



News from the Environment Agency Pension Fund

1. Welcome

Welcome to the winter edition of your contributing member pension newsletter.

This edition gives you important updates on pension changes, topical issues and exciting work your fund has been busy with since your last newsletter!

If you'd like to download our newsletter, [you'll find a PDF version in the Newsletters section of our website](#).

If you have any feedback about the communications we send you, please email us at Engage@eapf.org.uk

We're always trying to improve the service we provide our members, so we really value your feedback.

If you've contacted Capita in the last 12 months and haven't already completed a survey but would like to tell us your thoughts on the service you received, [please complete our short 2 minute survey](#).

2. Investments

Our Investment approach in a changing climate

At the time of writing, many countries gathered in Egypt to agree on the next steps for

addressing climate change.

The decisions made at COP 27 will have an impact on our investment approach. For example, the greater the international commitment to decarbonisation, the greater the opportunities for investing in renewable energies. And the greater the awareness of the impacts of a changing climate, the better we can understand the risks to our investments and invest in solutions.

We regularly update our website with case studies on our investments around the world. You can see how we invest in everything from windfarms in Kenya, battery storage facilities in North America through to low carbon industrial units in the North of England.

[Visit our Investment case studies page](#)



Positive results in the EAPF's annual report and accounts, and its Actuarial Valuation

We're pleased to say that despite operating in periods of rapid change and uncertainty, the EAPF has performed really well during the 2021/22 financial year. Our top priority remains to ensure that the pensions of our past, present, and future members are secure and well managed.

Our annual report and financial statements were laid in parliament on 26 October 2022.

[See the key highlights this year](#)

3. Pension news

Reassurance on EAPF pensions in a volatile market

We'd like to reassure members that their pension benefits are guaranteed and are not affected by volatility in the financial markets. As a defined benefit scheme, the amount of pension you receive is not based on the performance of the stock market or share prices.

The Environment Agency Pension Fund is a long-term investor and short-term changes do not affect our investment approach. We remain well funded and resilient. We'll continue to monitor the movements in the market closely.



Cost of living

We're living in a period of extraordinary change which impacts every one of us in our everyday lives. According to the Office for National Statistics (ONS) in September 2022, costs had risen by the following:

- 14.6% increase in food and non-alcoholic beverages
- 10.9% increase in transport
- 10.8% increase in furniture and household goods
- 9.7% increase in restaurants and hotels

In each area, the costs are interlinked – for example, travel to the supermarket is more expensive where you'll buy more expensive food and drink.

[Find out more](#)



Tax allowances (LTA/AA)

As you benefit from tax relief on your pension contributions, HM Revenues & Customs (HMRC) applies two tests to your pension benefits called the annual allowance (AA) test and lifetime allowance (LTA) test.

Click below to find out what these tests are along with the latest AA and LTA limits for 2022/23.

[Find out more](#)



Inflationary increase rate expected to be 10.1%

The increase in the Consumer Price Index (CPI) for the year ending September 2022 was confirmed by HM Treasury as 10.1%.

Official confirmation from HM Treasury as to whether the 10.1% increase will apply to public service pension schemes (including the LGPS) is expected by March 2023, before the increase takes effect on 1 April 2023 for contributing members, and 10 April 2023 for deferred and pensioner members.

[Find out more](#)

How does 10.1% CPI affect my pension?

If HM Treasury confirms that the 10.1% Consumer Price Index (CPI) increase will be applied to public service pension schemes, your EAPF pension would be affected in the following ways:

- **Contributing members** – the total amount of career average (CARE) pension* built up to 31 March 2023 would be increased by 10.1% on 1 April 2023; in addition:
 - Changes to contribution bandings, which are also increased by CPI on 1 April each year, could mean that you end up falling into a lower contribution band, so you'd be paying **less** for your pension, but not losing out on any of the pension you build up!
 - A 10.1% increase to your career average pension will also increase your pensions 'growth' for the 2022/23 tax year, which means there could be a higher chance that you could exceed the annual allowance for that tax year (please see 'annual allowance', below)
- **Deferred and pensioner members** - If you've had a deferred pension or have been receiving a pension from the EAPF, for at least a full year before April 2023, these would increase by 10.1% on 10 April 2023. However, if you haven't had either for a **full** year before April 2023, then you might receive a smaller increase.

*This includes any additional pension you may have bought up to 31 March 2023, or any transfers into the Scheme between 1 April 2014 and 31 March 2023 where you acquired an amount of 'earned pension', rather than final salary membership.

4. Pension basics



Are there any resources to help me understand my pension statement?

Each year, your annual pension statement is uploaded via EAPF Online by the end of August. It shows the pension benefits you've built up in the EAPF up to 31 March and gives a forward projection to your normal pension age (NPA).

We've created a helpful video and guide to help you better understand your statement including guidance on how to access it from your online account.

[Find out more](#)



Which is better - Additional Voluntary Contributions (AVCs) or Additional Pension Contributions (APCs)?

Following our recent round of pension webinars, one of the more common questions asked by attendees was around paying extra under the LGPS, and whether it was better to pay AVCs or APCs.

Whilst we're unable to comment on whether APCs are better than AVCs, we can point out the good and bad points for each one.

[See our comparison](#)

5. Online services

Improvements to our public website

We've continued to improve and make updates to our public website at www.eapf.org.uk

We'll always keep our website updated with the latest news and information.

Here's some of the great work we've done so far:

- [Created a Pensions savings hub which hosts all PSS resources all in one place](#)
- [Created a new 'Your EAPF Annual Pension Statement' video](#)
- [Created our Become carbon responsible section with link to WWF's carbon calculator](#)
- [Improved our Customer services and Complaints section](#)
- Improved our Cookies tool in line with government regulations
- [Improved our Contact us form](#)

We're always looking to make improvements and so your feedback is important to us.

[If you'd like to give us feedback on our public website, please complete our short survey.](#)

Improvements to EAPF Online

We previously told you the portal was going through a migration upgrade this year to improve the accessibility, functionality, and overall user experience of EAPF Online.

We've continued to make great progress on these developments and we're hoping to launch our refreshed EAPF Online portal next year for all our members. Don't worry, when we launch our updated portal, you won't need to re-register if you're already signed up to EAPF Online.

We'll contact you by email when we're closer to going live.

Don't forget that your pension statements are now only sent to your EAPF Online pensions account unless you've asked us to post them – so why not register to EAPF Online to see your statement if you haven't already?

[**Register to EAPF Online**](#)

6. Communications

Christmas opening times

Capita will be closed from 12.30pm on Friday 23 December and will reopen at 9am on Wednesday 28 December. For New Year, Capita will close at 12.30pm on Friday 30 December, and will reopen at 9am on Tuesday 3 January 2023.

We wish everyone a Merry Christmas and a Happy New Year!



Contributing member webinars 2022

We held our annual Contributing member webinars through October and November this year.

If you didn't get a chance to attend this year, don't worry you can [watch our presentations on our website](#).

We also surveyed those who attended our latest sessions and 423 of you completed our survey. We use this feedback to continually improve our webinars and service we provide you.

Here's what you told us:

- 100% agreed that the presenter's knowledge was good
- 99.8% thought the presentation of material was good
- 100% thought the webinar was interesting and informative
- 96.7% thought the webinar was the right length
- 98.8% would be interested in participating in future webinars
- 99.5% would recommend this webinar to others
- 98.8% felt they'd learnt something new
- 85.3% feel they still need to learn more about the Scheme

[See more survey results](#)

EAPF Pensions Awareness Week 2022

You may have seen some communications through late September inviting you to 'Give your pension some attention'. The national 'Pensions Awareness Week' campaigners have invested more this year.

They've provided live shows in an attempt to really get people engaged with their pension with the theme being 'Give your pension some attention'. Also, in an unexpected move, they even recruited Grime artist Big Zuu to tell people in his own way to do just that!

Just in case you missed it, it's a great watch, so we're pleased to share it and ask you to consider for yourself why engaging with your pension is important.

[Watch Big Zuu's video](#)


The information we included in our EAPF Pension Awareness Week campaigns is still valid. Although the webinars we promoted have now finished, you can still [watch the recordings of them on the website](#).

And if you missed the actual campaigns, check them out below.


[See Part 1](#) - 'Give your pension some attention' – webinars, live shows, and why you should keep paying into your pension


[See Part 2](#) - Updates from the fund, investment approach, pensions committee, and how to become carbon responsible

[See Part 3](#) – Pension statements, where to learn more and pension schemes in the news

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**Environment Agency
Pension Fund**

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Pension Scheme Registry Number: Active Fund 10079069 / Closed Fund 10079068