

# Reporting Pensions



July 2020

This newsletter contains statutory information.



## New Climate Change Policy

Did you respond to the consultation about climate change which took place in April May this year?

After examining the results of the consultation, the Fund approved its first Climate Change Policy at a recent virtual meeting, having received input from the campaign group Fossil Free Oxfordshire.

Two key changes were agreed, building on a decision that the Committee had made in March to switch five per cent of its assets into a low carbon fund. These were:

- To switch another six per cent of assets into a new Sustainable Equities Fund being developed by Brunel, the company owned by 10 Local Government Pension Funds to manage investments on their behalf.
- The target to reduce carbon emissions within the portfolio by 7.6% per year in line with the UN Environmental Programmes findings of the global requirements to contain temperature rises to 1.5°C.

The Committee also heard that all but one of the responses had welcomed the direction of travel and the commitment to invest in line with the Paris Agreement and a maximum 1.5°C increase in global temperatures.

This approach and outcome has resulted in the Oxfordshire Fund becoming one of the leading Local Government Pension Funds in terms of their response to the risks of climate change, but the Committee are not complacent and will continue to progress further. **Watch this space for more updates.**



## Coronavirus Update

How are you all doing?

Here at Pension Services the team is still working from home, so please don't post important documents to us without phoning or emailing us first. Contact details are on the back of this newsletter.

We would like to reassure you that the fall in stock markets will not affect the value of benefits in the LGPS. Your LGPS pension is based on your salary and membership of the Scheme, and is not linked to stock market performance. We will continue to ensure that pensions are paid to our pensioners and that the highest priority work items are completed.

However, if we are a little slower than usual, we ask that you bear with us.

There are answers to some frequently asked questions here on the central member site [https://www.lgpsmember.org/news/story/covid\\_19\\_member\\_qanda.php](https://www.lgpsmember.org/news/story/covid_19_member_qanda.php)

## Parental Bereavement Leave

On 6 April 2020 the Government introduced parental bereavement leave. This means that parents suffering the loss of a child under 18 or a still birth after 24 weeks pregnancy can apply for leave.

Ask your employer about the qualification details for paid or unpaid leave

**So how will this affect your pension?** Well, parental bereavement leave falls into the same type of process as other child related leave - you pay your pension contributions against the pensionable pay you actually receive. Your employer continues to pay the same as they did previously.

If you don't qualify for paid parental leave, your employer should advise you of the lost pay and how to restore any 'lost pension'. When this request is made within the specific time limits employers must pay 2/3rds the cost.

### Contact us:

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T: 03300 241 359 E: [pension.services@oxfordshire.gov.uk](mailto:pension.services@oxfordshire.gov.uk) W: [www.oxfordshire.gov.uk/pensions](http://www.oxfordshire.gov.uk/pensions)  
My Oxfordshire Pension: <https://oxfordshire.pensiondetails.co.uk/>



OXFORDSHIRE  
COUNTY COUNCIL

# Annual allowance

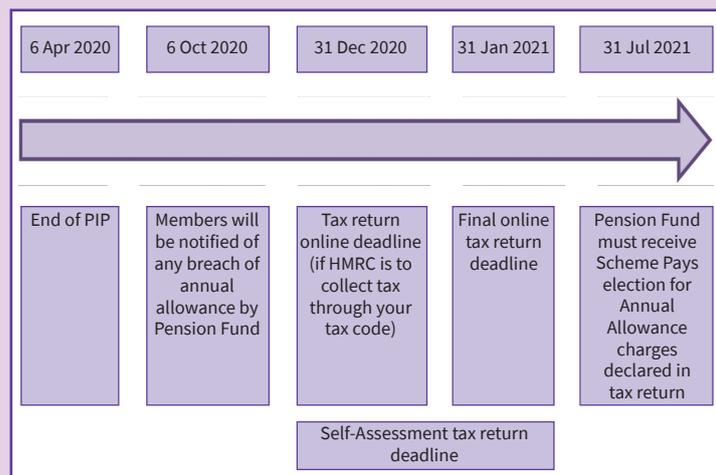
Soon you will be receiving your benefit statements and this might prompt you to consider your financial planning for the next year. When the growth of your pension in this fund in the year, is close or exceeds the government's annual allowance threshold, the fund must issue a Pension Saving Statement before 6 October. If you don't have a statement but know that you need one, then please get in touch immediately with Pension Services.

This paragraph is not to detail **Pension Saving and Taxation** – you will find that information and a ready reckoner from these links <https://www.gov.uk/tax-on-your-private-pension/annual-allowance> and <https://www.lgpsmember.org/more/aa-quick-check-tool.php> but it is to highlight some important calendar dates so those affected are ready to take action.

Exceeding the annual allowance on pension saving means as an individual you have to pay tax to the HMRC and you will need to set a reminder – deadlines set by HMRC are not to be missed!

Here are significant dates for you to prepare your paperwork, get the correct qualified guidance and to make your decisions. This is your own individual personal responsibility; the fund may be able to assist but only when information and your decisions are received at the correct time. Ultimately if the tax charge on the excess is at least £2000 you may qualify to ask the fund to pay the charge on your behalf, in exchange for permanently reducing your benefit.

**Please check the timetable, but regardless if you wish to activate 'Scheme Pays' and are about to retire or leave and transfer your benefit all decisions and elections must be held before any pension is paid or transfer made.** It is your responsibility to report any payment due by breaching the Annual Allowance to HMRC on your self-assessment tax return.



# Annual Benefit Statements

Annual Benefit Statements will be produced for active members by 31 August 2020. The statement will remind you about the value of your LGPS membership, prompt you to review your 'expression of wish form' and check the fund holds your up to date personal details.

For those who have selected Paper Only, these will be posted to home addresses. All other statements will be uploaded and available on *My Oxfordshire Pension* from 31 August at the latest. Log in or register at <https://oxfordshire.pensiondetails.co.uk/>

# Paying additional contributions

If you have an AVC with Prudential, you may well have seen a dramatic drop in the value of your fund when you received your March 2020 statement. You should contact Prudential direct if you are concerned about this. You will find their contact details and some useful FAQs on their website <https://www.pru.co.uk/existing-customers/our-covid-response/investing-during-uncertain-times/>

Don't forget the LGPS does offer an alternative method of contributing more to your pension if you feel that AVCs are not for you. You can pay additional contributions into the main Section of the LGPS (or pay a one off amount) in order to buy extra pension. Visit <https://www.lgpsmember.org/arm/already-member-extra.php> to find out more.

# Useful links

National LGPS members website [www.lgpsmember.org](http://www.lgpsmember.org)

Detailed scheme member guide Oxfordshire Pension Fund [www.oxfordshire.gov.uk/pensions](http://www.oxfordshire.gov.uk/pensions)

Prudential - top up your pension [www.pru.co.uk/rz/localgov/](http://www.pru.co.uk/rz/localgov/)

## Advisory services

The Pensions Advisory Service [www.pensionsadvisoryservice.org.uk](http://www.pensionsadvisoryservice.org.uk)

The Pensions Regulator [www.thepensionsregulator.gov.uk/](http://www.thepensionsregulator.gov.uk/)

Money Advice Service [www.moneyadviceservice.org.uk/en/categories/pensions-and-retirement](http://www.moneyadviceservice.org.uk/en/categories/pensions-and-retirement)

State pension planning and forecasts <https://www.yourpension.gov.uk/>

Help with finding an independent financial adviser is available at [www.moneyadviceservice.org.uk](http://www.moneyadviceservice.org.uk)

**Be 'scamsmart'** - find out more on how scammers work and get advice on the FCA's website <https://www.fca.org.uk/scamsmart/how-avoid-pension-scams>