lgps

Cambridgeshire 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, go to: **pensions.cambridgeshire.gov.uk**

Frequently asked questions

What are deferred benefits?
Deferred benefits are pension benefits that are set aside to be taken later. If you stop paying into the LGPS, or finish working for an employer in the LGPS, we work out your benefits. We then write to you with the details.

Your statement shows how much pension you may get. This is based on taking it at your Normal Pension Age (NPA). If you're over 65 and older than your NPA, your statement will also include increases for retiring after your NPA.

What is my NPA?
Your Normal Pension Age (NPA) is when you can take your LGPS pension with no reductions. Your NPA depends on when you left the scheme. If you left:

- after 1 April 2014, your NPA is linked to your State Pension age (SPa)
- between 1 October 2006 and 1 April 2014, your NPA is 65
- before 1 October 2006, your NPA is normally 65 but could be as early as 60

You can check your SPa online at: gov.uk/state-pension-age

When can I take my deferred benefits?
You can usually take your benefits between age 55 and 75, as long as you've left the job linked to them.

You can take your benefits:

- **From age 55 to your Normal Pension Age (NPA):** You can take them early, but they'll usually be reduced.
- **At your NPA:** You can take them in full, with no reduction.
- **After your NPA (up to age 75):** Your pension may increase

because you take it later.
- **Before your NPA due to ill health:** You may be able to take them with no reduction if approved.

From 6 April 2028, the earliest age will rise from 55 to 57 (unless for ill health).

How much will I get if I take my benefits before my NPA?
If you take your pension before your NPA, it is usually reduced. This is because it may be paid for longer. The earlier you take it, the bigger the reduction.

The table shows how much your pension may be reduced if you take it before your NPA. If you take it part-way through a year, we adjust the reduction.

Years early	Pension reduction	Lump sum reduction (for membership to 31 March 2008)
0	0%	0%
1	4.9%	1.7%
2	9.3%	3.3%
3	13.5%	4.9%
4	17.4%	6.5%
5	20.9%	8.1%
6	24.3%	9.6%
7	27.4%	11.1%
8	30.3%	12.6%
9	33.0%	14.1%
10	35.6%	15.5%
11	39.5%	Does not apply
12	41.8%	Does not apply
13	43.9%	Does not apply

Our benefit calculators on your online pension account can help you work out how much your pension might be with these reductions.

What happens to my AVCs?
If you paid Additional Voluntary Contributions (AVCs), your provider will send you a separate statement. They may also have a portal to view your AVC pot online.

When you take your LGPS pension, we'll include your AVCs into the options we give you.

Can I take my benefits if I am ill?
Yes, you may be able to take your benefits early if you can't work due to ill health.

To qualify:
- you must be permanently unable of doing the job when you stopped paying into the LGPS
- a medical expert will need to review your case
- your employer must agree.
- If you think this may apply to you, you should contact your former employer

If you left after 31 March 2008, your employer will also check if you could work again within 3 years.

Do my deferred benefits keep their value against inflation?
Yes. Your pension is reviewed each Apri against the cost of living (CPI). From 6 April 2026, the increase was 3.8%. If you became a deferred member after 22 April 2025, you may get a part increase instead of the full amount.

Can I transfer my deferred benefits to another pension scheme?
You may be able to transfer your pension to another scheme. This is an important decision, so think carefully. Visit our website to find out more about transferring your pension.

If you join another public sector scheme, you usually need to apply to transfer within 12 months. Your new scheme can give you more details.

What happens to my deferred benefits if I die?
A lump sum (death grant) may be paid. The amount depends on when you left the scheme:
- **before 1 April 2008:** 3 times your deferred pension
- **after 1 April 2008:** 5 times your deferred pension.

If you have more than one LGPS pension, only the highest grant is paid.

If you have an AVC fund, it will also be paid.

A pension may also be paid to:
- your spouse or civil partner
- your children
- someone you live with as a partner (if you were still paying into the LGPS 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 details?
You can update your details through your online pension account. If you change your name, relationship status, or gender, you must provide legal documents.

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.

is a 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 will 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 death grant rules:

- **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.

Pension scams

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

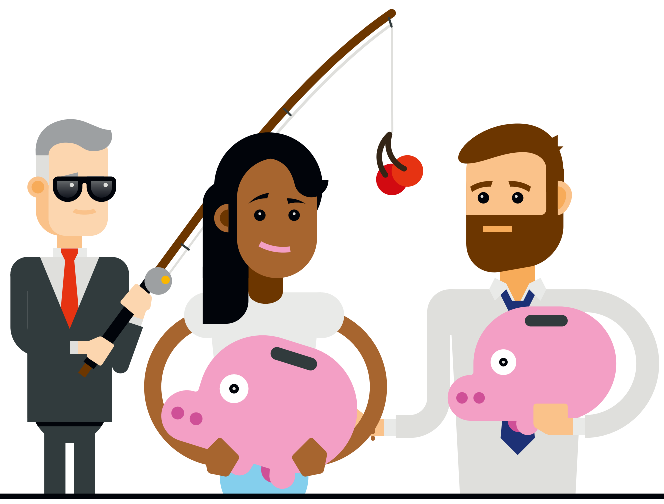
Scammers may pretend to be from real pension companies. They may contact you out of the blue by email, text, social media, or phone call.

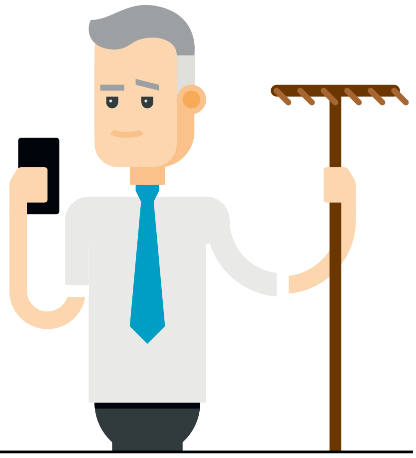
They might offer a free review or say you can take your pension early (before age 55, rising to 57 from 6 April 2028). Their aim is to get you to move your pension to them by promising high returns with little or no risk.

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.





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.

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.

The campaign aims to make pensions easier to understand. It explains key ideas in plain language and gives clear steps you can take. 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.

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.

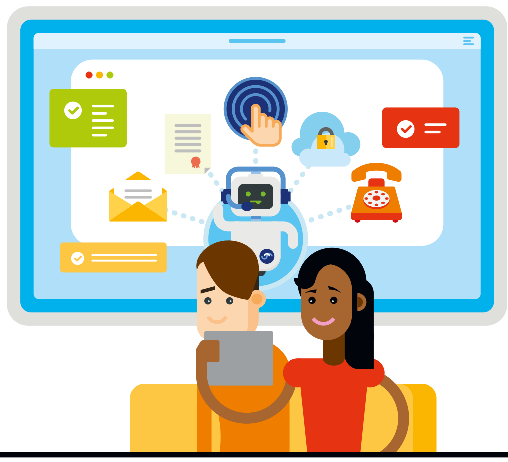
The Government is working on a main dashboard. This will be run by the Money and Pensions Service (MaPS). It will be available on the MoneyHelper website.

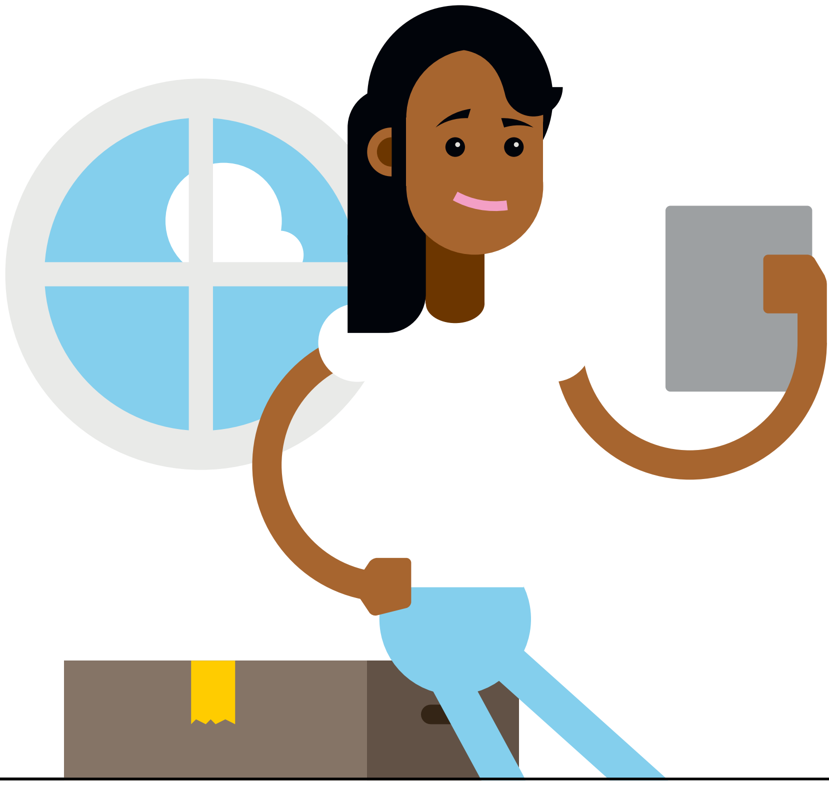
You'll be able to use it if you've a UK pension that:

- 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.





Deferred members – rejoining the scheme

If you were in the LGPS before and then rejoin in England or Wales, you have a choice. You can:

- join your old (deferred) pension with your new pension, or
- keep them separate.

Even if you want to keep them separate, you must tell your new pension fund about your past service.

This may affect your future benefits. If you don't tell them within 12 months, your pensions may be joined or kept separate automatically. This depends on the type of benefits you have.

Different rules apply based on:

- the type of LGPS pension you have
- when you left
- how long you were a member.

Things to think about:

Ill health or redundancy

If you leave your job due to ill health or redundancy, your:

- current pension may be paid early with no reduction.
- old pension may not be paid on the same terms if kept separate.

Taking your pension early

If you take your pension before your NPA, it's usually reduced. If you join your pensions, the whole amount will be reduced. You can't take one early and leave the other for later.

Final salary link

You may keep a final salary link if you:

- were a member before 31 March 2014
- left after 1 April 2014
- rejoin within 5 years
- join your pensions together

This means your earlier pension may be based on your new 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).

Joining pensions isn't always the best choice. You should contact your new pension fund when you rejoin. They'll explain your options and what to consider.

Make sure you decide carefully and on time. You usually can't change your decision later.

The Normal Minimum Pension Age (NMPA) is changing

The Normal Minimum Pension Age (NMPA) is the earliest age you can usually take your pension. Right now, it's 55. From 6 April 2028, it will increase to 57. This change doesn't apply if you take your pension early due to ill health.

What does this mean for you?
If you were born after 5 April 1973 The earliest age you can take your pension will increase to 57.

Born after 5 April 1973
The earliest age you can take your pension will increase to 57.

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 won't affect you.

Will I be protected from the increase in NMPA?
Some people may still be able to take their pension at 55. This is called a protected pension age.

This may apply if you:

- were a member of the LGPS before 4 November 2021, or
- moved other pension benefits into the LGPS and meet certain rules.

The Government is still deciding the final rules. This could change. We'll share updates when the rules are confirmed. You can also check GOV.UK for the latest information.

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.

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."

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.

Contacting the Pension Team

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