



### Government changes to the LGPS from 1 April 2014

The Government is making progress in its plans to reform the Local Government Pension Scheme (LGPS) with effect from 1 April 2014. The Department for Communities & Local Government (DCLG) has started to publish the national consultations on the changes to the LGPS Regulations that will be needed to implement the reforms. The DCLG is aiming for new LGPS regulations to be in place in time to allow LGPS pension funds and employers enough time to make administration and IT changes, and tell members about the changes.

You can keep up-to-date with information on the reforms via the link under "latest fund news" on [www.eapf.org.uk](http://www.eapf.org.uk) or go direct to [www.lgps2014.org](http://www.lgps2014.org) - a website specifically designed for contributing members of the LGPS that allows you to see what the new scheme will look like, including a range of sample member scenarios. You can also register for alerts when updates are added.

### EAPF online

In "Your pension – issue 9" we told you about our new look pension fund website and the interactive facility called EAPF online which allows you to access a range of your personal pension information. This includes the latest benefit statement for contributing and deferred members, and payslips and annual P60s for pensioners. Deferred members and pensioners can also log in and update personal details such as your address. However, contributing members need to continue to make this sort of change via 1B1S. This is because the Environment Agency sends those changes to Capita every week to make sure that we both hold the same information for you.

Over 3000 members had signed up to EAPF online by the end of December. If you have not done so yet, it is really easy – just click on the "Register" button at the top right hand side of the home page on [www.eapf.org.uk](http://www.eapf.org.uk) and follow the instructions.

Our aim is to continue improving our services to members whilst reducing our environmental footprint by making more information available on the pension fund website and reducing the number and cost of paper communications. Please be assured that we do recognise that some members do not have access to the internet and will do our best to ensure these members are not disadvantaged.

### Pension payslips

As part of our move to more electronic communication, we no longer send monthly pension payslips to new pensioners; we now only send a paper payslip in March with the annual P60, in April following the application of any pension increase and in any other month where the pension varies by more than £5.

We gave existing pensioners at July last year the choice of using EAPF online or opting back into paper monthly payslips. We would like to express our thanks to those existing pensioners (over 60%) who chose not to opt back in to paper payslips, including the 2000 pensioners who have already registered on EAPF online, allowing them to view their monthly payslips and other useful information as described above.

We hope more of you will register so if you have not yet done so and you have access to the internet – why not go to [www.eapf.org.uk](http://www.eapf.org.uk) and check it out - it is really easy. If you have opted to retain paper payslips, this will continue unless you request a change.

### News in brief

**Your pension fund** – We are pleased to be able to tell you that the value of your pension fund went over £2 billion for the first time in January this year. We remain amongst the best funded in the LGPS with our assets covering 84% of our liabilities.

In April we will become a multi-employer fund for the first time when Natural Resources Wales becomes an "admitted body" in the Active Fund. Former Environment Agency Wales employees will automatically continue as members of the EAPF.

**Automatic enrolment** - To help people save more for their retirement, the Government now requires employers to automatically enrol their eligible employees into a qualifying workplace pension scheme. During February the Environment Agency wrote to all employees explaining how they are affected by this change. The LGPS rules mean that the Environment Agency already puts employees into the EAPF at the start of their employment (unless their contract is for less than three months) and existing employees who are eligible non-members of the EAPF can elect to join at any time.

**Pension briefings** – Later this year we will be inviting our contributing members and those eligible for membership to briefings focussed on the Government’s planned 2014 changes to the LGPS. In addition, following the success of the briefings for deferred and pensioner members over the last two years, we will be holding two more briefings (in Peterborough and Southampton) for these groups in early June. We will be issuing invitations to members in those areas around the end of April.

**Tax changes - reduction in the Annual Allowance (AA) and Lifetime Allowance (LTA)** – In earlier issues of “Your pension” we told you about the changes the Government had made to the tax controls on pension savings and there is a factsheet about the current arrangements on the publications page at [www.eapf.org.uk](http://www.eapf.org.uk). On 5 December 2012, in the Autumn Statement, the Government announced further changes that will be implemented in 2014/15.

The Lifetime Allowance (the amount you can build up in pension savings over your lifetime without tax penalties) will reduce from £1.5 million to £1.25 million with effect from 6 April 2014. The Government will allow people to apply to protect their pension pot after this legislation comes into force, which is expected to be summer 2013.

The Annual Allowance (the amount by which the value of your pension savings may increase in any one year without having to pay a tax charge) will reduce from £50,000 to £40,000 with effect from 6 April 2014.

**Public Service Pensions Bill** – This Bill, which is currently going through Parliament, sets out new arrangements for the creation and governance of all public sector pension schemes. It gives powers to ministers to create scheme regulations within a common framework. The Bill, its explanatory notes and other supplementary material can be found at: <http://services.parliament.uk/bills/2012-13/publicservicepensions.html>

**State pension** – On 14 January 2013 the Government published a White Paper setting out proposals for a single tier State pension for people reaching State Pension Age (SPA) in the future. The main changes include a single tier, flat-rate State pension worth around £144 a week (in today’s prices) to replace the basic and additional pensions for people reaching SPA from 2017 (at the earliest) and an increase in SPA from 66 to 67 between April 2026 and April 2028 with provision for 5 yearly reviews.

**Equitable Life Payments Scheme (ELPS) update** - The Government established the ELPS in 2010, making £1.5 billion available to the Scheme for distribution to around 1 million eligible policyholders. ELPS has made much slower progress with group schemes like ours than they expected but work on confirming eligibility, contacting eligible members and making payments is continuing. You can find more information at: <http://equitablelifepaymentscheme.independent.gov.uk/index.htm>.

## Contact details

If you have any questions regarding your pension entitlement or about your pension fund in general, please contact either Capita or the Environment Agency as appropriate.

Please note that a Welsh version of this newsletter is available at [www.eapf.org.uk](http://www.eapf.org.uk)

Enquiries about the Environment Agency Pension Fund or entitlement to your benefits:

EAPF  
Capita  
Hartshead House  
2 Cutlers Gate  
Sheffield  
S4 7TL

Email: [info@eapf.org.uk](mailto:info@eapf.org.uk)  
Telephone: 0800 121 6593

Enquiries about the management of the Environment Agency Pension Fund should be addressed to:

Head of Pension Fund Management  
Environment Agency  
Horizon House  
Deanery Road  
Bristol  
BS1 5AH

Email: [info@eapf.org.uk](mailto:info@eapf.org.uk)  
Telephone: 0117 934 5094

**Disclaimer** - This issue of “Your pension” is not intended to cover every personal circumstance, nor does it confer any contractual or statutory rights; it is provided for information purposes only. In the event of any dispute over your pension benefits the appropriate legislation will prevail.