

# LGPS Q&A for COVID-19



## Introduction

This guide aims to help answer some of the questions you may have about how the current outbreak of COVID-19 is impacting your pension in the Environment Agency Pension Fund (EAPF).

### **I'm concerned about my financial situation, what can I do?**

The Money Advice Service has published [guidance on how to deal with the financial effects](#) that you may be suffering due to the COVID-19 pandemic. It covers all aspects of your finances including problems with paying mortgage and rent payments, debt and claiming benefits.

### **Can I stop my pension contributions?**

Yes, you can, but you might want to consider joining the 50:50 Section of the LGPS instead of opting out. If you do, you'll pay half your normal contribution rate and build up half your normal pension. You'll also keep full life and ill health cover, which wouldn't happen if you opted out, and you can move back to the main section whenever you're ready.

You can use the [contributions calculator](#) on the [LGPS member website](#) to check what difference this would make to your take home pay.

If, after considering the 50:50 Section, you decide you'd still like to opt out, you can get an 'Opt out' form by contacting Capita or from our website at [www.eapf.org.uk/forms](http://www.eapf.org.uk/forms)

However, we recommend you take independent financial advice before deciding to opt out.

### **The pandemic is affecting stock markets, will this affect the value of my LGPS pension?**

No, the LGPS is a defined benefit pension scheme, which means your pension is based on your salary and how long you've paid in. Your pension isn't based on the performance of the stock market or share prices, and your employer pays in whatever they need to make sure you receive the guaranteed pension that was promised to you. This means both your contributions and your pension, whether in payment or not, will be unaffected.

The only exception to this is Additional Voluntary Contributions (AVCs). If you've an AVC, it's possible the value may have reduced - this will depend on the funds you've chosen to invest in. You should contact your AVC provider for more information about this.

### **I'm receiving a pension from the LGPS, will my pension still be paid to me?**

Yes, the EAPF has prioritised the payment of pensions during these uncertain times.

### **If my pay is reduced, what impact will this have on my pension?**

This will depend on the reason for the reduction:

- **Sick leave**

If your pay is reduced, or you receive no pay, because you're off work due to sickness or injury, your pension builds up as if you were at work receiving normal pay.

You'll continue to pay contributions on any pay you receive during your sick leave.

- **Authorised unpaid leave**

If your employer allows or requires you to take a period of unpaid leave, you won't build up any pension for the period unless you choose to pay Additional Pension Contributions (APCs) to purchase the amount of pension lost.

If you choose to pay APCs to purchase the amount of pension lost and you make your election to do this within 30 days of returning to work, the cost will be split between you and your employer.

You can find more information, use an online calculator and download an application form from the [LGPS member website](#).

- **Coronavirus job retention scheme leave**

The Government has confirmed that they don't expect public sector organisations like the Environment Agency or Natural Resources Wales to use the coronavirus job retention scheme, except in some very limited cases. Public sector employers should continue to pay staff in the normal way even if they're not at work.

If your employer is able to use the job retention scheme and you both agree, your employer might be able to keep you on the payroll if they're unable to operate or have no work for you to do because of coronavirus (COVID-19). This is known as being 'on furlough'.

If this applies to you, your employer could pay 80% of your wages up to a monthly cap of £2,500. The Government will fund your employer to do this. Employers can choose to top up your pay to 100% and you'll pay pension contributions on the pay you receive. If you receive less pay when you're 'on furlough', the amount of pension you build up during this period will also be reduced.

However, you can pay Additional Pension Contributions (APCs) to buy **extra pension** to make up for the pension lost during this period. Your employer doesn't have to pay towards the cost, but they can choose to.

You can find more information about paying APCs, use an online calculator and download an application form from the [LGPS member website](#).

The GOV.UK website provides more information on [the job retention scheme for employees](https://www.gov.uk/guidance/check-if-you-could-be-covered-by-the-coronavirus-job-retention-scheme) at [www.gov.uk/guidance/check-if-you-could-be-covered-by-the-coronavirus-job-retention-scheme](https://www.gov.uk/guidance/check-if-you-could-be-covered-by-the-coronavirus-job-retention-scheme)

- **Emergency Volunteering Leave (EVL)**

The Government has introduced a new volunteering scheme to allow the public to contribute to the coronavirus response. The scheme allows workers to take unpaid statutory emergency volunteering leave to volunteer in health and social care authorities.

If you take a period of EVL, your LGPS pension benefits will build up in the same way as if you were working normally, but you'll only pay contributions on any pay your employer pays you during your period of leave.

- **Other reasons**

For information about the impact on your pension if you're away from work for any other reason, such as child related leave or reserve forces leave, see the [LGPS member website](#).

## How will COVID-19 affect the service my local LGPS fund provides?

The EAPF and our administrator, Capita, have adapted their working patterns to ensure we can continue providing a service whilst monitoring the latest Government advice to protect our staff.

We've prioritised paying pensions and processing death benefits, so it may take longer than normal to deal with other work, such as transfers, estimate requests and general queries.

You can use our online member self service facility to update your details, run calculations and view your previous annual statements. Having an [EAPF Online](#) pension account lets you securely and easily access your personal pension information at a time that suits you.

### Registering means you'll get access to:

- Your service history
- Update your personal details
- Nominate a beneficiary
- A retirement illustrator to plan for your future

If you're not already registered to EAPF Online, it's really simple. All you need to do is visit [portal.eapf.org.uk](http://portal.eapf.org.uk) with your National Insurance number, click 'Register' at the top and follow the instructions. Once you've successfully registered, you'll be sent a pin number by email to allow you to log on.

### Could pension scams increase during the COVID-19 outbreak?

Yes, watch out for scams related to COVID-19. These scams take many forms and could be about insurance policies, pensions transfers, or high-return investment opportunities, including investments in 'crypto' assets (these being digital currencies, such as 'Bitcoin').

Scammers are sophisticated, opportunistic and will try many things. They're also very likely to target the vulnerable. Beware of investments that appear to be too good to be true.

To help protect yourself you should:

- Reject offers that come out of the blue
- Beware of adverts on social media channels and paid for/sponsored adverts online
- Use the [Financial Services Register](#) and [Warning List](#) to check who you're dealing with.
- Don't click links or open emails from senders you don't already know
- Avoid being rushed or pressured into making a decision
- If a firm calls you unexpectedly, use the contact details on the [Register](#) to check that you're dealing with the genuine firm
- Don't give out personal details (bank details, address, existing insurance/pensions/investment details).

If you suspect a scam, call [Action Fraud](#) straight away on **0300 123 2040**.

#### Contact details

If you have any questions regarding your pension entitlement you can contact our pension administrator, Capita, by:

 Using the 'Contact the EAPF' button on the website at [www.eapf.org.uk](http://www.eapf.org.uk)

 Emailing [info@eapf.org.uk](mailto:info@eapf.org.uk)

 Following on twitter [@EAPensionFund](https://twitter.com/EAPensionFund)

 Calling **0800 121 6593**  
**+44 114 452 5008 (overseas)**

 Sending your query to  
**Capita**  
**11b Lingfield Point**  
**Darlington, DL1 1AX**