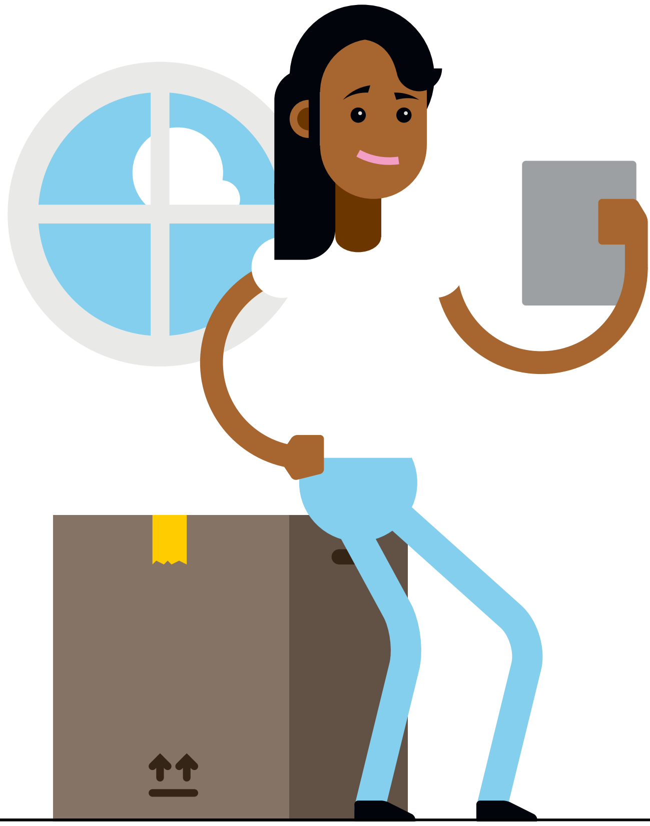
- Your LGPS pension
- Any additional payments you make, like AVCs or APCs
- Other workplace or personal pensions
- Savings or investments

If you've lost track of an old pension, check the Pension Tracing Service

Checking your LGPS benefits
You can log in to your LGPS online member portal at any time to view an estimate of your benefits. This includes:

- cyour expected pension at retirement
- estimates for early retirement
- any reductions that may apply

Reviewing your income and spending plans can help you feel more prepared for retirement.



Opting Out, the 50/50 Scheme and Re-enrolment

With the rising cost of living, you may be looking for ways to save money each month. One option you might think about is reducing your pension payments.

You don't have to stay in the pension scheme. You can choose to opt out. However, no one should encourage you to leave the scheme. Before you decide, think carefully.

The Local Government Pension Scheme (LGPS) is a valuable benefit. Leaving the scheme could mean less income when you retire.

Opting out and re-joining

If you decide to opt out, you can join the main scheme again at any time, as long as you're eligible.

The 50/50 scheme – another option

If money is tight, you may want to look at the 50/50 Scheme instead of opting out.

With the 50/50 option, you:

- cpay half your normal pension contributions
- build up half the normal pension
- still get full life cover and ill-health protection (you lose this if you opt out)

The 50/50 Scheme is meant to be short term. You can move back to the main scheme whenever you want.

Re-enrolment

If you opt out or join the 50/50 Scheme, the law says your employer must put you back into the main pension scheme every three years, if you meet the rules.

Top tip: Ask your employer when your next re-enrolment date is. This will help you avoid a surprise change in your pay.

What you need to do to:

- opt out
- opt back in
- or join the 50/50 scheme

you'll need to complete and sign the relevant form.

If you're not sure which option is best for you, it is a good idea to speak to an independent financial adviser.

For further information or support, please contact the Pensions Team at:
pensions@westnorthants.gov.uk

Topping up your pension
- ways to pay more

Are you thinking about paying more into your pension? Extra payments can help give you more money when you retire. **There are two main ways you can top up your pension:**

1. Additional Pension Contributions (APCs) and
2. Additional Voluntary Contributions (AVCs).

1. Additional Pension Contributions (APCs)
APCs let you buy extra yearly pension. You:

- can pay monthly from your salary or as a one-off payment
- get **tax relief** on what you pay.

To use APCs, you must be in the **main scheme.** The extra pension you buy:

- goes up each year with the cost of living
- is paid to you when you retire.

The cost depends on:

- your age
- how much extra pension you want
- how you choose to pay.

There's a limit to how much extra pension you can buy (currently £9,054).

To find out more, you can use the APC calculator.

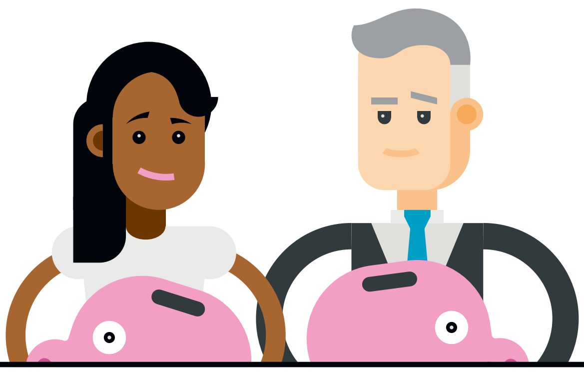
2. Additional Voluntary Contributions (AVCs)
AVCs work in a different way. Instead of buying pension, they build up a **separate savings pot** in your name. You:

- choose how your money is invested
- can change your choice at any time
- can stop paying at any time.

In most cases, you can pay up to **100% of your pensionable pay,** as long as you still pay your main pension and National Insurance.

Your options at retirement
When you take your pension, you can choose to:

- take some or all of the AVC's as tax-free cash (within HMRC limits),
- use them to buy extra pension in the LGPS,
- use them to buy a guaranteed income for life (annuity)
- choose a mix of these options.



Changes to the Normal Minimum Pension Age (NMPA)

The UK Government plans to change the Normal Minimum Pension Age (NMPA). This is the earliest age you can take your pension (unless you retire due to ill health).

From **6 April 2028**, the NMPA will increase from age 55 to age 57.

Who may be protected
You may still be able to take your pension from age 55 if you're protected. You may be protected if you:

- joined the LGPS before **4 November 2021**
- transferred another pension into the LGPS and meet certain rules.

What happens next
The rules for the LGPS are set by the Ministry of Housing, Communities and Local Government (MHCLG). At the moment, MHCLG has not confirmed if protected members will be able to take their LGPS pension before age 57 after April 2028.

Members portal upgrade

In December, we upgraded our pension portal to make it more secure and easier to use.

What's new

- **Fresh new design:** the site is now easier to navigate and use.
- **Retirement planning tool:** set your goals and see if you're on track for retirement.
- **Simpler pension statements:** your statements are now easier to read and understand. You can also download these.
- **Better security:** stay safe with two-factor authentication. You'll need to use your own email address to log in. If you've pensions in both the Cambridgeshire and Northamptonshire Pension Funds, you'll need a different email for each.

What you can do

With your online pension account, you can also:

- update your personal details and beneficiaries at any time
- use calculators to estimate your pension at different retirement dates
- see your options for taking part of your pension as a lump sum
- check what your dependants might get if you die
- view messages and documents we've sent you.

Creating your account

If you signed up before 3 December 2025, or you're joining for the first time, you'll need to create a new account:

1. Scan the QR code or visit: pensions.cambridgeshire.gov.uk
2. Click 'Sign up' (top right corner)
3. Have your national insurance number ready.

Setting up your login

- If we already have your email, we'll send you a link to create a new password.
- If we don't have your email, you'll need to confirm your identity by:
  ▪ taking a selfie and uploading ID, or
  ▪ asking us to post you an activation key to your home.

Fund joins Border to Coast pool

On 1 April 2026, Cambridgeshire Pension Fund became a shareholder in the Border to Coast Pensions Partnership (BCPP).

This is part of a major expansion for Border to Coast, which now has 18 partner funds. It's now the largest pension asset owner in the UK. BCPP manages nearly £120 billion in assets and supports about two million members from over 5,000 employers.

The change came after new government rules. These rules say LGPS funds must join investment pools regulated by the FCA. The funds' previous pool, called ACCESS, didn't meet these rules.

Councillor Geoffrey Seeff, representing Cambridgeshire said:
"The transition to Border to Coast supports strong, ethical financial management and offers long-term opportunities for risk sharing and cost savings."

Pension Awareness Week 2026

Pension Awareness Week starts on 15 September 2026. It's a good time to check your retirement plans. Planning for retirement matters for everyone. This week gives you simple tools and advice to help you understand your pension. There'll be free webinars, live sessions, and pension clinics. These can help you learn more and plan with confidence.

Many people don't know enough about their pensions or are not saving enough. Some people are unsure how pensions work.

Pension Awareness Week helps you learn:

- why saving early is important
- how different pensions work
- the value of employer contributions
- how tax relief can help grow your savings.

It's a great time to take small steps for your future, like:

- login to your pension account
- using a pension calculator
- watching a webinar

Save the date and spread the word! Pension Awareness Week starts on 15 September 2026. More information on their website.

Pensions for Councillors and Mayors in England

From 11 May 2026, the Local Government Pension Scheme (LGPS) again offers pensions for councillors and mayors in England (called elected members) who are under age 75.

You can join if you receive an allowance from a:

- district council
- county council
- unitary council
- combined authority
- combined county authority.

Joining the scheme

To join the LGPS, you must fill in and return an opt-in form to your employer. **Your employer will then:**

- start taking pension payments from your pay
- tell the pension fund that you have joined.

You can join the LGPS even if you already pay into another pension.

How contributions work

As an elected member:

- you pay a percentage of your pay into the scheme (currently 5.5% to 12.5%)
- your employer pays the rest of the cost.

Your pensionable pay includes:

- basic allowance
- special responsibility allowance
- other related allowances.

It does not include travel or subsistence payments.

Building your pension

Each year:

- 1/49 of your pensionable pay is added to your pension.
- this amount is increased each April to keep up with the cost of living.

When you retire:

- the total in your pension account becomes your yearly pension
- this pension is paid to you for life.

For more details, visit our website.

Contacting the Pension Team

01604 526471

pensions@westnorthants.gov.uk

pensions.cambridgeshire.gov.uk

Pensions Service, West Northamptonshire Council, One Angel Square, Angel Street, Northampton, NN1 1ED