

News for **Active Members**

This booklet is provided to help members of the East Sussex Pension Fund keep up to date with their Local Government Pension Scheme

www.eastsussexpensionfund.org

June 2026



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Welcome

Welcome to the 2026 LGPS newsletter.
This newsletter is for people who pay into the Local Government Pension Scheme (LGPS).

To learn more about your pension, go to www.eastsussexpensionfund.org

If you would prefer to receive information from us by email in the future, please send us a letter stating this with your email address, National Insurance number and full name to:

Pension Services, East Sussex County Council, County Hall, St Anne's Crescent, Lewes, East Sussex, BN7 1UE

About the LGPS

The LGPS has been a career average pension scheme since 1 April 2014. This means your pension is based on your average pay over your working life. Each year, 1/49th of your pensionable pay is put into your pension account.

This amount is adjusted to match the cost of living. It is then added to your total pension.

Cost-of-living adjustments

Every April, your pension is adjusted. The cost-of-living increase for April 2026 is 3.8%. This follows the Consumer Prices Index (CPI). This increase will be included in your 2026 annual benefit statement which will be made available by the end of August. This statement covers 1 April 2025 to 31 March 2026.

Important reminder

Once you have your annual benefit statement, please check your 2025/2026 pensionable pay is right. This pay affects how the pension grows. Your employer gives us your pay details. If something is wrong, contact your employer as soon as you can.

Access and fairness

Scheme Changes – Improving access and fairness in the LGPS

The Government has confirmed a series of changes to the Local Government Pension Scheme (LGPS) to make the LGPS fairer for all members. Most changes took effect from 1 April 2026, and some applied retrospectively. Below is a summary of the key changes and what they may mean for you.

Fairer survivor benefits

From 1 April 2026, survivor pensions are calculated more consistently to ensure equal treatment regardless of the sex of the deceased member or their surviving spouse / civil partner.

Some survivor pensions will be increased as more of the member’s service before April 2014 will now count. Some survivor pensions will become payable for the first

time, this is most likely to affect male survivors of female members who left the pension scheme before April 1988.

Who could be affected?

The changes apply to deaths dating back to:

- **5 December 2005** for opposite sex marriages and same sex civil partnerships.
- **14 March 2014** for same sex marriages.
- **31 December 2019** for opposite sex civil partnerships.

Some cohabiting partners’ pensions may also increase if the member died between 1 April 2008 and 31 March 2014.

You do not need to take any action.

We will identify any affected cases and contact you if a review applies. This is a complex exercise. We will work through the legislation, identify potential cases, and then recalculate pensions.

Changes to death grants

There are also changes to the rules around death grants:

- **Age limit removed:** A death grant can now be paid even if a member dies after age 75. This change is backdated to cover deaths from 1 April 2014.

A death grant is only paid in limited circumstances when an LGPS member dies after age 75. LGPS pension funds are working to identify any new death grants in respect of members who died after age 75 since April 2014. Where necessary, they will contact the beneficiaries or personal representatives to arrange payment of the death grant. Interest for late payment will be added. Death grants where someone dies over the of 75 will likely be subject to tax, at either the recipients marginal tax rate or a flat rate of 45% if paid to the personal representative.

- **More discretion over who receives the death grant:** Your pension fund no longer has to pay late

death grants to personal representatives. Instead, it can use its discretion to choose the most appropriate beneficiaries. This means the death grant will be taxed at each beneficiary's marginal rate of tax, rather than the 45% charge that applies when it is paid to personal representatives. Some older AVC arrangements are excluded from this change.

A 'late' death grant is usually one that is not paid within two years of the date of death. Before 1 April 2026, a 'late' death grant could only be paid to personal representatives.

Stronger protection during time off work

The changes on the following page were introduced from 1 April 2026 to help reduce the gender pensions gap by strengthening pension protection when members are away from work.

Child related leave

From 1 April 2026, you will continue to build up pension as if you were on normal pay during unpaid:

- additional maternity leave,
- additional adoption leave (weeks 27–52), and
- shared parental leave.

This extends the existing LGPS rules whereby if you are away from work with no pay because of ordinary maternity or adoption leave (first 26 weeks), your pension continues to build up as if you were receiving normal pay.

Unpaid leave (authorised by your employer)

- **Less than 15 days:** your pension continues to build up during your break. You and your employer will both pay the normal pension contributions (this excludes strike action).

- **15 days or more:** the break does not count automatically, but you can choose to buy back the lost pension.

For unpaid leave of 15 days or more, new Qualifying Additional Pension Arrangement (QAPA) rules apply, including the following.

- More time to decide whether to buy back the lost pension.
- Contributions based on your normal contribution rate.
- The pension you buy mirrors the pension you would have built up if you had been at work.
- No medical report is required.

For more information please explore the ‘Buy lost pension calculator’ at:

www.lgpsmember.org/help-and-support/tools-and-calculators/buy-lost-pension-calculator

Dashboards

Pensions Dashboards update

You may have picked up from previous communications from the Fund about the introduction of Pensions Dashboards. Pensions Dashboards are an online tool which will allow you to securely locate and view all your pension information in one place including your LGPS benefits, State pension, and any other pension savings you may have accumulated over the years.

The pension fund connected to the Pensions Dashboards digital ecosystem on 24 September 2025, and we are now regularly uploading scheme member data. Across the pensions industry over 70 million pension records are now connected, representing 85% of records in scope. Connections are targeted to be complete by 31 October 2026. Meanwhile, the MoneyHelper dashboard is continuing to be tested.

The Government is prioritising a non-commercial

dashboard which will be provided by The Money and Pensions Service (MaPS), an arm's-length body of the Department for Work and Pensions. This will be available on the MoneyHelper website – the government backed money and pensions guidance service – www.moneyhelper.org.uk/en It will be open to all savers with a pension built up in the UK that has:

- not yet been accessed, or
- is not currently being paid (for the State Pension, you must be under State Pension age).

Commercial dashboards will follow later, provided by banks and other financial bodies. Based upon current plans, we expect the MoneyHelper dashboard to be available to the public in the 2027/28 financial year. The launch date will be decided by the Secretary of State for Work and Pensions, with six months' notice being given to the pensions industry.

For more information on Pensions Dashboards, please visit: www.pensionsdashboardsprogramme.org.uk

Retirement Living Standards

Planning your retirement income

Thinking about how much income you will need in retirement is a major step in planning your future. The Retirement Living Standards can help you picture what life after work might look like – and what it might cost.

What are the Retirement Living Standards?

The standards were developed by Loughborough University and describe three lifestyles in retirement:

- **Minimum:**
Covering basic needs, with little left over for extras.
- **Moderate:**
Offering more financial comfort and flexibility.
- **Comfortable:**
Providing greater choice, security, and leisure.

They estimate typical spending on everyday essentials like housing costs, food, transport, clothing, and leisure. The figures are updated regularly to reflect changes in prices and living expectations.

How much income might you need?

Based on the 2026 figures, the estimated yearly income needed is:

Lifestyle	Single person	Couple
Minimum	£13,900	£22,500
Moderate	£32,700	£45,400
Comfortable	£45,400	£62,700

You can find out more about what each lifestyle includes at www.retirementlivingstandards.org.uk

Everyone’s retirement is different

These figures are a helpful guide, but they will not be the same for everyone. Your own costs may be higher or lower depending on things like:

- whether you still have a mortgage or rent to pay,
- any health or care costs,
- tax on your pension income, and
- your hobbies, travel plans, or family commitments.

It is worth thinking about what **you** want your retirement to look like and setting your own personal income target.

Where will your retirement income come from?

Once you have an idea of how much income you might need, the next step is to look at what income you are likely to have.

• State Pension

The full State Pension for 2026/27 is **£12,548** a year.

This goes a long way towards meeting the minimum standard for a single person.

Couples where both partners receive the full State Pension would usually meet the minimum standard together.

You can check your State Pension forecast at www.gov.uk/check-state-pension

• Other income

Your retirement income may also come from:

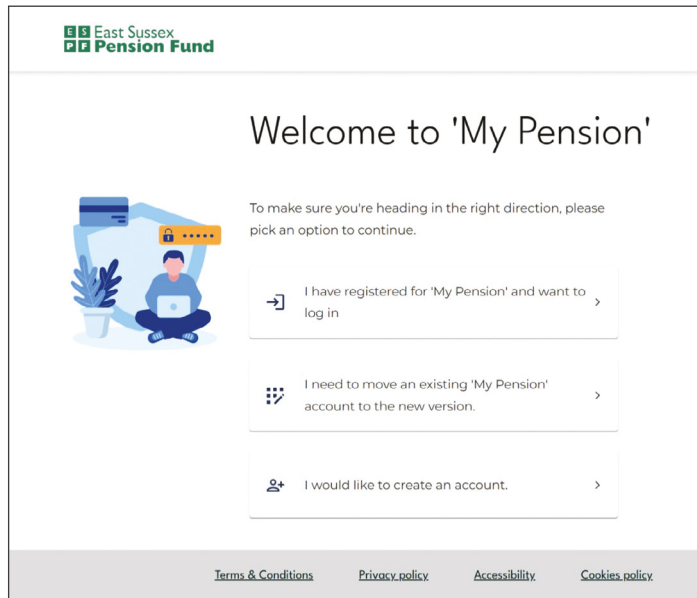
- your LGPS pension,
- any additional payments you make, like AVCs or APCs,
- other workplace or personal pensions, and
- savings or investments.

If you have lost track of an old pension, the Pension Tracing Service can help.

www.gov.uk/find-pension-contact-details

Checking your LGPS benefits

You can log in ‘My Pension’, your LGPS online self-service website, at any time to view an estimate of your benefits.



This includes:

- your expected pension at retirement,
- estimates for early retirement, and
- any reductions that may apply.

Taking time to review your expected income alongside your likely spending can help you feel more confident and better prepared for retirement.

<https://mypension.eastsussex.gov.uk/welcome>

DID YOU
KNOW

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We offer simple overview videos to help you get the most out of your ‘My Pension’ account.

Cost of living

Cost of living support

Most of us would like to be able to make our money stretch a bit further – and there are lots of ways to do this.

With household budgets under pressure as costs go up, for many people, budgeting is more crucial than ever before. MoneyHelper, the government-backed service, provide free impartial guidance on money and pensions. They have now launched a budget planner tool which can help you keep track of your money and suggest ways you can improve your finances:

www.moneyhelper.org.uk/en/everyday-money/budgeting/budget-planner

The planner will give you a clear idea of where you are spending your money. Once you know this you can start to look at whether you could cut your costs by changing

your spending patterns or understand how to get the most out of any money you have left over.

There are a range of tools available on their site, including budget guides, a bill prioritiser and debt advice locator tool.

With household budgets under pressure as costs go up, for many people, budgeting is more crucial than ever before.

If you do not have enough money to live on, help and advice can be found through Citizens Advice. Their help is available even if you work, have savings or own a home:

www.citizensadvice.org.uk/debt-and-money/cost-of-living/get-help-with-the-cost-of-living

Your Local Authority may also be able to provide some practical support if you contact them directly.

Opt out, 50/50, re-enrolment

Looking at how your pension can help when money is tight

With the cost of living crisis continuing to put pressure on household budgets, you may be considering ways to reduce your monthly outgoings. One option you might look at is your pension contributions.

Membership of the pension scheme is not compulsory, and you can choose to opt out if you wish. However, you should never be encouraged not to join the pension scheme.

Before making any decision, it is important to think very carefully. The Local Government Pension Scheme (LGPS) is a valuable benefit, and opting out could significantly reduce your income in later life and have a lasting impact on your retirement. You would immediately lose the three times pensionable pay death-in-service life cover.

Opting out and rejoining

If you do decide to opt out, you are able to rejoin the main scheme at any time, provided you are eligible.

The 50/50 Scheme – an alternative option

If finances are tight, you may wish to consider the 50/50 Scheme as an alternative to opting out altogether.

**DID YOU
KNOW?**



Your pension isn't affected by investment performance. It's based on your salary and how long you've been a member.

Under the 50/50 option you:

- pay half your normal pension contributions,
- build up pension benefits at half the normal rate, and
- retain full life assurance and ill health cover, which you would lose if you opted out completely.

The 50/50 scheme is designed as a temporary measure, and you can move back into the main scheme at any time.

Re-enrolment

Whether you opt out or join the 50/50 scheme, your employer is required by law to re enrol you into the main pension scheme every three years, provided you meet the eligibility criteria.

What you need to do

You will need to complete and sign the relevant form to:

- opt out,
- opt back in, or
- join the 50/50 scheme.

If you are still unsure which option is right for you, we strongly recommend seeking advice from an independent financial adviser.

For further information or support, please contact the Pensions Team at pensions@eastsussex.gov.uk

HANDY TIP

If you are currently opted out then check with your employer when your next re-enrolment date is due, so you are not caught out by an unexpected pension deduction in that month's pay.





Pension Awareness Week

15 September 2026

Pension Awareness Week takes place from 15 September 2026, and it is a fantastic opportunity for you to check in on your retirement planning.

Securing a financially stable retirement is a topic that affects us all! Pension awareness week helps to give you tools to educate yourself and includes national and local activities – free webinars, live sessions and pension clinics aimed at helping you better understand your pension and plan your financial future, with confidence.

The annual Pensions Awareness campaign aims to demystify pensions and encourages you to take proactive steps toward your retirement planning, making pensions more accessible and understandable, breaking down complex jargon, and providing clear, actionable information.

Despite the importance of pensions in ensuring financial security during retirement, many people remain disengaged or uninformed about their pension plans. According to recent studies, a significant portion of the population is not saving enough for retirement, and many are unaware of how their pension schemes operate.

Pension Awareness aims to bridge the knowledge gap by highlighting the importance of early and consistent contributions, understanding different types of pension schemes, and recognising the value of employer contributions and tax reliefs.

Pensions Awareness Week is the perfect time to take small steps to engage with your pension, such as exploring your pension provider's online portal, using pension calculators, or watching a webinar to learn how to get the most from your savings.

So spread the word and save the date!

Pensions Awareness Week starts on 15 September 2026 – look forward to taking a few little steps now, that could make a big difference to your future.

Pension awareness week helps to give you tools to educate yourself and includes national and local activities.

More information about Pension Awareness week is available at www.pensionawarenessday.com

You can also find clear, reliable information about your LGPS pension at www.eastsussexpensionfund.org

Councillors back into the scheme

Pensions for Councillors and Mayors in England

From 11 May 2026 the Local Government Pension Scheme (LGPS) once again provides pension benefits for councillors and mayors (referred to as ‘elected members’) in England who are under age 75. They are eligible to join if they receive an allowance from a district council, county council, unitary council, combined authority, or combined county authority.

To secure their entitlement to Scheme benefits, elected members must complete and return an LGPS Elected member opt-in form to their employer so that they can begin deductions from pay and notify the pension fund of their intention to join. Elected members can pay into the LGPS even if they already contribute to another pension scheme.

DID YOU KNOW?



The Fund works with over 140 employers, from county councils to universities and colleges.

As an elected member, a percentage of their pensionable pay is paid to the LGPS (currently between 5.5% and 12.5%).

Pensionable pay is the total of all basic allowance, special responsibility allowance and other relevant allowances paid (except travel and subsistence allowances).

The relevant local authority pays the balance of the cost of providing LGPS benefits.

1/49th of their pensionable pay is put into the pension account every year. The accrued pension is adjusted in line with the cost of living every April. When benefits are accessed, the balance in your pension is the annual pension payable for life.

www.lgpsmember.org/your-pension/councillors-and-mayors/councillors-and-mayors-in-england

Pensions made simple

Understanding your pension with videos

If you would like a clearer understanding of your LGPS pension and the options available to you as a scheme member, but do not have much time, the Pensions Made Simple videos are perfect to watch. These short videos offer a quick summary of important topics, including “How your pension works,” “Protection for you and your family,” “Life after work,” and “The McCloud remedy”.

Watch: www.lgpsmember.org/help-and-support/videos

ESPF are seeking to improve member engagement by providing personalised video content, starting with annual benefit statements (ABS). The video statements will include personalised details and explanations tailored to each member’s pension held with the scheme. Once launched, the real-time personalised videos are expected to offer members a better understanding of their pension benefits, reducing the need for queries.

Nominated beneficiaries

Are your nominated beneficiaries up to date?

If you die while paying into the LGPS, a lump sum death grant of three times your annual pay may be paid to one or more people you have nominated (your beneficiaries). You are covered from the day you join the scheme, regardless of how long you have been a member.

If, at the time of your death, you also have a deferred LGPS benefit and/or an LGPS pension already in payment from a previous period of membership, the lump sum death grant paid will be the greater of:

- the total of any lump sum death grants payable from your deferred benefit(s) and/or pension(s) in payment, or
- three times your annual pay at the date of death.

The annual pay used to calculate the death grant is based on Assumed Pensionable Pay (APP). This is a notional

pay figure designed to protect your benefits if your pensionable pay reduces during periods away from work, for example due to sickness or certain types of leave.

You can complete an “expression of wish” to tell the Fund who you would like to receive any death grant. While any expression made is not legally binding, it helps guide the Fund’s decision. The Fund retains absolute discretion over the final payment.

If you die while paying into the LGPS, a lump sum death grant may be paid to one or more people you have nominated.

To make or update your expression, you can fill in an “expression of wish” form, available to download from our website, or log on to ‘My Pension’ our online self-service member website. We recommend reviewing your nomination regularly and updating it if your personal circumstances change.

Topping up your pension

Topping up your pension – different ways to pay more

Are you thinking about paying more into your pension? Adding extra contributions can help increase your income in retirement and give you greater financial security in the future.

There are two main ways you can top up your pension: Additional Pension Contributions (APCs) and Additional Voluntary Contributions (AVCs).

Additional Pension Contributions (APCs)

APCs allow you to buy extra annual pension. You can choose to pay regular monthly contributions from your salary or by making a one-off lump sum payment. The contributions benefit from tax relief.

You must be in the main section of the scheme to start APCs and the extra pension you buy will increase each

year with the cost of living and will be paid to you when you retire. The cost of APCs depends on your age, how much extra pension you want to buy, and how you choose to pay. The maximum extra pension you can buy is £9,054. If you want to start paying APCs, please visit the online APC calculator at:

www.lgpsmember.org/help-and-support/tools-and-calculators/buy-extra-pension-calculator

Additional Voluntary Contributions (AVCs)

Instead of buying extra pension in the main fund, AVCs build up a separate pot of money in your name.

When you pay AVCs, you choose how your money is invested from a range of available funds. You can change your investment choices or stop contributions at any time.

In most cases, you can contribute up to 100% of your pensionable pay, providing there is enough left to cover your main pension contributions and National Insurance.

Your options at retirement

When you take your pension, you can choose to:

- take some or all of the AVC fund as tax-free cash (subject to HMRC limits),
- buy extra pension in the LGPS,
- buy a guaranteed income for life (an annuity), or
- choose a combination of these options.

Shared Cost AVCs

Some employers offer AVCs through a Shared Cost AVC (SCAVC) arrangement, which uses salary sacrifice.

With salary sacrifice:

- you agree to give up part of your salary, and your employer pays this amount into your AVC instead,
- you do not pay tax or National Insurance on the amount paid into the AVC, and
- your employer also pays lower National Insurance.

Both APCs and AVCs count towards your annual allowance set by HMRC, and you can pay into both at the same time.

Before making any decisions, it is important to consider your personal circumstances. You may also wish to seek independent financial advice. For more information, please contact the pension fund.

More information about increasing your pension can be found on our website at www.eastsussexpensionfund.org/your-pension/paying-in/increase-your-pension



The LGPS is one of the UK's largest pension schemes, with around 6.9 million members – so you're in good company.

Change to Normal Minimum Pension Age

Earliest age to access your pension is changing

The UK Government has announced future changes to the Normal Minimum Pension Age (NMPA). The NMPA is the earliest age from which pension schemes can allow members to access their workplace or personal pensions for reasons other than ill-health. The NMPA will increase from age 55 to age 57 with effect from 6 April 2028.

You **may** be protected from this increase (and retain NMPA of 55) if you:

- joined the LGPS before 4 November 2021,
- transferred a previous pension into the LGPS and certain conditions are met.

The Ministry of Housing, Communities and Local Government (MHCLG) makes the LGPS rules, and any protections will be dependent on these rules.

MHCLG has not yet confirmed if it will allow members who qualify for protection to take their LGPS pension before age 57 from 6 April 2028 onwards. Further updates will be provided if MHCLG changes the Scheme rules to reflect the increase in the normal minimum pension age.

**DID YOU
KNOW**

?

You can normally take your pension from age 55 (rising to 57 from April 2028).



East Sussex Pension Assistant – ESPA

24/7 answers to commonly asked questions

You may have seen our new digital assistant ‘ESPA’ on our website. ESPA is designed to simulate human conversation, answering your general pension questions with pre-calculated responses.

ESPA is available 24/7 and can provide answers to commonly asked questions quickly and easily. It is not designed to answer queries relating to your own personal circumstances. ESPA is only available on our most widely used website pages, but we will look to improve functionality and scope in future. Find out more at our website.

www.eastsussexpensionfund.org/east-sussex-pensions-assistant-esp

LGPS member training

Your chance to learn more about your pension

We appreciate that sometimes pensions can be daunting. That is why East Sussex Pension Fund offer free virtual Local Government Pension Scheme training to contributing members. Around 870 members registered for courses in May, and feedback has been very good. To find out more and book a place for our October sessions, please visit

www.eastsussexpensionfund.org/your-pension/paying-in/free-pension-training

**DID YOU
KNOW** ?

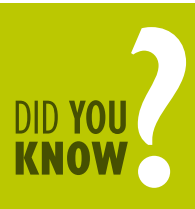
This isn't a savings pot – it's a secure, guaranteed income for life.

Border to Coast Pensions Partnership

East Sussex Pension Fund’s new pooling partner

The Government launched its “Fit for the Future” consultation in late 2024. This set out key reforms to investment management in the LGPS, outlining minimum standards of pooling for all LGPS pools. The proposed approach of our current pooling partner ACCESS to comply with the requirements of the consultation was not supported by government. As a result, ESPF was required to identify a new pooling partner. On the 1 April 2026; East Sussex Pension Fund became a shareholder in a new pool – the Border to Coast Pensions Partnership (a FCA- authorised asset pool since 2018 and one of the largest LGPS pools in the UK).

www.eastsussexpensionfund.org/espfn-new-pooling-partner-border-to-coast-pensions-partnership



When you retire, you can choose to take part of your pension as a tax-free lump sum. You have many retirement options, including early, late, ill-health, or flexible retirement (with employer’s agreement).

Scams

Pension scams

The number of pension scams continues to rise, so it is more important than ever to understand how to protect your money and recognise the warning signs. Scammers often pretend to be from genuine pension providers. They may contact you unexpectedly by email, text message, social media or through illegal cold calls. They might offer a free review of your finances or claim you can access your pension before the normal minimum pension age (currently 55 increasing to 57 from 6 April 2028).

Their aim is to persuade you to transfer your pension savings to them by promising high returns with little or no risk. To reduce the likelihood of being scammed:

- Reject unexpected offers, unsolicited messages, or cold calls.
- Always check who you are dealing with on the Financial Services Register at <https://register.fca.org.uk/s/>

- Read The Pension Regulator’s leaflet on pension scams.
- Do not be rushed or pressured into making decisions.
- Get free, impartial guidance from MoneyHelper at www.moneyhelper.org/en

If you receive a phone call or email that appears to be from us, but you are unsure, do not share any personal or financial information. Contact us directly to confirm whether the communication is genuine.



The East Sussex Pension Fund is worth around £5.2 billion and supports approximately 85,000 members, including you.



Contact us

Visit our website for up to date information:

www.eastsussexpensionfund.org

Email pensions@eastsussex.gov.uk

Write Pension Services

East Sussex County Council
County Hall, St Anne's Crescent
Lewes, East Sussex, BN7 1UE

Call General enquiries – 0300 200 1022
Member self-service enquiries – 0300 200 1027

There is also a national Local Government Pension Scheme website for members:

www.lgpsmember.org

Looking for more help with your money

Get free, impartial information on money matters, including pensions.

www.moneyhelper.org.uk

Disclaimer This guide is for members of the East Sussex Pension Fund and reflects the provisions of the LGPS and overriding legislation in May 2026. In the event of any dispute over your pension benefits the appropriate legislation will prevail. This short guide does not confer any contractual or statutory rights and is provided for information purposes only.