

Highland Pension Fund

Members guide to Annual Benefit Statements for 2025 and frequently asked questions (FAQs)

This guide is intended for members of the Local Government Pension Scheme (Scotland), administered by Highland Pension Fund.

If you are a teacher or NHS employee, you will most likely be a member of the Scottish Teachers, or NHS Scotland pension schemes – these schemes are administered by the Scottish Public Pensions Agency (SPPA), who are responsible for the day-to-day administration of your pension and the distribution of your annual benefit statements. Highland Pension Fund are unable to help with any queries you may have, and you will need to contact your pension provider directly.

This guide has been prepared to accompany your Local Government Pension Scheme (LGPS) (Scotland) Annual Benefit Statement and aims to answer most frequently asked questions. It explains how to access your 2025 annual benefit statement information, some common pension terms we use, and how your pension figures have been worked out.

Manage your pension



Documents and uploads

An archive for every document you have uploaded or posted to your pension fund.

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Annual Benefit Statements

View and compare all of your previous Annual Benefit Statements in one location.

[View my statements](#)

Manage beneficiaries

Manage who should receive your pension benefits if you pass away.

[Manage my beneficiaries](#)

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Part 1 - How do I access my annual benefit statement information?

Your annual benefit statement information is published to your [My Pension](#) account by the end of August each year.

[My Pension](#) is your self-service portal for managing your Local Government Pension, administered by Highland Pension Fund. [My Pension](#) is available to all active and deferred members, including Councillor members.

With [My Pension](#), you can:

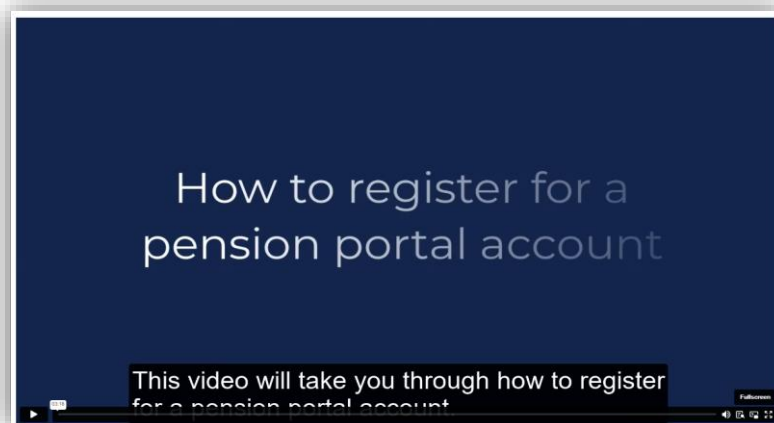
- View your annual benefits statements
- Update your personal details
- Manage your beneficiary information
- Plan for your retirement
- Run benefit calculations, anytime, anywhere!

To access your annual benefit statement information for 2025, log into your [My Pension](#) account at: <https://highlandpensionfund.mypensiondetails.co.uk/login>.



If you have not yet registered, you can create your account quickly and easily at: <https://highlandpensionfund.mypensiondetails.co.uk/login>

Our **3-minute registration tutorial** provides a step-by-step guide to help you create your account: <https://highlandpensionfund.mypensiondetails.co.uk/registration-tutorial>



Once you have registered or logged in, you will be taken to your personalised [My Pension Dashboard](#):

Manage your pension



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An archive for every document you have uploaded or posted to your pension fund.

[Go to my documents](#)



Annual Benefit Statements

View and compare all of your previous Annual Benefit Statements in one location.

[View my statements](#)



Manage beneficiaries

Manage who should receive your pension benefits if you pass away.

[Manage my beneficiaries](#)



Benefit calculators




Retirement planner



Latest valuation

To view your annual benefit statement information, click on the **Annual Benefit Statements** tile:

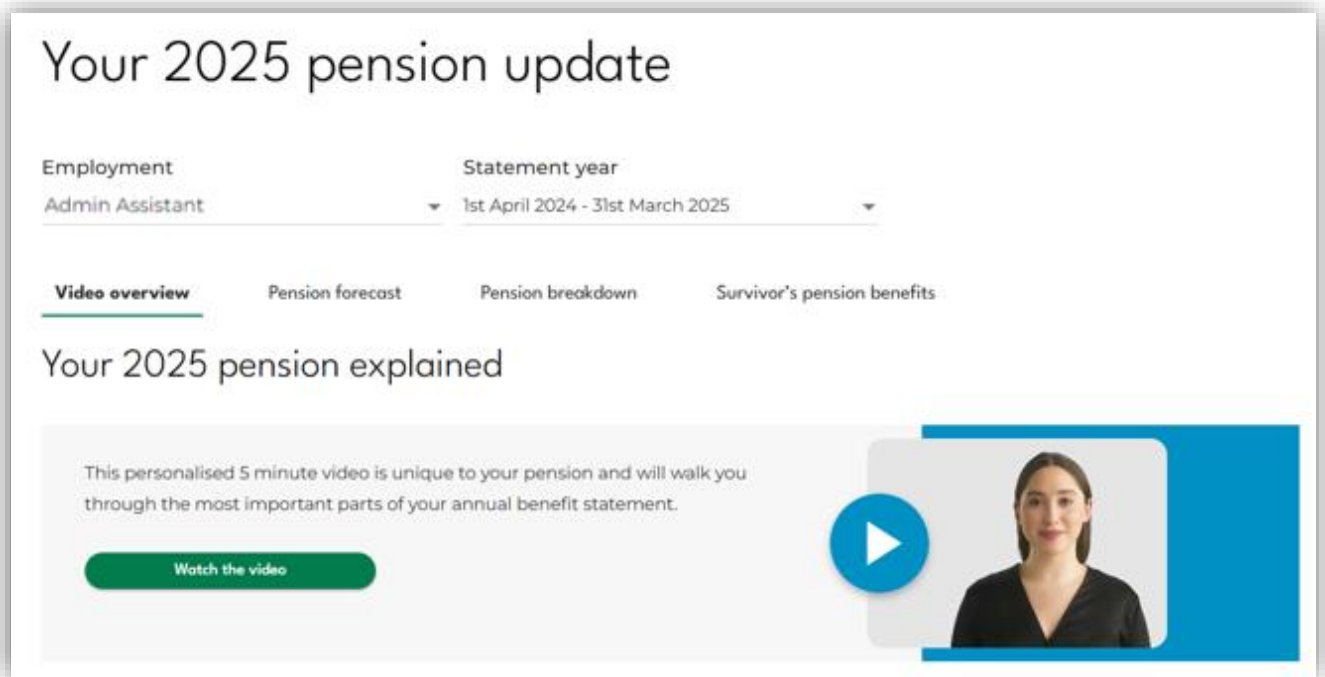


Annual Benefit Statements

View and compare all of your previous Annual Benefit Statements in one location.

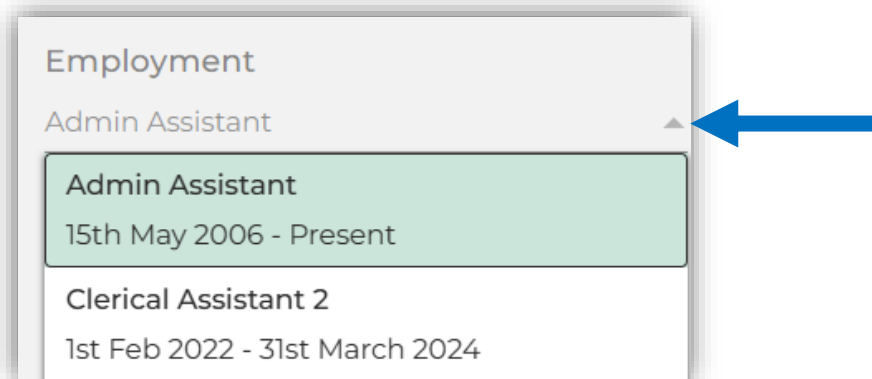
[View my statements](#)

This will take you to your latest pension update for 2025:



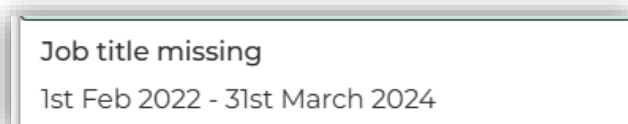
If you hold more than one post (or pension record), you will receive a separate 2025 pension update for each post (or record).

The **employment dropdown** will be shown for members with more than one post (or pension record). You can switch between them by selecting from the dropdown list:

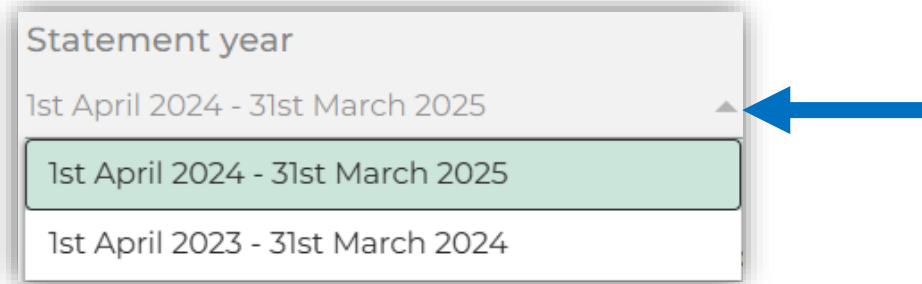


The information displayed shows the benefits you have built up in that post (or pension record).

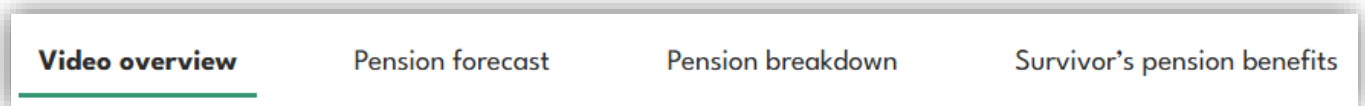
If your employer has not provided us with a job title, it will display **job title missing**



The **Statement year** dropdown allows you to switch between statements, allowing you to view previous years:

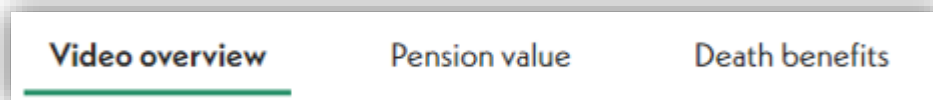


Active scheme members will have 4 sections to view as follows:



- Video overview
- Pension forecast
- Pension breakdown
- Survivor's pension benefits

Deferred scheme members will have 3 sections to view as follows:



- Video overview
- Pension value
- Death benefits

Note: If you joined the scheme after 31 March 2025 (or became deferred on or after 7 April 2025) you will not have an annual benefit statement to view this year. Your first annual benefit statement will be available to view at the end of August 2026.

- The following message will be displayed:

You currently have no Annual Benefit Statements to view for this employment. If you think this is a mistake, please contact the fund.

You will also see this message if:

- You started a new post after 31 March 2025
- your pension is already in payment
- we have an outstanding query or action to process on your pension record

Where your employment changes from active to deferred, you will no longer have access to the active Annual Benefit Statements you could previously see for that employment.

Active scheme members (currently paying into the LGPS)


Video overview

Your personalised video explains the key points about your annual benefit statement. To play the video, simply select **Watch the video** or click the **Play** button:

Your 2025 pension explained

This personalised 5 minute video is unique to your pension and will walk you through the most important parts of your annual benefit statement.

[Watch the video](#)




Pension Forecast

This section provides a summary of what you could expect to receive in retirement. The figures are based on you continuing to work the same hours and receive the same level of pay between now and your **Normal Pension Age (NPA)**. The summary includes:

- Your retirement date in the LGPS
- Your Normal Pension Age
- The projected value of your annual pension
- Your projected value of tax-free lump sum (example below):

Video overview



Pension forecast

Pension breakdown

Survivor's pension benefits

Pension holder
Joe Bloggs


Your retirement date
07 July 2047

Your pension start date
01 May 2006

What you could get when you retire


You joined Highland Council on 15 May 2006 when you were 26 years of age.

If you retire at **68** you are on course to receive:



£9,040.53
a year

This would give you a monthly income of:







£753.38
a month

Find out more about your **Normal Pension Age (NPA)** on [page 18](#) of this guide.

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Your lump sum options show the standard benefits on the left (annual Pension and automatic lump sum) and your maximum lump sum options on the right. Both sets of figures are based on you continuing to work until NPA:

Your lump sum options

Standard benefit option	Or maximum lump sum option
 When you retire, you are currently on course to receive: £9,040.53 a year	 This means that your annual pension will be reduced to: £5,885.11 a year
 With an estimated tax-free lump sum retirement grant: £1,369.01	 But your estimated tax-free lump sum will increase to: £39,234.05

The maximum tax-free lump you can take is restricted by HMRC limits – more information about the limits and converting pension to lump sum can be found on [page 24](#) of this guide.

Click on the **detailed info and breakdowns** dropdown for more information about how your pension figures have been calculated:

Detailed info and breakdowns 

Pension breakdown

This section provides a summary of the pension benefits you have built up to **31 March 2025** and shows how your pension benefits have changed over the past 12 months, since your last statement (example below):

Video overview




Pension forecast

Pension breakdown

Survivor's pension benefits

Pension breakdown

This is a summary of how your pension changed between 01/04/2024 to 31/03/2025. All figures shown were correct as of midnight on 31/03/2025.

		
This year, your combined pensions increased by	This brings your current pension value to	With a guaranteed tax-free lump sum of at least
£458.92	£3,843.25 a year	£1,369.01

Click on **See how we've calculated your pension** dropdown for information on how your pension breakdown has been calculated:

See how we've calculated your pension

A detailed breakdown will be shown for each section of scheme benefits where you have built up benefits:

- CARE benefits built up from 1 April 2015:

Main section (CARE)



Your annual accrual rate is

1/49th of salary



This year, this pension increased by

£214.29



When you retire, this pension will provide

£2,136.92 a year

- Final salary benefits built up between 1 April 2009 and 31 March 2015 (if you have any):

Final salary benefits: 2009-2015



The annual accrual rate was

1/60th of salary



This year, this pension increased by

£50.00



When you retire, this pension will provide

£1,250.00 a year

- Final salary benefits built up before 1 April 2009 (if you have any):

Final salary benefits: Pre 2009



The annual accrual rate was

1/80th of salary



This year, this pension increased by

£18.26



When you retire, this pension will provide

£456.33 a year

Depending on when you joined the scheme (or when you started this post), you will only see a breakdown for each section you built up benefits. For example, if you started your post on or after 1 April 2015, you will not have built up any benefits in the final salary sections of the scheme, so you will only see a breakdown under the heading 'Main section (CARE)'.

Click on the dropdown **Detailed info and breakdowns** for more information about how each section of benefits has been worked out:

Detailed info and breakdowns



If a pension sharing order (divorce) or scheme-pays-offset (annual allowance) has been applied to your pension benefits, an alert will show stating that although the debit has been included in your summary figures, the detailed breakdown figures do not include these debits.

For more information about how your LGPS pension benefits are calculated, please refer to [pages 19-24](#) of this guide.

Survivors pension benefits

This section provides the estimated lump sum death grant and survivor's pension which may become payable in the event of your death. This summary includes:

- The lump sum death grant
- The annual survivor's pension (example below):




[Video overview](#) [Pension forecast](#) [Pension breakdown](#) **[Survivor's pension benefits](#)**

What would happen to your pension if you were to die before retirement?

In the event of this happening, your [nominated dependents](#) will receive a lump sum death grant and an annual survivor's pension. For illustrative purposes, survivor's pension has been calculated on the assumption you are married. This has no impact on your pension. See below for more details.

Lump sum death grant




This is payable if you die whilst still in employment and the amount is normally based on three times your annual pensionable salary.



£31,500.00

Annual survivor's pension

A survivor's pension is normally payable to your husband/wife, civil partner or qualifying co-habiting partner. In addition, if you have any dependant children, they could also receive a yearly income. Children's pensions are usually paid until they reach age 18, or age 23 if they remain in full time education.



£2,878.21 a year

Click on the **detailed info and breakdowns** dropdown for more information about how the lump sum death grant and annual survivors' pension have been calculated:

Detailed info and breakdowns



Further information about survivor's benefits can be found on [page 31](#) of this guide.

To print a copy of your statement, scroll to the bottom of the screen and click on the button called **Download a printed version**:

Download a printed version

If you have more than one post (or pension record), and you would like to print a statement for each one, you will need to select from the employment dropdown menu at the top of the page to switch between each one:

Employment

Admin Assistant

Admin Assistant

15th May 2006 - Present

Clerical Assistant 2

1st Feb 2022 - 31st March 2024



Deferred members (no longer paying into the scheme)


Video overview

Your personalised video explains the key points about your annual benefit statement. To play the video, simply select **Watch the video** or click the **Play** button:

Your 2025 pension explained

This personalised 5 minute video is unique to your pension and will walk you through the most important parts of your annual benefit statement.

[Watch the video](#)



Pension Value

This section provides a summary of your deferred benefits on 7 April 2025. The summary includes:

- The date your deferred benefits will become payable unreduced
- The current value of your annual pension
- Your minimum tax-free lump sum (example below):

Video overview

Pension value


Death benefits

Name
Joe Bloggs

Date of leaving
31 March 2024


Your pension value

Your benefits will become payable at an unreduced rate on:
07 July 2047

**£12,183.04**
a year

Your current annual pension value:

Your minimum tax-free lump sum:

**£3,463.28**

If a pension sharing order (divorce) or a scheme-pays-offset (annual allowance) has been applied to your deferred pension benefits, an alert will be displayed stating that the value is not included in the figures presented on your statement and that the relevant deduction will be applied at the point of retirement.

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Click on the **detailed info and breakdowns** dropdown for further details about each of the figures shown:

Detailed info and breakdowns



Death benefits

This section shows a summary of the benefits available to your dependants in the event of your death. This summary includes:

- The lump sum death grant
- The annual survivor's pension (example below):

Video overview

Pension value

Death benefits

What would happen to your pension if you were to die before retirement

In the event of this happening, your [nominated beneficiaries](#) will receive a lump sum death grant and an annual survivor's pension. For illustrative purposes, survivor's pension has been calculated on the assumption you are married. This has no impact on your pension. See below for more details.

Lump sum death grant

This is payable if you die after leaving the fund but before taking your pension. The amount depends on when you left. You can find out more in the detailed information below.



£60,915.20

Annual survivor's pension

In addition, if you have any eligible dependents, they will receive a yearly paid income. You can find out more in the detailed information below.



£5,033.79 a year

Click on the **detailed info and breakdowns** dropdown for more information about how the lump sum death grant and annual survivors' pension have been calculated:

Detailed info and breakdowns



Further information about survivor's benefits can be found on [page 31](#) of this guide.

To print a copy of your statement, scroll to the bottom of the screen and click on the button called **Download a printed version**:

Download a printed version

If you have more than one post (or pension record), and you would like to print a statement for each one, you will need to select from the employment dropdown menu at the top of the page to switch between each one:

Employment

Admin Assistant

Admin Assistant

15th May 2006 - Present

Clerical Assistant 2

1st Feb 2022 - 31st March 2024




Councillor members

Once you have logged in you will be taken to your [My Pension](#) dashboard:

Welcome


Manage your pension



Documents and uploads

An archive for every document you have uploaded or posted to your pension fund.


[Go to my documents](#)



Manage beneficiaries

Manage who should receive your pension benefits if you pass away.

[Manage my beneficiaries](#)




Benefit calculators

Our online retirement calculators will help you work out what you're likely to receive when you retire.

[Calculate my benefits](#)

To view your annual benefit statement information, go to **Documents and uploads** and click on **Go to my Documents**:

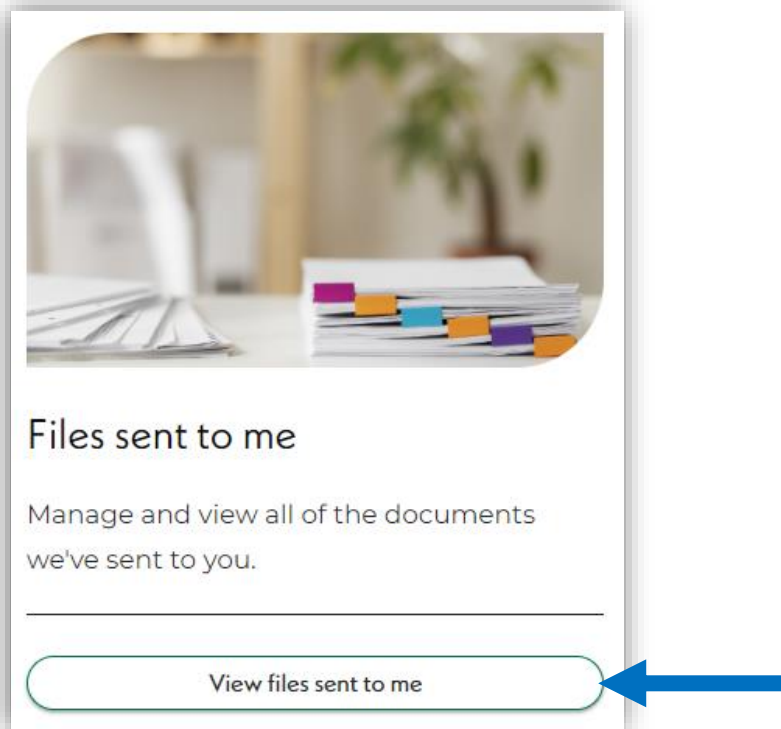


Documents and uploads

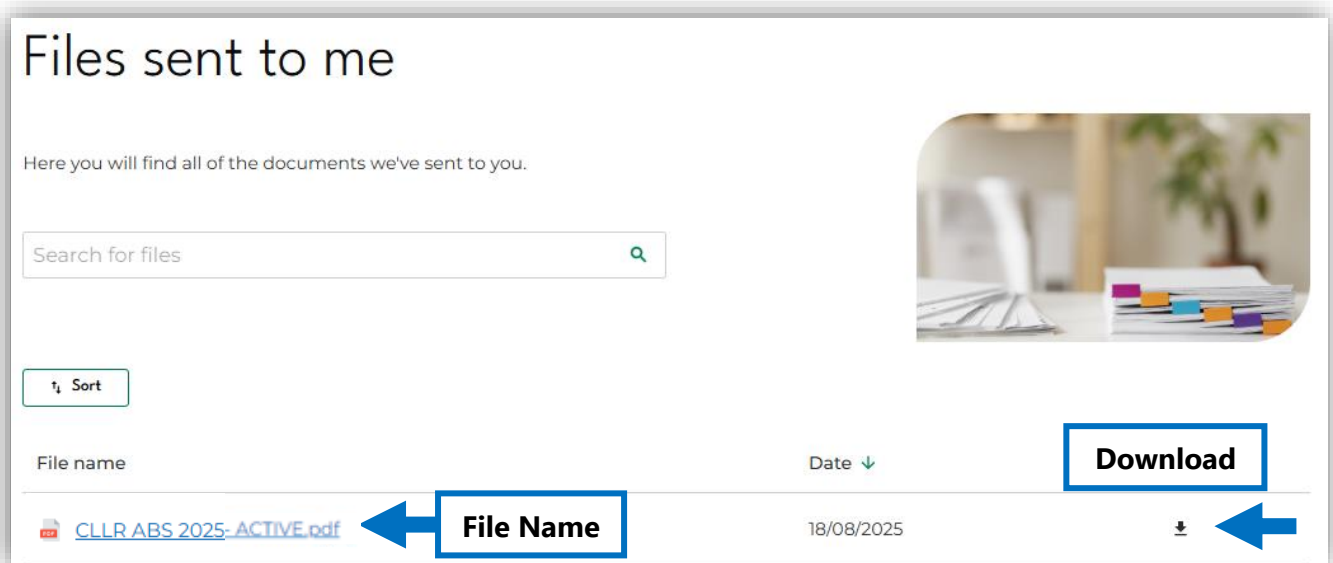
An archive for every document you have uploaded or posted to your pension fund.

[Go to my documents](#)

Select **Files sent to me**, then and click on **View files sent to files**:



The documents we have sent to you will appear in the box as below:



You can open your document(s) by clicking on the **file name** or by clicking on the **Download** button:

If you wish, you can save your document(s) to your desktop, personal folders or any other location you usually save your files.

If you require any assistance with viewing your documents, our team are here to help, [our contact details](#) can be found at the end of this guide.

Part 2 - Frequently asked questions (FAQs)

What is an annual benefit statement?

As a contributing member in the Local Government Pension Scheme (LGPS) (Scotland), you will receive an active benefit statement every year for each active employment you hold. Your statement provides an estimated value of the pension benefits you have built up in the LGPS up to 31 March 2025. It also provides a projection of the pension benefits you could build up if you remained working and contributing to the scheme, assuming no changes in hours or pay, until your Normal Pension Age.

What is Normal Pension Age?

Normal Pension Age in the LGPS is the date you can retire and receive all your pension benefits without a reduction. Normal Pension Age falls in line with your State Pension Age. You can check your State Pension Age using the Governments online calculator:

www.gov.uk/state-pension-age

What is a deferred benefit statement?

If you have previously contributed to the LGPS and have subsequently left that employment, or opted out of the scheme, you will hold a deferred benefit entitlement in respect of that period of membership. Your deferred benefits are increased in line with the Pension Increase (PI) Review Order each April to make sure they keep pace with the cost of living. You will receive a deferred benefit statement each year telling you the current value of your pension benefits and the date they will become payable.

What is the Pension Increase (PI) Review Order?

HM Treasury issue a Pensions Increase (PI) Review Order to Public Service pension schemes like ours which tells us how much we should increase your pension by. The Order is currently linked The Consumer Price Index (CPI).

What is the Consumer Price Index (CPI)?

The Consumer Price Index is the measure currently used to increase your Local Government Pension. Consumer Price Index is a key economic indicator that measures the average change over time in the prices paid by consumers for a basket of goods and services. The increase is based on the CPI at the previous September. CPI at September 2024 was 1.7% which means that your pension benefits have been increased by 1.7% from 7 April 2025.

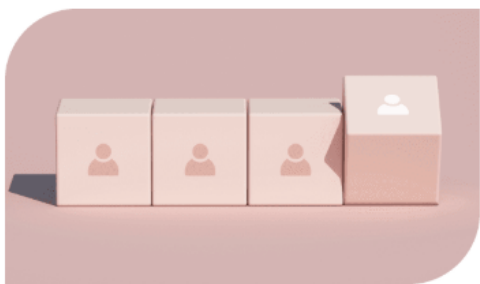
Why do I not have an annual benefit statement?

You will not receive a statement if:

- you joined the LGPS after 31 March 2025 – your first annual benefit statement will be available to view at the end of August next year.
- your pension is already in payment.
- we have an outstanding query or action to process on your pension record such as a change in post.

My personal details are incorrect, what should I do?

You should check the personal details section carefully and inform us as soon as possible if any of the information we hold about you is incorrect.



Personal details and settings

View the personal information we hold for you, update your contact details and manage your account settings all in one place.

Update my details

You can update your personal information, including your home address, contact telephone numbers, email address and passwords by logging into your [My Pension](#) account – click on the tile called **Personal details and settings**.

Remember, if you are changing your home address, you must let your employer know too, so they can update their records.

If your name or marital status has changed, we will need sight of an appropriate document to support the change, such as a marriage certificate or divorce decree.

You can send us your documents quickly and securely by using the **My uploads** facility on your [My Pension](#) account - click on the **Documents and uploads** tile, then select **My uploads**.



My uploads

Upload files and view all of the documents you've sent us.

Upload and view my files

My uploads is our preferred way of receiving your completed forms and documents. It's safer than sending your personal documents in the post, or by email, and your documents are instantly available for our team to view as soon as you upload them! We receive an automatic notification telling us that we have received new documents from you.

Uploading your documents is simple, follow the on screen instructions, or refer to our step by step guide: <https://www.highlandpensionfund.org/resources/my-pension-user-guide-my-uploads/>. Our team are here to help if you need it – our contact information can be found at the end of this guide.

Alternatively, you can bring your original documents into our office, and we will take copies for you. Please do not send us your original documents, but if you do, please make sure these are sent by Royal Mail's recorded delivery service and marked for the attention of 'The Pension Fund Manager'.

How are my pension benefits calculated?

The Local Government Pension Scheme (Scotland) is a defined benefit scheme which provides you with a guaranteed income for life. Unlike some other pension schemes, your pension is not affected by share prices or stock markets fluctuations.

The LGPS (Scotland) was a final salary pension scheme until 31 March 2015 and changed to a Career Average scheme from 1 April 2015. If you were a member before 1 April 2015, your benefits will be calculated in 2 parts:

- Final salary membership (up to 31 March 2015)
- CARE (Career Average Revalued Earnings) membership (from 1 April 2015).

What is final salary membership

You will have final salary membership if you were a member of the scheme before 1 April 2015, or if you brought a transfer from a previous pension into the LGPS which purchased final salary membership.

If you worked part-time your final salary membership is scaled down to reflect your part-time hours and counts as a proportion of full-time.

If you were not a member of the LGPS before 1 April 2015 (or have not brought a transfer into the LGPS which purchased final salary membership), you will not have built up any benefits in the final salary section of the scheme.

What is final salary pensionable pay?

This is the pay used to calculate any final salary benefits you have built up before 1 April 2009. The full-time equivalent pay is used even if you work part-time.

- It includes your normal pay, contractual shift allowances, bonus, and contractual overtime.
- It does not include non-contractual overtime.

The final salary pensionable pay used for the calculation of your annual benefit statement information can be found in the **Pension breakdown** section, click on **detailed info and breakdowns**:

Detailed info and breakdowns

Membership between 1 April 2009 and 31 March 2015

The LGPS changed from a final salary scheme to a career average scheme on 1 April 2015. If you joined the Scheme before 1 April 2015, you have built up benefits in the final salary scheme.

For membership built up between 1 April 2009 and 31 March 2015 you receive a pension of 1/60th of your final pay as a pension.

Your annual pension is calculated by dividing your total membership by 60 and multiplying this figure by your final salary pensionable pay.

Membership before 1 April 2009

Your annual pension is calculated by dividing your total membership by 80 and multiplying this figure by your final salary pensionable pay. In addition, an automatic tax-free lump sum is payable of 3 times your annual pension if you were a member before 2009.

Calculation example

Your current final salary pensionable pay is £25,000.00. In the final salary scheme, your pensionable pay is your full-time equivalent pay on which you pay pension contributions.

As your statement is based on your circumstances at 31 March 2025, the pay used is based on your earnings for the period from 1 April 2024 to 31 March 2025, and **not your current salary**. You can check this figure against your P60 certificate from your employer to ensure this figure is accurate.

Remember that if you worked part-time, the figure used for the calculation of your final salary benefits will be the full time equivalent.

How is my final salary pension and lump sum worked out?

Your final salary pension and lump sum are worked out using your final salary membership and final salary pensionable pay as follows:

Membership before 1 April 2009

For each year of membership before 1 April 2009, you will receive a pension of 1/80th of your final pensionable pay and an automatic lump sum of 3/80th of your final pensionable pay:

The example below shows how we work this out, based on:

- a member with 15 years membership up to 31 March 2009
- with a final pensionable pay of £25,000

Annual pension	=	15 years x £25,000 ÷ 80	=	£4,687.50
Automatic lump sum	=	15 years x £25,000 ÷ 80 x 3	=	£14,062.50

Membership between 1 April 2009 to 31 March 2015

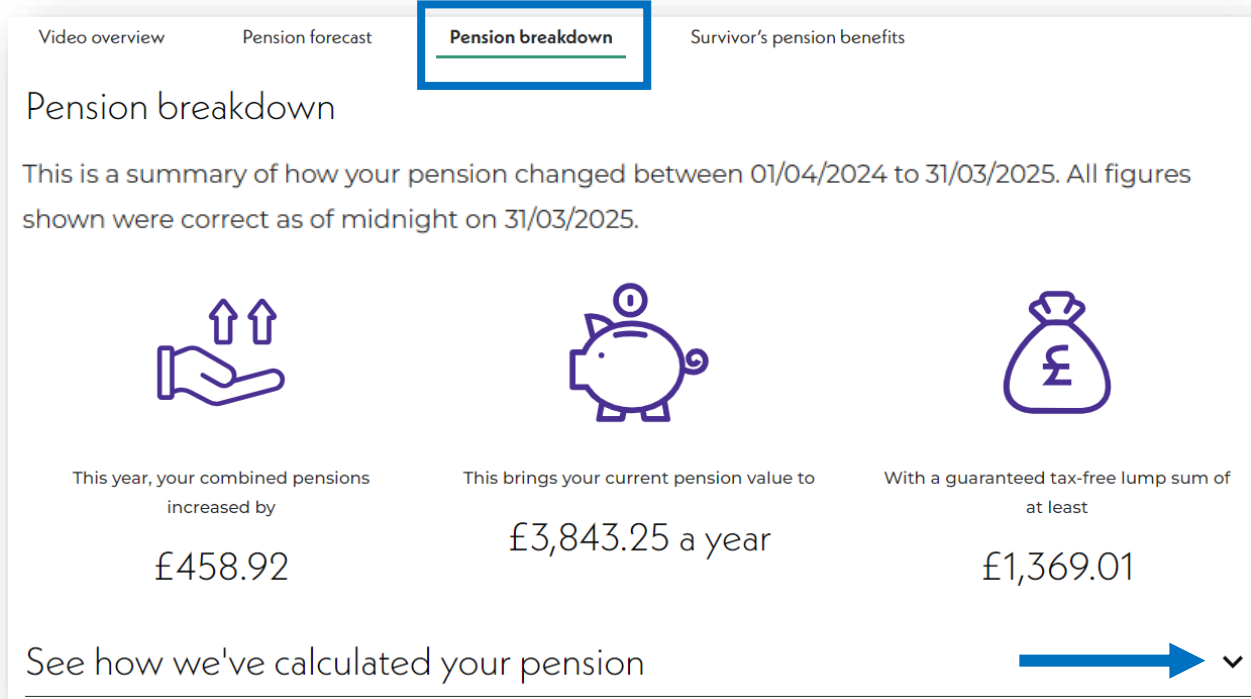
For each year of membership from 1 April 2009 to 31 March 2015, you will receive a pension of 1/60th of your final pensionable pay. There is no automatic lump sum for service built up after 1 April 2009, however when you come to retire, you can choose to convert some of your annual pension to provide a lump sum.

The example below shows how we work this out, based on:



- a member with 6 years membership between 1 April 2009 to 31 March 2015
- with a final pensionable pay of £25,000

Annual pension	=	6 years x £25,000 ÷ 60	=	£2,500.00
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The **Pension breakdown** section shows the current value of your final salary pension and automatic lump sum at 31 March 2025:



For a full breakdown, click on **see how we've calculated your pension** then, **Detailed info and breakdowns**:

Detailed info and breakdowns  

How is my CARE pension worked out?

From 1 April 2015, the LGPS became a Career Average Revalued Earnings (or CARE) scheme. You will receive a pension of 1/49th of your actual earnings over each scheme year. This amount is 'banked' at the end of each scheme year and revalued each April in line with inflation (CPI).

The example below shows how we work out CARE pension:

Scheme Year	Opening Balance	Build up in Scheme Year (pay ÷ build up rate = pension)	Total account 31 March	Cost of Living adjustment	Total pension
2015/16	£0.00	$£20,000 \div 49 =$ £408.16	£408.16	-0.10%	£407.75
2016/17	£407.75	$£20,500 \div 49 =$ £418.37	£826.12	1.0%	£834.38

2017/18	£834.38	$\text{£21,000} \div 49 = \text{£428.57}$	£1,262.95	3.0%	£1,300.84
2018/19	£1,300.84	$\text{£21,500} \div 49 = \text{£438.78}$	£1,739.62	2.4%	£1,781.37
2019/20	£1,781.37	$\text{£22,000} \div 49 = \text{£448.98}$	£2,230.35	1.7%	£2,268.27
2020/21	£2,268.27	$\text{£22,500} \div 49 = \text{£459.18}$	£2,727.45	0.50%	£2,741.09
2021/22	£2,741.09	$\text{£23,000} \div 49 = \text{£469.39}$	£3,210.48	3.10%	£3,310.00
2022/23	£3,310.00	$\text{£23,500} \div 49 = \text{£479.59}$	£3,789.59	10.10%	£4,172.34
2023/24	£4,172.34	$\text{£24,000} \div 49 = \text{£489.80}$	£4,662.14	6.7%	£4,974.50
2024/25	£4,974.50	$\text{£24,500} \div 49 = \text{£500}$	£5,474.50	1.7%	£5,567.57

So, in this example, the total annual pension built up over the 10 years to 31 March 2025 is **£5,567.57**. Although your benefits have been increased by 1.7% this year, it will not show on your annual benefit statement until next year. This is because your annual benefit statement is based at 31 March 2025 and the cost of living adjustment does not take place until 7 April 2025.


If you elected to join the 50-50 section of the scheme (where you pay half the normal rate of contributions), you will receive half (or 1/98th) of the amounts shown above for the period of your election.

You can find out how much CARE pension you have built up in the **Pension breakdown** section:

[Video overview](#)
[Pension forecast](#)
[Pension breakdown](#)
[Survivor's pension benefits](#)


Pension breakdown

This is a summary of how your pension changed between 01/04/2024 to 31/03/2025. All figures shown were correct as of midnight on 31/03/2025.




This year, your combined pensions increased by

£458.92



This brings your current pension value to

£3,843.25 a year



With a guaranteed tax-free lump sum of at least

£1,369.01

See how we've calculated your pension [→](#)

For a full breakdown, click on **see how we've calculated your pension** then, **Detailed info and breakdowns**:

Detailed info and breakdowns







There is no automatic lump sum in the CARE Scheme. However, when you come to retire you can choose to convert some of your annual pension to provide a lump sum.

Why is my standard lump sum showing as £0.00 on my annual benefit statement?

You will only build up an automatic lump sum if you have membership before 1 April 2009. If you joined the scheme (or post) on or after 1 April 2009, your estimated standard lump sum will show as £0.00. Example below:

Your lump sum options

Standard benefit option	Or maximum lump sum option
 <p>When you retire, you are currently on course to receive: £9,040.53 a year</p>	 <p>This means that your annual pension will be reduced to: £5,885.11 a year</p>
 <p>With an estimated tax-free lump sum retirement grant: £0.00</p>	 <p>But your estimated tax-free lump sum will increase to: £38,745.13</p>

You will have the option to give up or convert part of your annual pension to provide a lump sum retirement grant and the maximum amount are shown on the right-hand side.

Can I convert part of my pension to lump sum at retirement?

Upon retirement, you will have the option to convert part of your annual pension to provide a tax-free lump sum. For every £1 of pension you give up, you will receive £12 of tax-free lump sum. HM Revenue and Customs limits the amount of tax-free lump sum you can take. From 6 April 2024, the maximum lump sum is the lowest of:

- 25% of the capital value of your benefits
- £268,275
- £268,275 less the total lump sums you have already taken.

If you have taken a serious ill health lump sum, a further limit will also apply. The maximum lump sum you can take is £1,073,100 less the serious ill health lump sum and any other pension lump sums you have already taken.

The total capital value of your pension benefits is calculated as follows:

- $120 \times \text{annual pension} + 10 \times \text{automatic lump sum (if any)} \div 7 = \text{total capital value.}$

Members who are paying Additional Voluntary Contributions (AVCs), must include the total value of their AVC pot when calculating the total capital value of their pension benefits:

- $120 \times \text{annual pension} + 10 \times \text{automatic lump sum (if any)} + 10 \times \text{in-house AVC pot} \div 7 = \text{total capital value.}$


Sometimes a member's AVC pot may be so much that when added to the automatic lump sum, it is already more than the maximum tax-free lump sum allowed. In this case, only the amount of their AVC fund up to the maximum can be taken as tax-free cash. The rest of the AVC pot can be used to buy extra pension, buy an annuity with prudential or another annuity provider, or it can be taken as cash, but it will be taxed through PAYE.


Your estimated maximum lump sum (not taking account of AVC options), can be found on the **Pension forecast** section of your annual benefit statement update:

[Video overview](#) [Pension forecast](#) [Pension breakdown](#) [Survivor's pension benefits](#)


Your lump sum options


Standard benefit option

 When you retire, you are currently on course to receive:
£9,040.53 a year

 With an estimated tax-free lump sum retirement grant:
£1,369.01

Or maximum lump sum option

 This means that your annual pension will be reduced to:
£5,885.11 a year

 But your estimated tax-free lump sum will increase to:
£39,234.05

Can I convert my lump sum to increase my pension at retirement?

No - the scheme rules do not permit this.

Why is the value on my 2025 annual benefit statement less than last year?

There may be a number of reasons why the values are less than last year. It may be that we received incorrect data from your employer about your working hours or pay, and that has now been corrected. If you have moved to the 50-50 section of the scheme within the last year, your projected benefits will now be lower as they assume you will remain in that section until you leave. If you have final salary membership (membership before 1 April 2015) and you have moved to a lower paid job, the calculation of your final salary benefits is linked to your final pay, so these benefits will now be lower. If a debit has been applied to

your pension benefits in respect of a pension sharing order or an annual allowance scheme pays election since your last statement, your benefits have been reduced to take account of the debit.

Why is some of my membership missing from my 2025 pension update?

You may hold more than one pension record, one for each separate employment. You will receive a separate 2025 pension update for each period of membership you hold. You may also hold separate deferred benefits for a previous period of employment which were not joined up with your current membership. If you have changed jobs, we may still be processing this change on the pension system. If this is the case, you will only be able to view your 2025 pension update for part of your membership, however this will update automatically once the change has been actioned by us.

Can I join all my pension records into one?

If you have multiple employments, you will receive a separate 2025 pension update for each employment you hold. We are required by law to keep your pension records for each employment separate, even if they are with the same employer. If you leave one or more of your jobs, you may have the option to join your records together, this will depend on the type and dates of membership. If you think this may apply to you, please contact us. Our [contact details](#) can be found at the end of this guide.

Why are my Additional Voluntary Contributions (AVCs) not showing on my 2025 pension update?

AVC statements are produced and issued by Prudential (part of M&G plc). They will send a statement to you directly each year. If you have not received your AVC statement, you can contact Prudential directly on 0345 600 0343, or visit their website for more information: <https://www.mandg.com/pru/workplace-pensions/employees/public-sector-avc-schemes/local-gov>.

I have bought extra pension, where can I see this on my annual benefit statement?

If you elected to buy Added years or Additional Regular Contributions (ARCs) before 31 March 2015, then the amount of pension you have purchased will be included with your final salary benefits.

If you have elected to pay Additional Pension Contributions (APCs), any additional contributions you have made will be included with your CARE pension calculation. APCs paid during the last year can be found on the **Pension breakdown** section:

Video overview

Pension forecast

Pension breakdown

Survivor's pension benefits

Click on the **see how we've calculated your pension dropdown** then, **Detailed info and breakdowns**:

In-year build-up
Scheme year April 2024 to March 2025.
1. Your CARE pensionable pay - Main section divided by 49 £214.29
2. Your CARE pensionable pay - 50/50 section divided by 98 £0.00
3. Additional pension bought £365.00
4. Transfer in £0.00
2024/2025 build up $£214.29 + £0.00 + £365.00 + £0.00 = £579.29$

What if I have a certificate of protection?

If you have received a certificate of protection from your employer following a permanent reduction to your pensionable pay, an increase may apply to your benefits when you leave the scheme in respect of a previous year's higher pay. It is not possible for us to include any increases you may eventually receive on your annual benefit statement information, however when you do come to leave the scheme, if your certificate remains valid, the increases will be applied to the benefits we pay you.

Does my annual benefit statement include the McCloud underpin

No – your 2025 pension statement update does not include the McCloud underpin.

The McCloud ruling has made pension calculations much more complicated, and our software is under development so it can calculate certain cases automatically, such as pension transfers after 31 March 2022 or adjustments due to divorce. We also need to collect detailed historical information from employers, such as:

- Dates of unpaid leave between 2015 and 2022
- Average pay in the year before turning 65 (for those working past age 65)

Details of any previous public sector pension service that hasn't yet been recorded also needs to be collected.

Because of these challenges, the Highland Pension Fund has decided **not to include details about how the McCloud changes might affect your pension** in this year's annual statement. We simply don't have all the necessary information yet, and bulk calculations wouldn't be accurate for everyone.

We understand this may be disappointing, but we want to treat all members fairly and consistently until the full review is complete and our systems are updated. The number of

members who will see a guaranteed increase due to McCloud is very small. We aim to include more information in next year's statement. In the meantime, if your pension becomes payable, we will look at your case individually to make sure you're not missing out.

Does the current value of my benefits at 31 March 2025 mean that is how much I will get if I leave now?

No. Your annual benefit statement shows the estimated value of the benefits you have built up without taking account of any early retirement reductions. If you are age 55 or over and you choose to take your pension benefits before your Normal Pension Age, a reduction will be applied to take account of your pension benefits being paid earlier and for longer. These reductions are set by the Government Actuaries Department (GAD) and can change at any time without notice. You can view the latest early reduction percentages on our website <https://www.highlandpensionfund.org/news/changes-to-late-retirement-factors/>.

I am thinking about retiring. Can I make a decision based on the information provided on my statement?

Your statement is purely an illustration of what you might receive when you retire. You should not use it to make any financial decisions. The information provided on your statement is mass produced and is based on pay information we have received from your employer and may not account for all adjustments affecting your pay. Adjustments including periods of unpaid leave, acting up payments, some salary sacrifice arrangements and adjustments which took place during the 2024-25 tax year in respect of a previous tax year may affect the pay used to calculate the pension benefits in your annual benefit statement.

If you are thinking about retirement, or starting to plan for your retirement, we have a [Retirement Planning Guide](#) to help. The guide can be viewed or downloaded from the resources section of our website at: <https://www.highlandpensionfund.org/resources/>.



Our guide covers all aspects of retiring from the LGPS (Scotland) and includes:

- The retirement process
- How your LGPS retirement benefits are worked out
- Your options about increasing your tax-free lump Sum
- Expected timescales and payment dates
- How to obtain an estimate of your retirement income

You will also find useful links and [short videos](#) to learn more about the LGPS and how it works.

Log into your [My Pension](#) account to access our quick and simple to use benefit calculators. Work out how much your pension benefits will be if you retire at a specific date, explore your lump sum options and more!

Look for the **Retirement planner** and **Benefit calculator** tiles on your My pension dashboard:



Retirement planner

Use our retirement planner to set or edit calculations based on your expenditure vs income to help ensure your retirement matches your lifestyle.

[Plan my retirement](#)



Benefit calculators

Our online retirement calculators will help you work out what you're likely to receive when you retire.

[Calculate my benefits](#)

If you are within 18 months of your proposed retirement date, active scheme members can request a formal estimate by completing our Voluntary Retirement Estimate Request form. This form is available from the **Fund documents and forms** area of your [My Pension](#) account – click on the tile called **Documents and uploads**.

In all cases, we strongly recommend that you obtain independent financial advice before making any financial decisions.

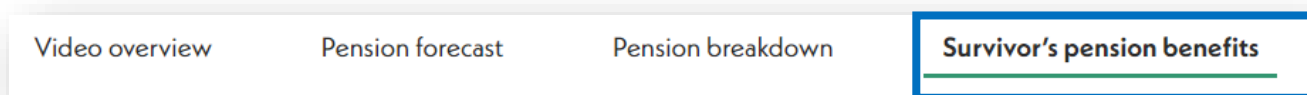
What are survivor benefits?

Should you die whilst an active member of the scheme, a lump sum death grant of 3 times your actual pay will usually become payable to your estate.

The LGPS also provides a pension to an eligible surviving partner (husband, wife, civil partner or cohabiting partner).

In addition, a dependant child could also become entitled to an annual income. Children's pensions are usually payable until they reach age 18, or age 23 if they remain in full time education.

For active members, an estimate of the lump sum death grant and survivor's pension amounts can be found in the **Survivor's pension benefits** section:



If you are a deferred member, the lump sum death grant payable and an estimate of the survivor's pension amount can be found in the **Death benefits** section:



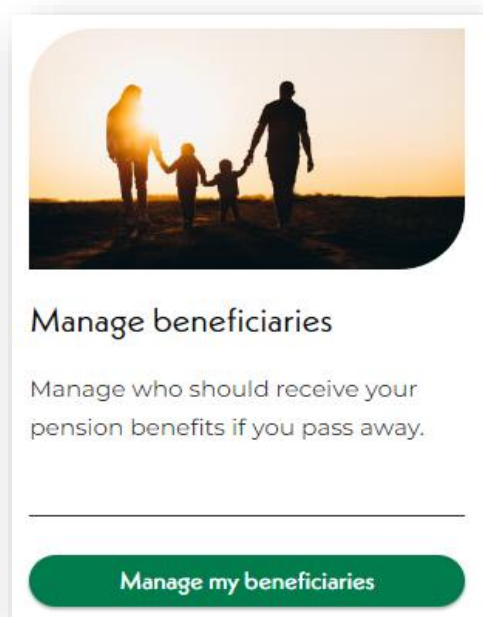
If you are active member who also holds a deferred benefit, the lump sum death grant payable will be the higher of the active or deferred death grants.

More information on survivor's pensions can be found on our website at:
www.highlandpensionfund.org/your-pension/paying-in/survivor-benefits/

How do I update my lump sum death grant nomination?

It is important to tell us who you would like to receive the lump sum death grant in the event of your death, and we will take this into account when deciding who to pay. Making a nomination helps us to pay the death grant more quickly and without forming part of your estate.

You can check or update your beneficiary information in your [My Pension](#) account - click on the tile called **Manage beneficiaries**:



You must make sure that the total percentage allocation for all beneficiaries adds up to 100%.

If you have not made a nomination, an alert will be displayed stating that you have not added any beneficiaries yet.

It is important to keep your beneficiary details up to date with your wishes.

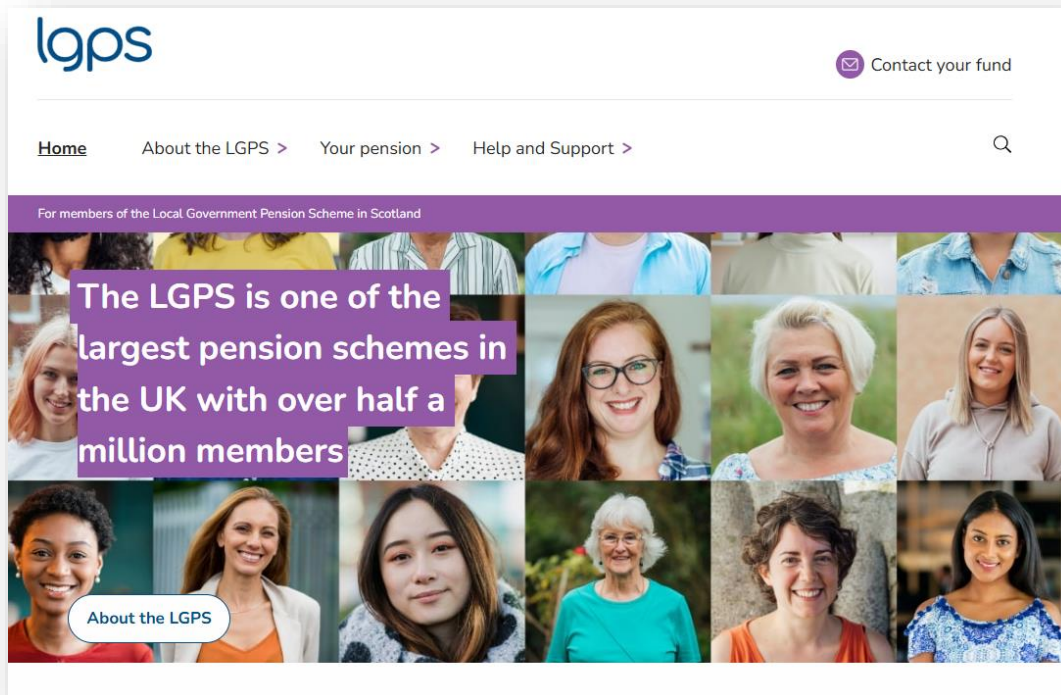
If you are not able to get online, you can request a paper copy to be sent to your home address – our contact details are available at the end of this guide.

Where can I find out more information?

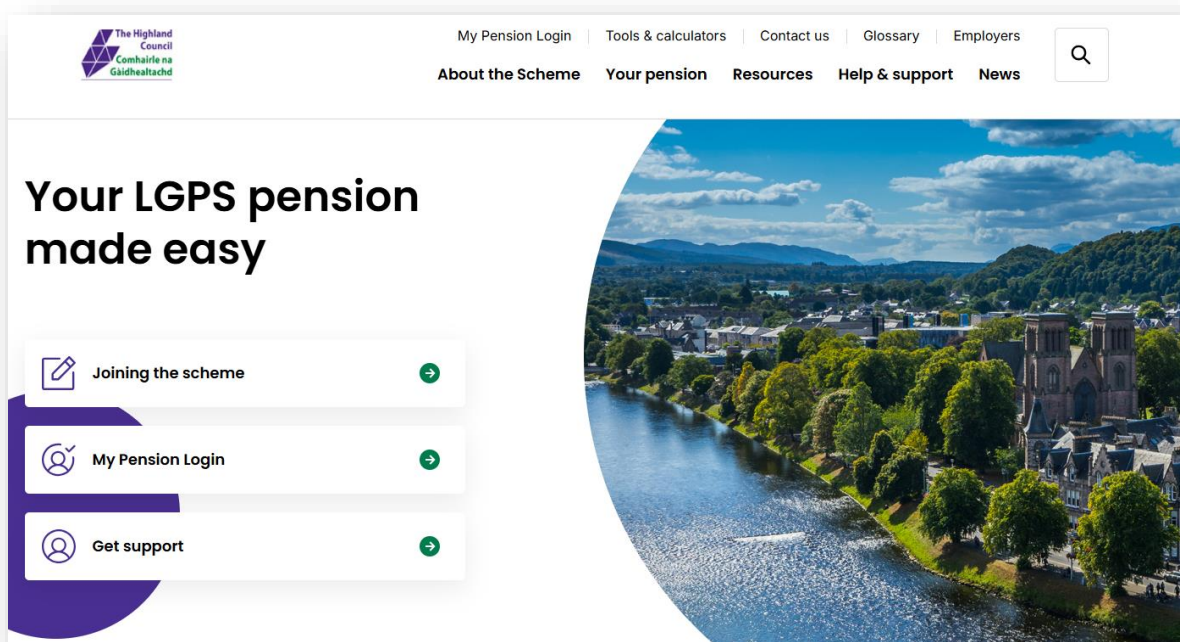
You can find more about the Local Government Pension Scheme by visiting the National LGPS Scotland website at www.scotlgpsmember.org

Here you will find:

- [tools and calculators](#)
- [frequently asked questions](#)
- [a glossary of common pension terms](#)
- [short videos to learn about the LGPS](#)



We also have a dedicated Highland Pension Fund website which you can visit at www.highlandpensionfund.org.



Keep up to date with the latest news

Our news page is updated throughout the year to keep you updated with all the latest pension matters including legislative changes and announcements.

You can access our news page at: <https://www.highlandpensionfund.org/news/>.

Accessing our Fund documents and forms

You can access our fund documents and forms, including guides and factsheets, by logging into your [My Pension](#) account:

- Click on the **Documents and uploads** tile.
- Select **Fund documents and forms**.
- Click the link for the form you wish to complete.
- Open the document and fill in the form.
- Save your completed form to your desktop or other preferred location.



Fund documents and forms

Find and download forms and documents from your pension fund.

Find files to download

Alternatively, our member forms, guides as well as our annual report and investment information are published on our Fund website and can be viewed, printed or downloaded from the resources area: www.highlandpensionfund.org/resources/

You can search for a resource by entering key words into the search box, or you can filter by document type or topic:

Resources

Resources index page

Search by keyword



Topic



Type



Year



Sending us your completed forms and documents

You can send us your completed forms (and supporting documents where required), quickly and securely by using the **My uploads** facility on your [My Pension](#) account.



My uploads

Upload files and view all of the documents you've sent us.

Upload and view my files

To send us your documents, click on the documents and uploads tile, then select My uploads.

You can follow the simple on screen instructions or follow our step by step guide:

<https://www.highlandpensionfund.org/resources/my-pension-user-guide-my-uploads/>.

This is our preferred way of receiving your completed forms and documents. It's safer than sending your personal documents in the post, or by email, and your documents are instantly available for our team to view as soon as you upload them! We receive an automatic notification telling us that we have received new documents from you.

How do I contact you to discuss my pension in more detail?

There are several ways to contact us if you need help with your pension.

Telephone our team on 01463 702441

Our team are available from 9am to 5pm, Monday to Friday.

Email us at: mypension@highland.gov.uk

Write to us at:

Highland Pension Fund,
The Highland Council Headquarters,
Glenurquhart Road,
Inverness,
IV3 5NX.

In person visits:

Our office is open to visitors from 9am to 5pm Monday to Friday. Appointment bookings are not necessary but can be made by email or telephone.

Disclaimer

Annual benefit statements are mass produced, based on a number of assumptions and cannot cover every personal circumstance, therefore, the figures shown are estimated and are not guaranteed. Any future changes to your circumstances will directly affect your pension projections. The actual benefits paid to you will be determined when you leave the scheme and will be based on the scheme rules applicable at that time. In the event of any dispute over your statement, the appropriate legislation will prevail.

Your annual update is not intended to give you financial advice as the Highland Pension Fund is not regulated under the Financial Services Act and so we strongly recommend that you obtain independent financial advice before making any financial decisions. The information provided represents the Council's best understanding and interpretation of the Local Government Pension Scheme (Scotland) Regulations at the time of issue. The information is subject to change due to various factors including, but not limited to, changes to rules and regulations introduced by the Government Actuaries Department, HMRC and/or the Department for Communities and Local Government. Changes can happen at short notice and may be implemented prior to us issuing future revised documentation.

The Council excludes all and any liability for any loss, damages or expenses incurred or suffered (including consequential loss such as, but not limited to, loss of profit, anticipated savings and other economic loss) as a direct or indirect result arising from any information contained in this document, or from any interpretation of the same, or from any act or decision taken as a result of using the same.