

Environment Agency Pension Fund

Your Pension

December 2018

News from the Environment Agency Pension Fund

1. Welcome

Welcome to the 2018 Winter edition of your pension newsletter, for contributing members of the Environment Agency Pension Fund.

Our latest edition gives you important updates on pension changes, topical issues and the launch of our new online portal. We've also covered some common questions asked by our members following a recent survey. Take a look at our 'Pension basics' section to help you understand how various aspects of your pension works.

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

2. Pension News

We'll always keep you informed of any pension changes that could affect you as a member of the Environment Agency Pension Fund (EAPF).

Equitable Life to Reliance AVC transfers

Equitable Life has entered an agreement to transfer the Society and all its policies to Reliance Life. As a result, an increase is expected to be made to their 'with-profits' policies. The transfer is reliant on a vote by eligible policyholders and is subject to approval of the High Court.

Changes to Prudential AVC exit charges

Prudential have announced that they'll no longer apply an exit charge to any member accessing their Local Government Pension AVCs.

The change was effective from 3 December 2018.



[Find out more](#)

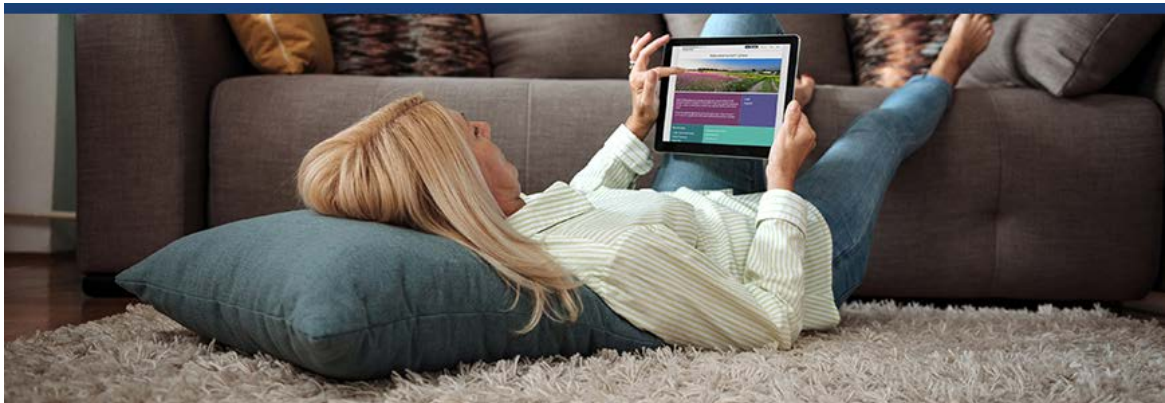


[Find out more](#)

EAPF Online is waiting for you!

We've recently updated our secure pension portal EAPF Online.

As well as using our Retirement Illustrator and checking your annual pension statements, you can now update your personal details and check your service, all online!



[Find out more](#)

Public Sector Exit payment limits & Recovery payments

Last year we told you about the Government's intention to reform the exit payments made to public service employees when they leave employment.

The timescales for implementing reforms appear to be held up by Brexit and we hope to hear something in April next year.

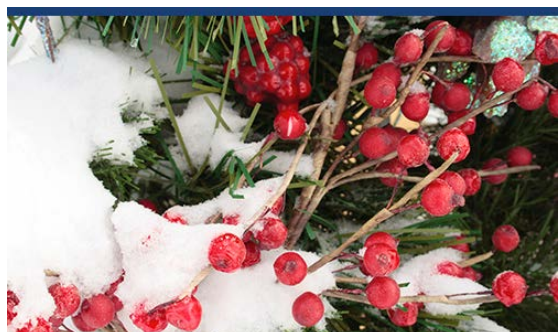


[See reforms under consideration](#)

Treasury order increase expected to be 2.4%

HM Treasury confirmed the rate of Consumer Price Index (CPI) for September 2018 was 2.4%.

Official confirmation is expected from the Treasury by March 2019, before the increase takes effect in April 2019.



[Find out more](#)

Pension transfer freeze

The Government Actuary's Department (who are responsible for providing the calculation factors for UK approved pension schemes) are currently reviewing transfer factors due to the Government's latest Budget announcement that the discount rate used by all public service pension schemes was to change.

[Find out more](#)

Tax allowances

The Budget announced that from 6 April 2019 (a year earlier than planned) the personal allowance will rise from £11,800 to £12,500 and the higher rate income tax threshold will increase from £46,350 to £50,000. For the 2020/21 tax year, these thresholds are scheduled to remain at those levels.

[Find out more](#)

Lifetime allowance

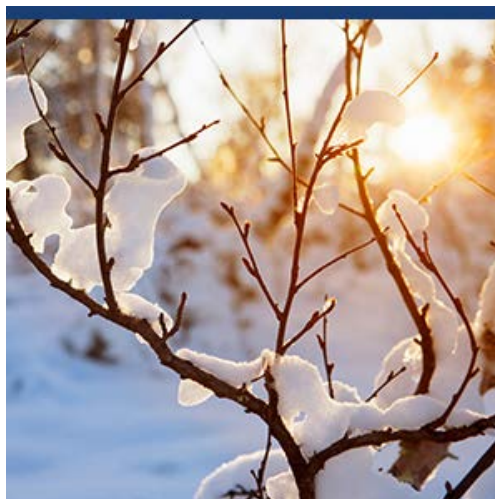
The lifetime allowance (LTA) for the 2018/19 tax year is £1,030,000.

The LTA is a limit on the amount of pension benefit that can be paid from pension schemes without triggering a tax charge.

Annual allowance

The annual allowance (AA) is set by the Treasury and is currently £40,000.

The AA is the amount by which the value of your pension benefits may increase in any one year without you having to pay an excess tax charge.



[Find out more](#)

3. Pension Basics

Here we've answered some common questions that you've asked about your EAPF pension.

Can I take my pension before my normal pension age (NPA)?

Once you've left your employment, you can take your pension benefits from age 55, without your employer's (or former employer's) consent; this applies to all members, regardless of when you stopped contributing to the LGPS.

Can I transfer my other pension to you?

When you join the Scheme, you can ask to transfer any eligible previous pension(s) you have into the Fund within the first 12 months of joining.

Please note your pension will be reduced as it's being paid earlier and potentially for much longer.

[Find out more](#)

If your request is accepted, the value of the transfer would give you additional pension, which is used to offer benefits when you retire. If you transfer a previous LGPS pension, it'll be automatically aggregated unless you elect to keep them separate within 12 months of joining.

[Find out more](#)

Why do I receive two annual pension statements?

If you've a previous deferred pension which hasn't been combined with your contributing pension, or you're contributing in two different employments, we'll send you two separate annual pension statements.

Your records are kept separate as they're based on different information (including pay, service and normal pension ages), so that we can calculate your benefits accurately. We're also required by law, to provide separate statements.

How do I nominate my dependants?

As a contributing member of the Scheme, you have life cover of 3 times your pensionable pay. We sometimes call this a 'death in service' payment and you can nominate more than one person, or an organisation or charity to receive a tax free lump sum if you die.



[Find out more](#)

4. Investments

Our investment performance

Our Investment Strategy, designed to both robustly manage risks and take positive opportunities, has delivered 9.7% investment returns over the last 5 years.

Our successful financial performance is supported by our deep commitment to investing responsibly and we believe it's paramount in our ability to deliver sustainable, long term

Responsible investment and addressing climate change

The Fund supports the work on Climate-related Financial Disclosure (TCFD).

TCFD is a framework through which asset owners, such as ourselves, can assess how companies are transitioning to a low-carbon economy, and is becoming a rapidly growing framework.

returns.

Find out more

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5. Communications

As well as continuing to stay in touch with you throughout 2018, we've been busy developing our new online portal and creating helpful online resources all to help you manage your pension.



Saving for your future webinar survey results

We held a number of webinars throughout October and November this year which explained the benefits of being a member of the Scheme.

We surveyed those who attended these sessions and here's what you thought. If you didn't get a chance to attend our webinars this year, don't worry you can watch or download our [presentations online](#).

See how you rated us

Annual pension statement survey results are in!

Earlier this year, we asked what you thought about your latest annual pension statement. We received some constructive feedback and ideas on how we could improve future statements.

We also noticed some common questions, so we thought we'd try answering some of these for you - see our 'Pension basics' section of your newsletter.

See how you rated us

Environment Agency Pension Fund



Using the 'Contact the EAPF' button at www.eapf.org.uk



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