Highland Pension Fund

# Members guide to Annual Benefit Statements and frequently asked questions (FAQs) 2026

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 2026 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.

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

Version 4.0 (August 2026)

# Contents

**Select any of the questions below to navigate to the answer:**

## 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.

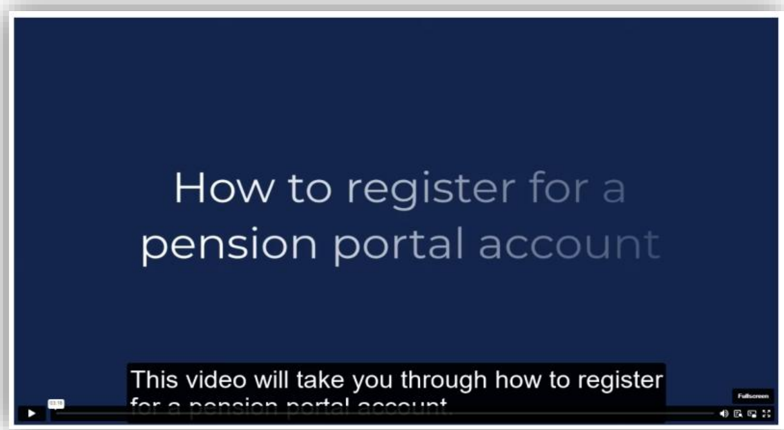
**With My Pension, you can:**

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

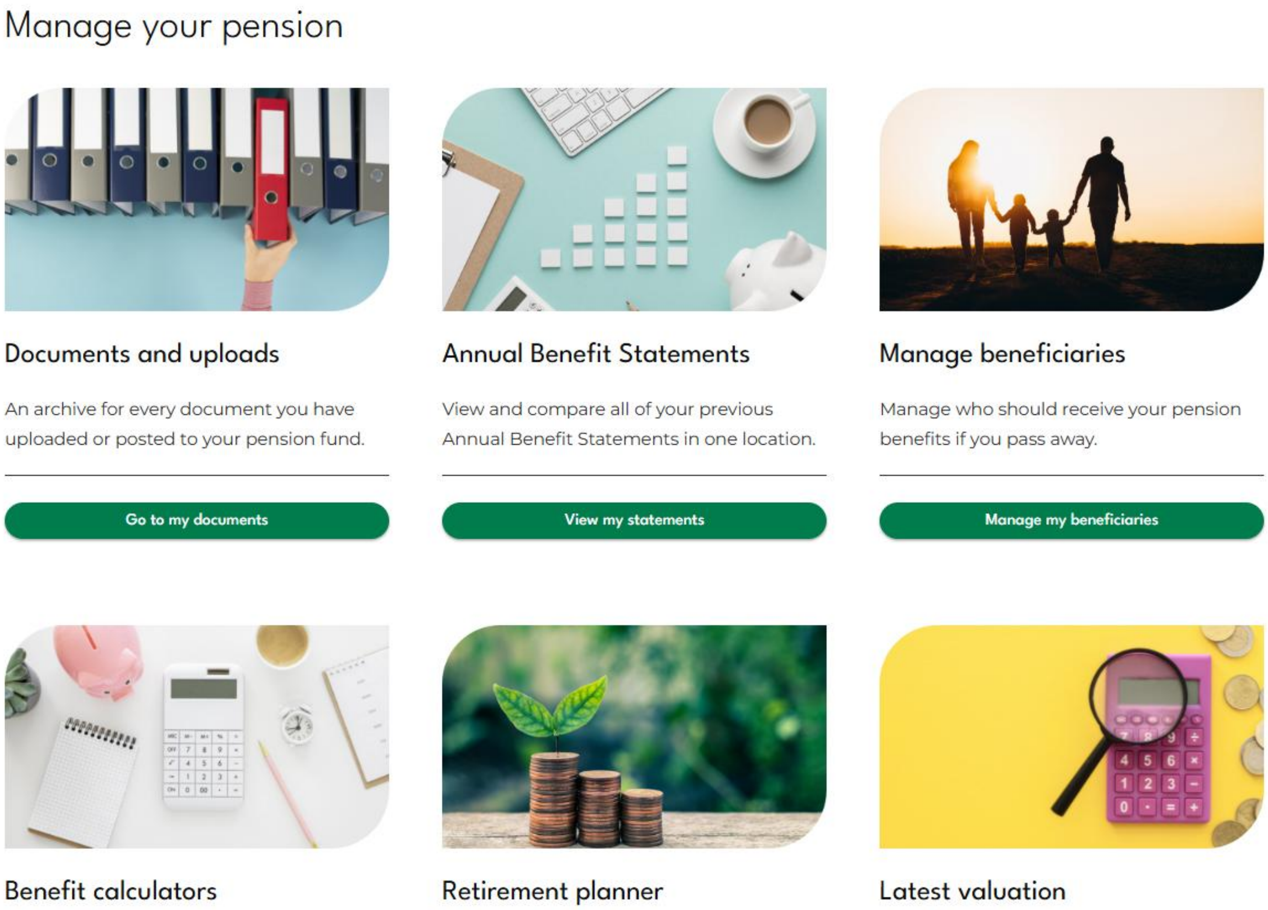
To access your annual benefit statement information for 2026, log into your My Pension account at: https://highlandpensionfund.mypensiondetails.co.uk/login.

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

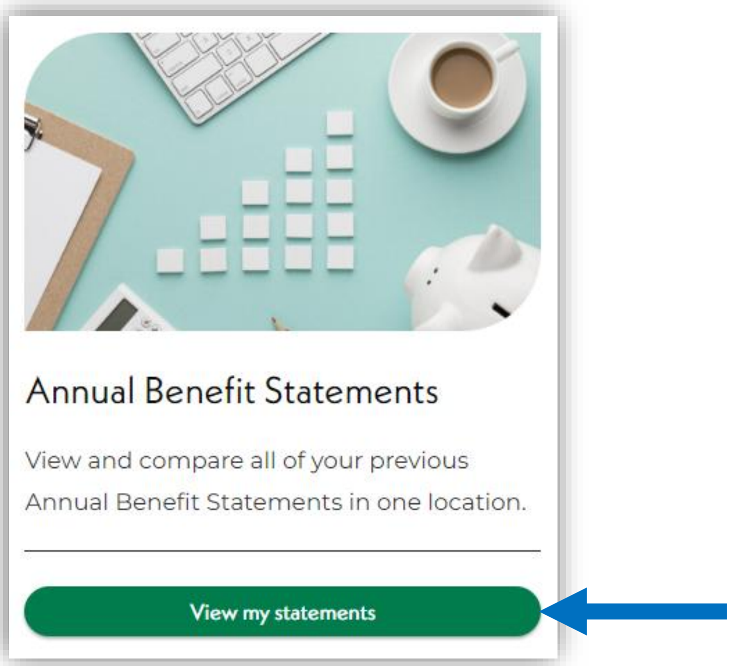
Our **3-minute registration tutorial** provides a step-by-step guide to help you create your account: https://highlandpensionfund.mypensiondetails.co.uk/registration-tutorial



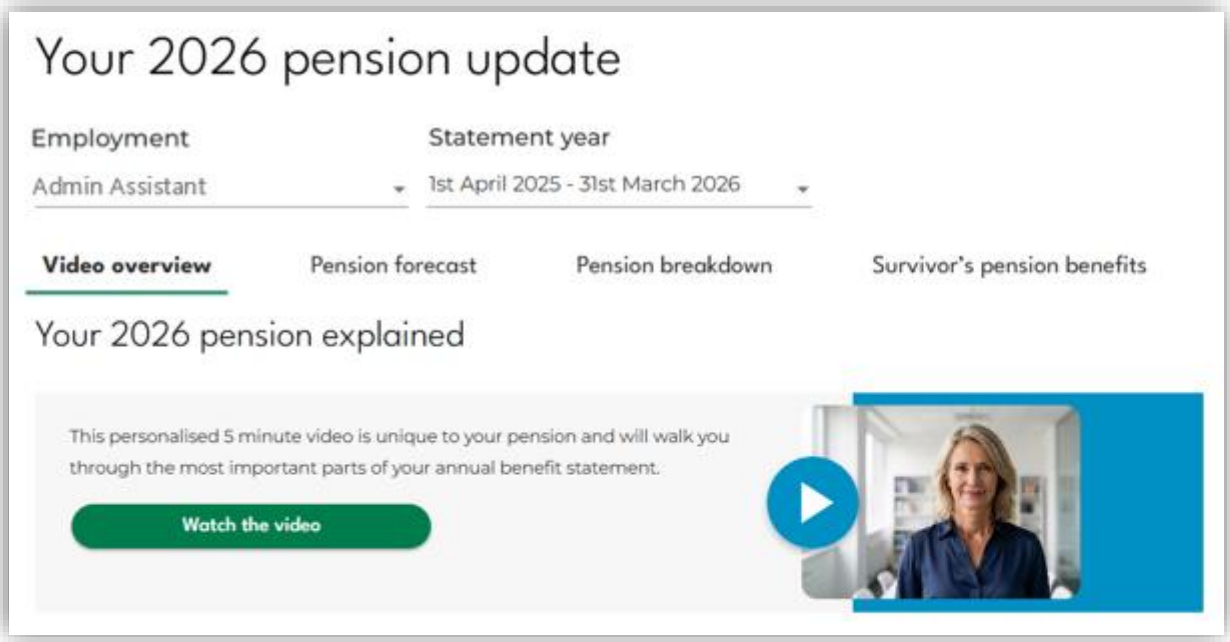
Once you have registered or logged in, you will be taken to your personalised My Pension Dashboard:




To view your annual benefit statement information, select **Annual Benefit Statements**:

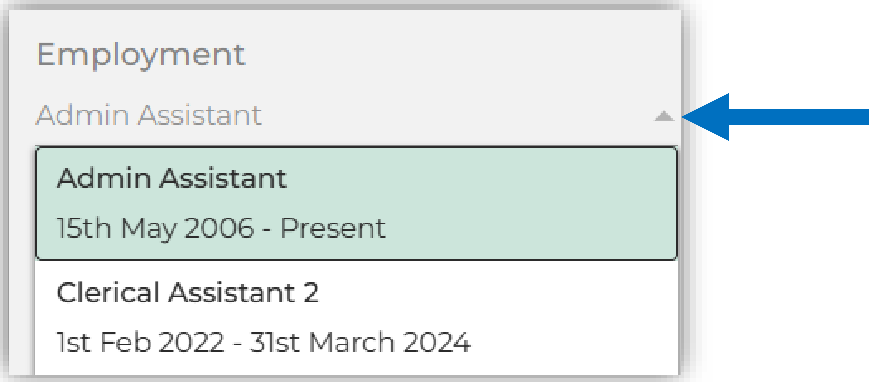


This will take you to your latest pension update for 2026:



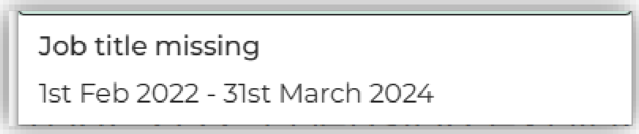

If you hold more than one post (or pension record), you will receive a separate 2026 pension update for each post (or record).

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:

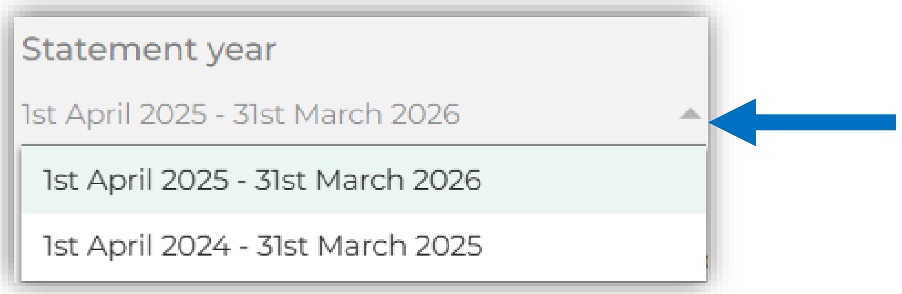



The information displayed shows the benefits you have built up in that post (or pension record).

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

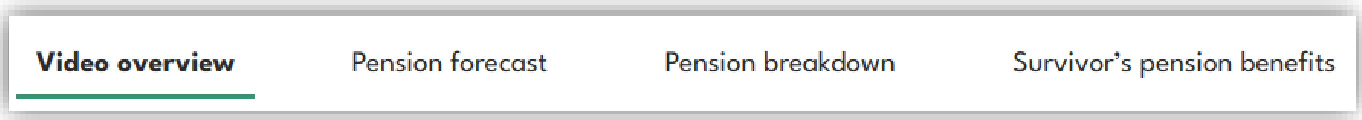



The **Statement year** dropdown allows you to switch between statements and view information from previous years:



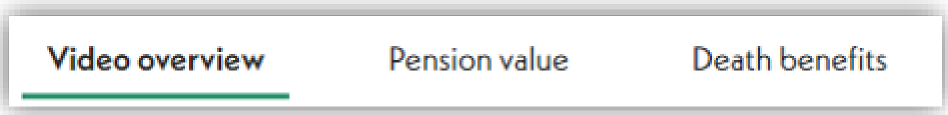

**Depending on your membership status, the following sections will be available:**

**Active scheme members** will see the following sections:



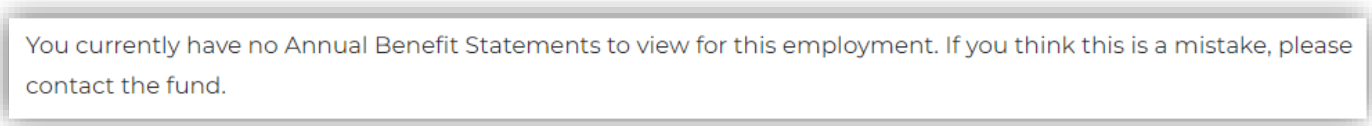

- Video overview
- Pension forecast
- Pension breakdown
- Survivor's pension benefits

**Deferred scheme members** will see the following sections:




- Video overview
- Pension value
- Death benefits

If you joined the scheme **after 31 March 2026** (or became deferred on or **after 6 April 2026**), you will not have an annual benefit statement available to view this year. Your first annual benefit statement will be available at the **end of August 2027.** In these circumstances, the following message will be displayed:




**You will also see this message if:**

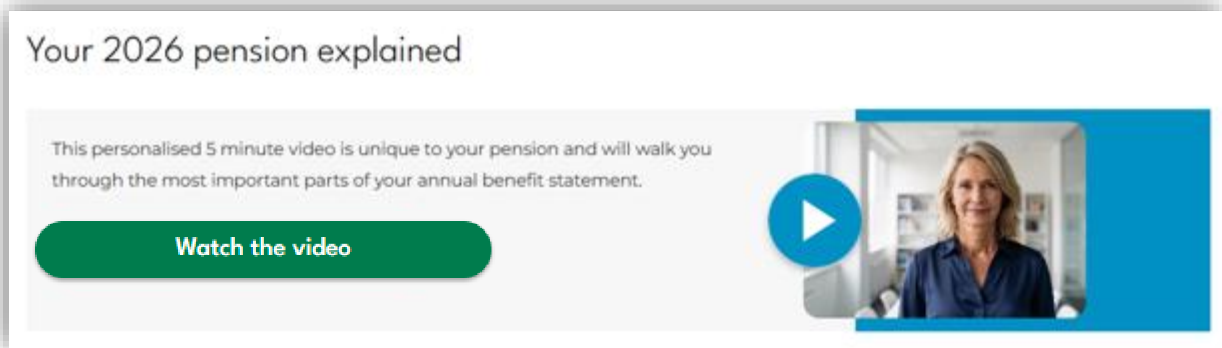
- You started a new post after 31 March 2026
- your pension is already in payment
- we have an outstanding query or action to process on your pension record.

Please note: If your employment status changes from active to deferred, you will no longer be able to view any active Annual Benefit Statements previously available for that employment. Instead, you will have a Deferred Pension Statement.

## 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**:

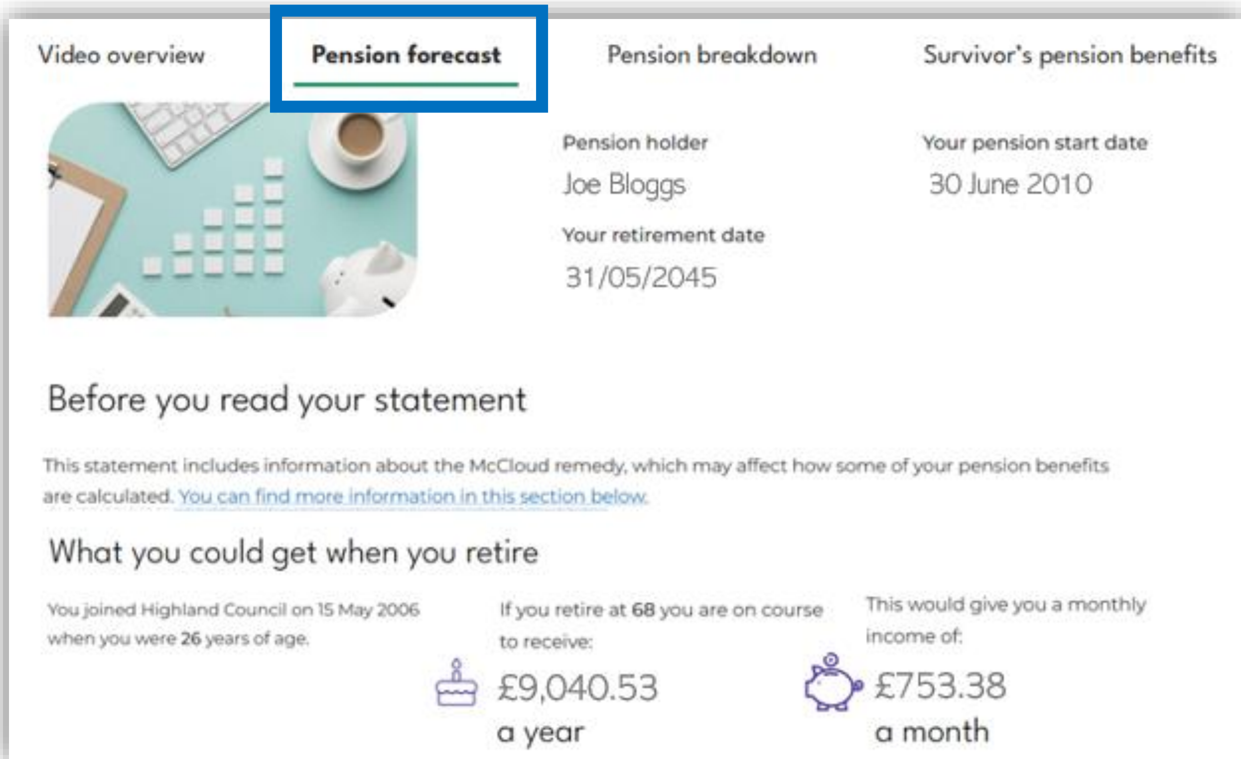



### Pension Forecast

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).** You can find out more about your **Normal Pension Age (NPA)** on page 21 of this guide.

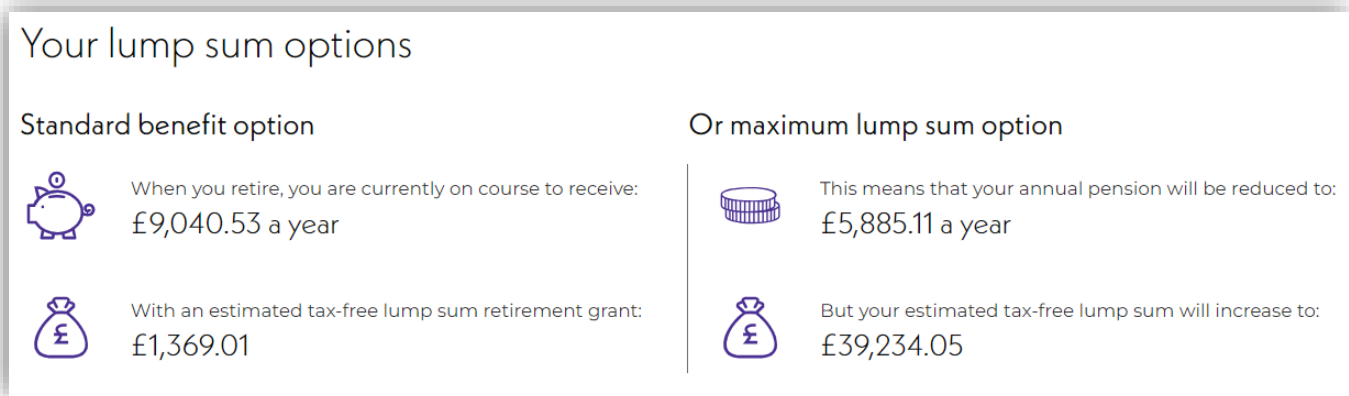
This summary includes:

- 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):



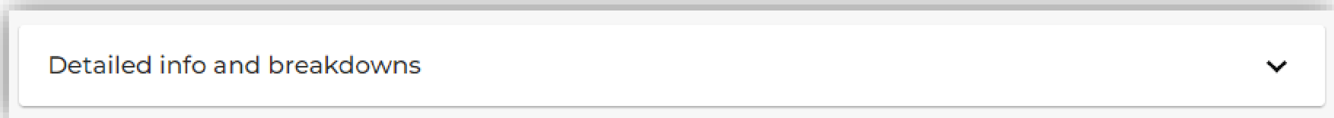
**Your lump sum options:**

- The figures on the left show your standard retirement benefits, including your annual pension and automatic lump sum.
- The figures on the right show the maximum lump sum available and the reduced annual pension.
- Both sets of figures are based on you continuing to work until NPA:

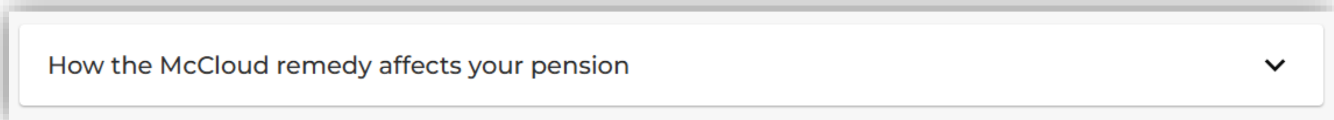



The maximum tax-free lump you can take is restricted by HMRC limits – more information about the limits and converting pension to lump sum can be found on page 28 of this guide.

Select **Detailed info and breakdowns** for more information about how your pension figures have been calculated:




Select **How the McCloud Remedy affects your pension** for information about the McCloud Remedy and who is affected:




**What is McCloud**

The McCloud Remedy is a legislative change addressing unlawful age discrimination identified in the 2015 public sector pension reforms. The remedy provides eligible members with underpin protection for benefits built up between 1 April 2015 and 31 March 2022.

**Who is affected**

Some members are protected by the McCloud remedy. If you are protected, we will compare the pension you built up during the remedy period with the pension you would have built up under the previous final salary scheme. If you would have built up a higher pension in the final salary scheme, your pension will be increased. This increase is known as your **final guarantee amount**.

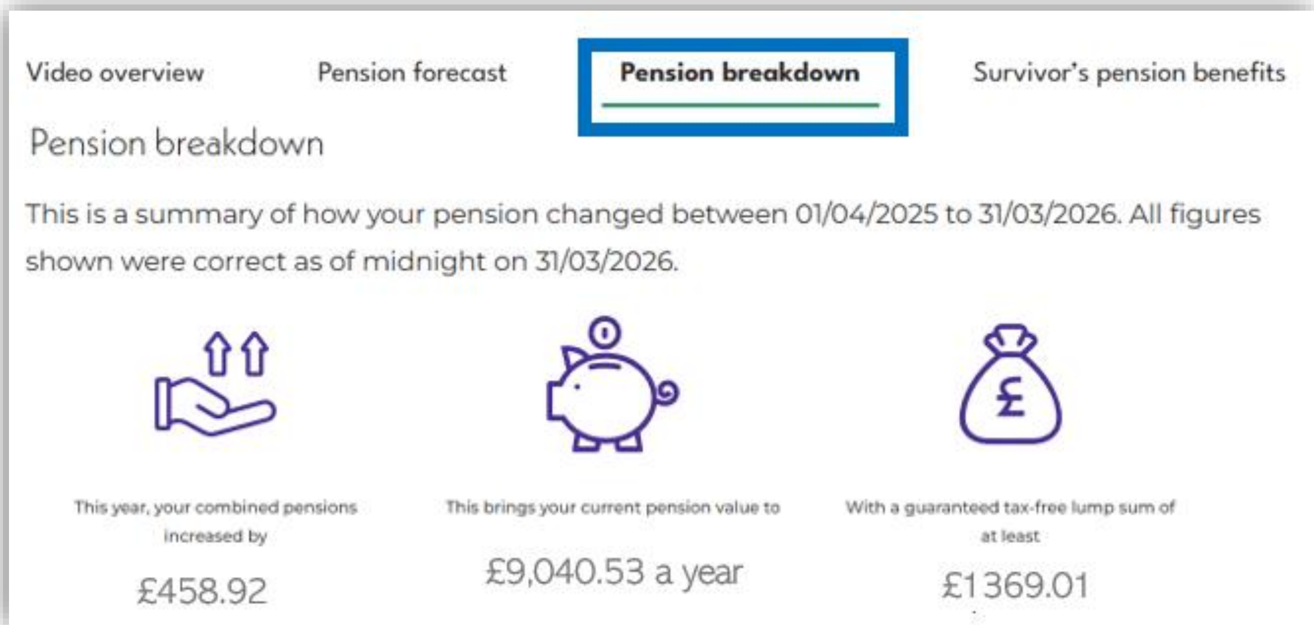
If you are protected, we have shown an estimate of this figure in your statement. For some members, the estimated final guarantee amount is zero. This is because the pension they built up is better than it would have been in the final salary scheme.

**For active members who joined the scheme after 31 March 2022 and transferred-in protected pension rights from another Public Service Pension Scheme**, we have been unable to provide an estimated final guaranteed amount this year.

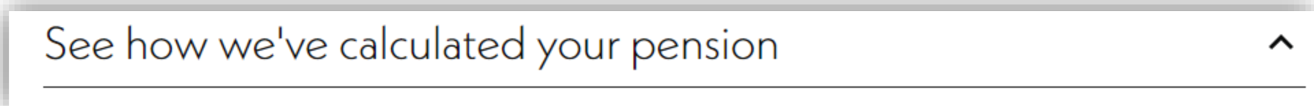
This does not affect your entitlement to underpin protection. We will automatically assess this when you take your pension or leave the scheme, and any additional benefits due will be paid to you automatically.

### Pension breakdown

This section provides a summary of the pension benefits you have built up to **31 March 2026** and shows how your pension benefits have changed over the past 12 months, since your last statement (example below):

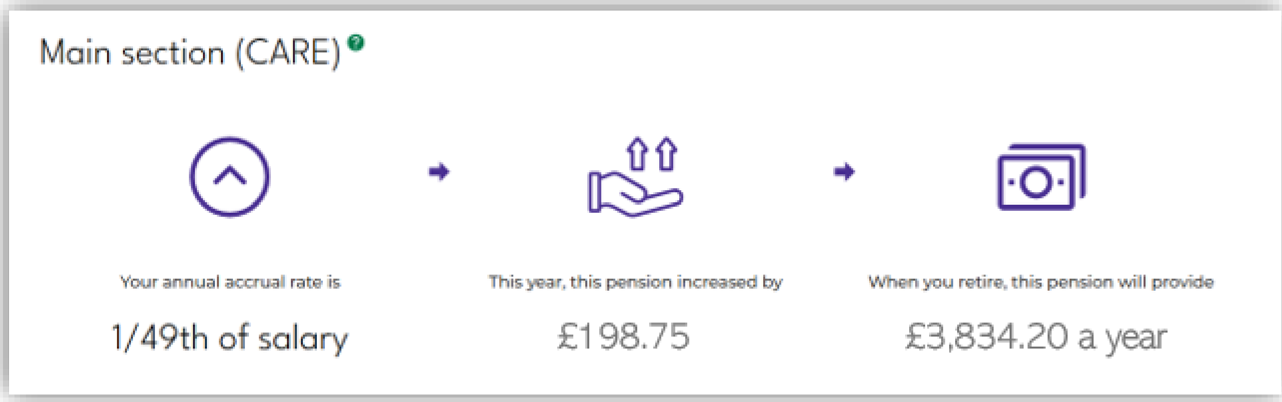



Select **See how we've calculated your pension** dropdown for information on how your pension breakdown has been calculated:



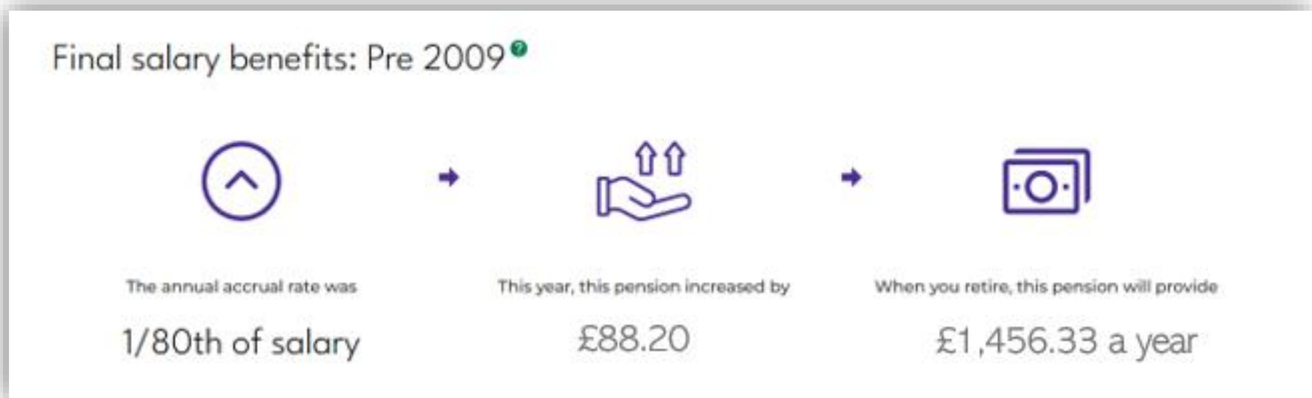
A detailed breakdown will be shown for each section of scheme benefits where you have built up benefits:

- CARE benefits built up from 1 April 2015:



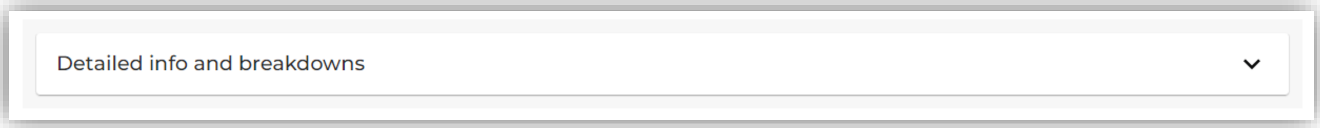

- Final salary benefits built up between 1 April 2009 and 31 March 2015 (if you have any):


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

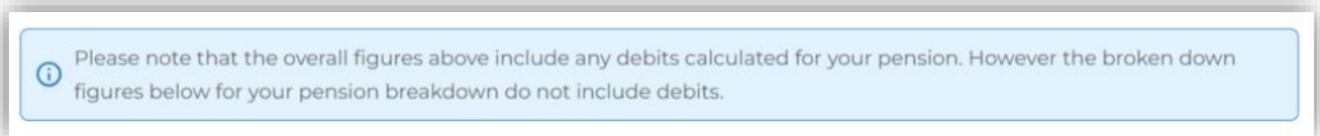



Depending on when you joined the scheme (or when you started this post), you will only see a breakdown for the section(s) in which you have built up benefits. For example, if you started your post on or after 1 April 2015, you will not have built up any benefits in the final salary sections and will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

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




If a **Pension Sharing Order** (following a divorce) or **Scheme Pays Offset** (Annual Allowance) applies to your pension benefits, an alert will be shown. This will confirm that the relevant debits have been included in your summary figures, but not your detailed breakdown:

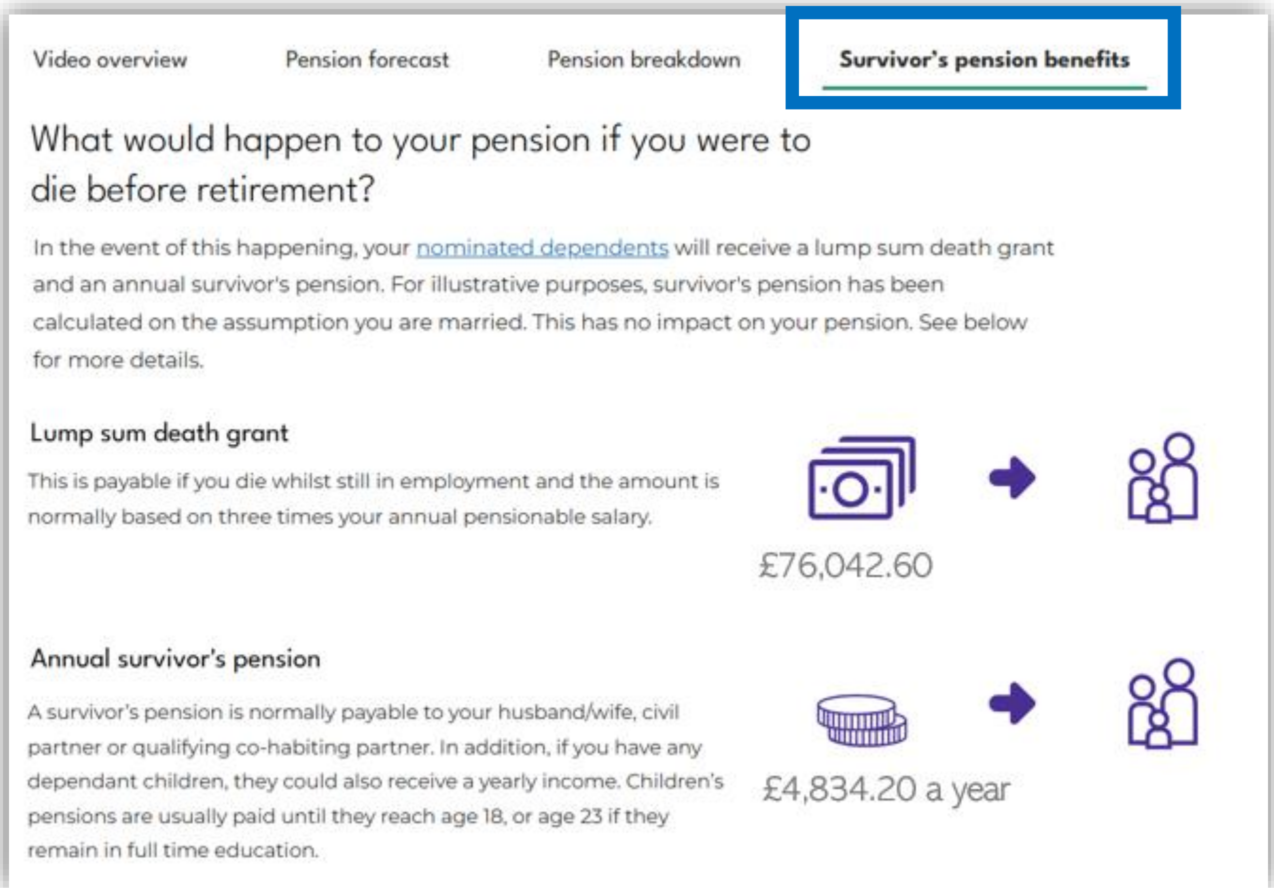



For more information about how your LGPS pension benefits are calculated, please refer to pages 23-28 of this guide.

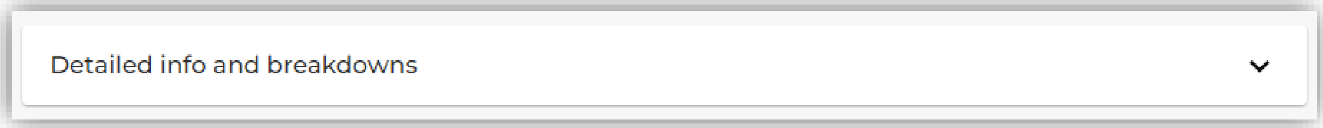
### Survivors pension benefits

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):



Select **Detailed info and breakdowns** for more information about how the lump sum death grant and annual survivors' pension have been calculated:




**Further information about survivor's benefits can be found on page 37 of this guide.**

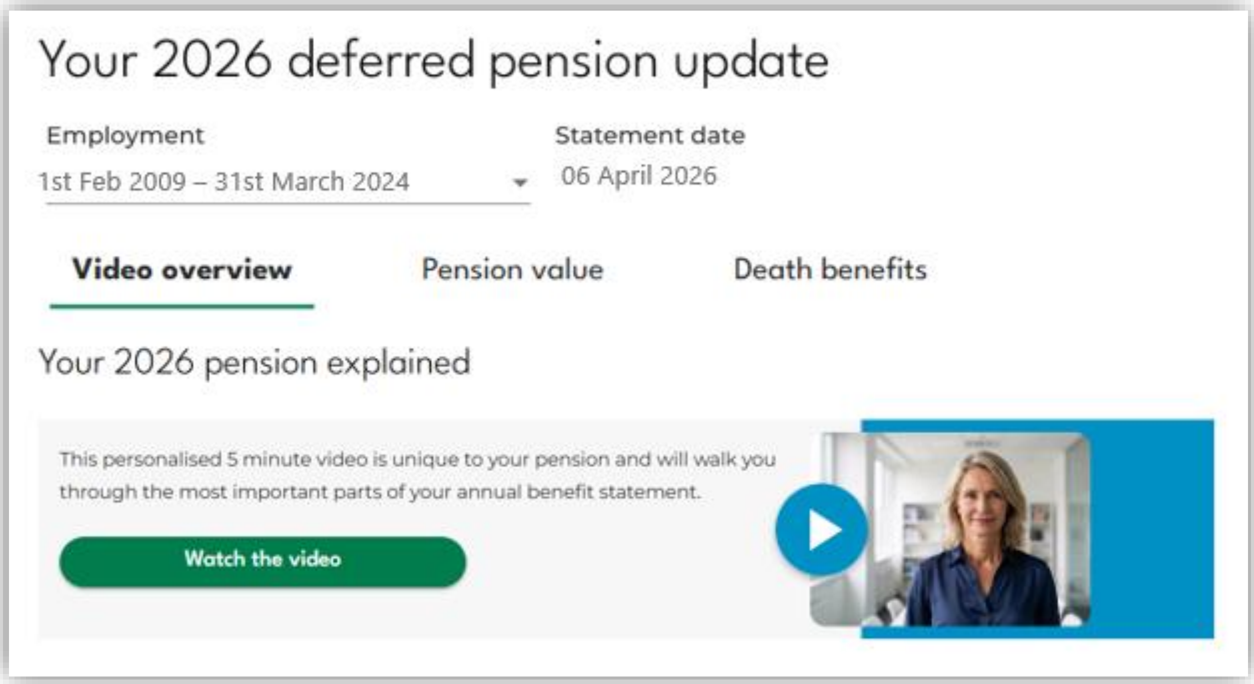
To print a copy of your statement, scroll to the bottom of the screen and select **Download a printed version**:


If you have more than one post (or pension record), you will need to select each post from the dropdown menu at the top of the page and download a separate statement for each record.

## Deferred scheme members (no longer paying into the scheme)

### Video overview

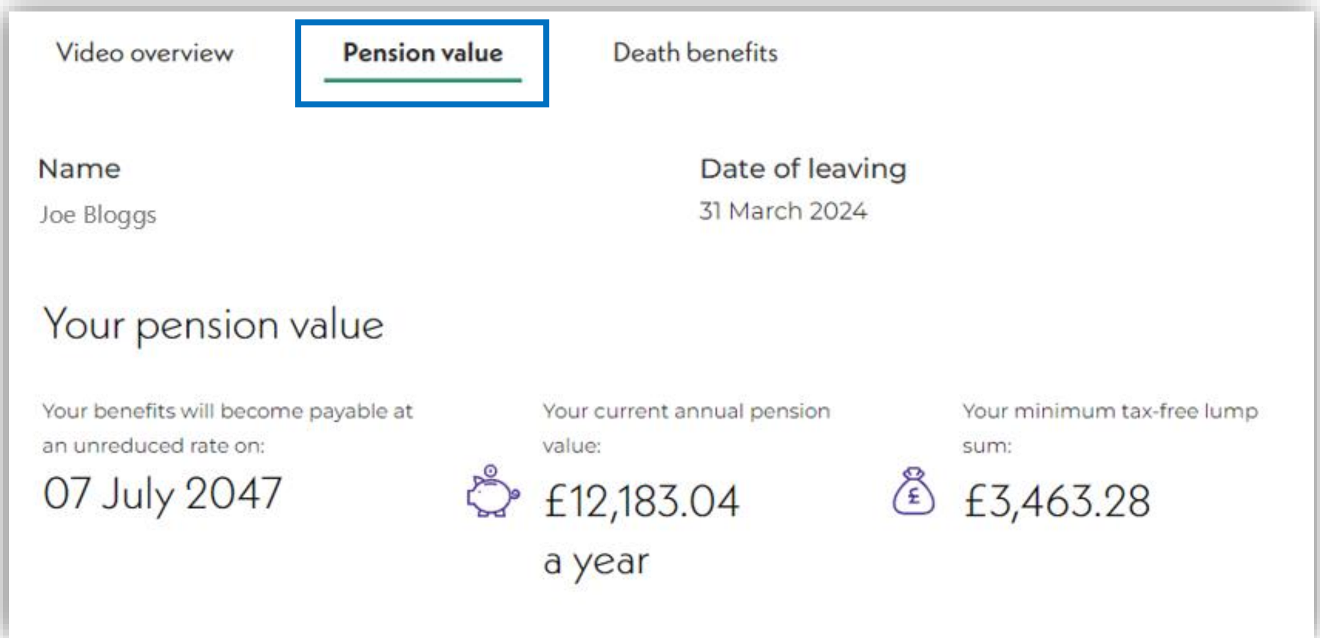
Your personalised video explains the key points about your annual benefit statement. To play the video, simply select **Watch the video**:




### Pension Value

This section provides a summary of your deferred benefits on 6 April 2026. 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):



If a **Pension Sharing Order** (following a divorce) or a **Scheme Pays Offset** (Annual Allowance) has been applied to your deferred pension benefits, an alert will be shown. This will confirm that the relevant debit has **not** been included in the figures shown on your statement, and that the appropriate deduction will be applied at the point of retirement:

**Divorce debit:**

> Please note that you have a divorce debit (pension sharing order) valued at £1625.42, which is not included in the figures presented in this statement. Deductions will be applied at the point of retirement.

**Annual allowance debit:**

> Please note that you have high earner debits (scheme pays offset) valued at £120, which is not included in the figures presented in this statement. Deductions will be applied at the point of retirement.

Select **Detailed info and breakdowns** for further details about each of the figures shown:

> Detailed info and breakdowns

Select **How the McCloud remedy affects your pension** to find out more about the McCloud remedy:

> How the McCloud remedy affects your pension

**What is the McCloud Remedy**

The McCloud Remedy is a legislative change addressing unlawful age discrimination identified in the 2015 public sector pension reforms. The remedy provides eligible members with underpin protection for benefits built up between 1 April 2015 and 31 March 2022.

**Who is affected**

Some members are protected by the McCloud remedy. If you are protected, we will compare the pension you built up during the remedy period with the pension you would have built up under the previous final salary scheme. If you would have built up a higher pension in the final salary scheme, your pension will be increased. This increase is known as your **final guarantee amount**.

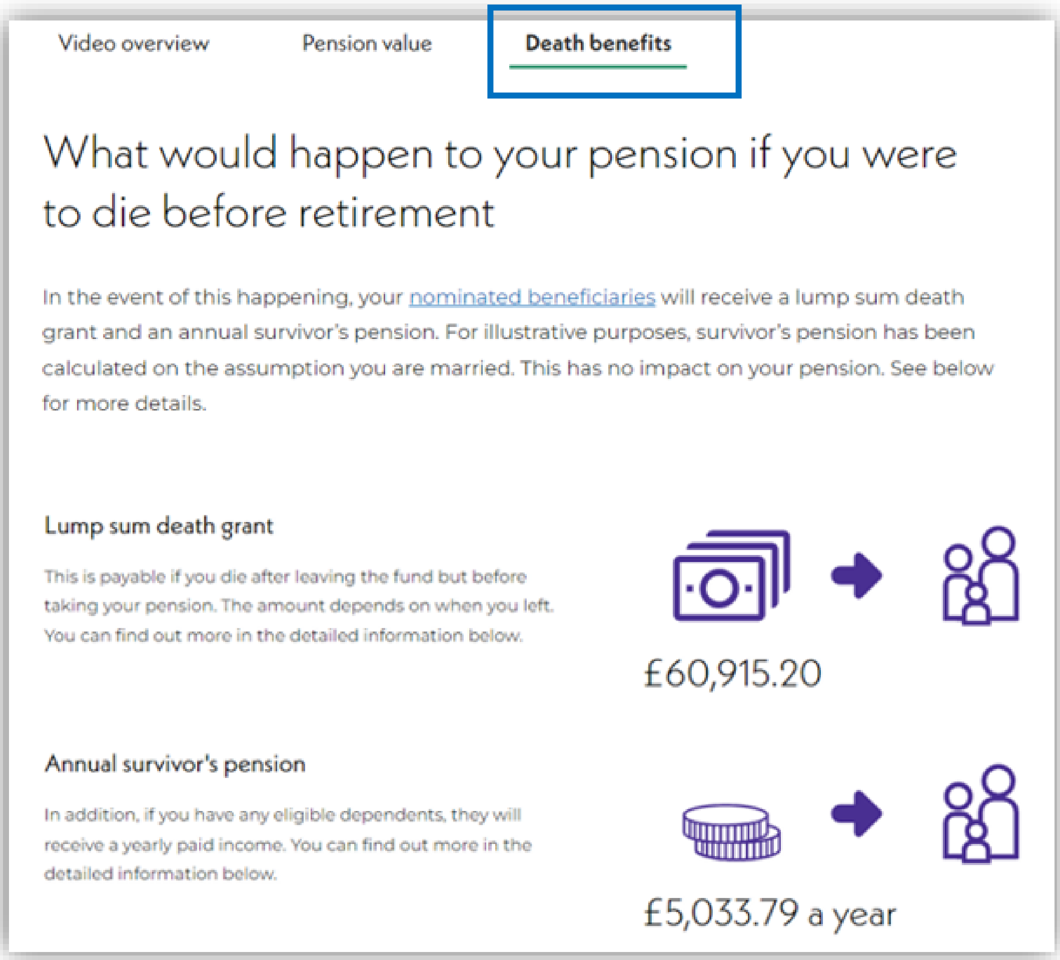
If an estimated final guarantee amount applies to your deferred pension, it will be listed separately in your pension breakdown.

Any estimated final guarantee amount is based on the pay information currently held by the fund. We will work out the actual final guarantee amount when you take your pension. It could be higher or lower than the estimate shown, but it will never be less than zero.

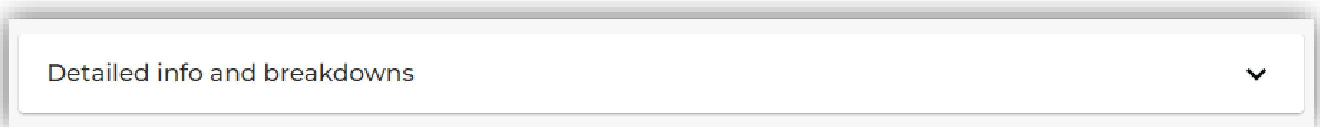
## Death benefits

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):




Select **Detailed info and breakdowns** for more information about how the lump sum death grant and annual survivors' pension have been calculated:




**Further information about survivor's benefits can be found on page 37 of this guide.**

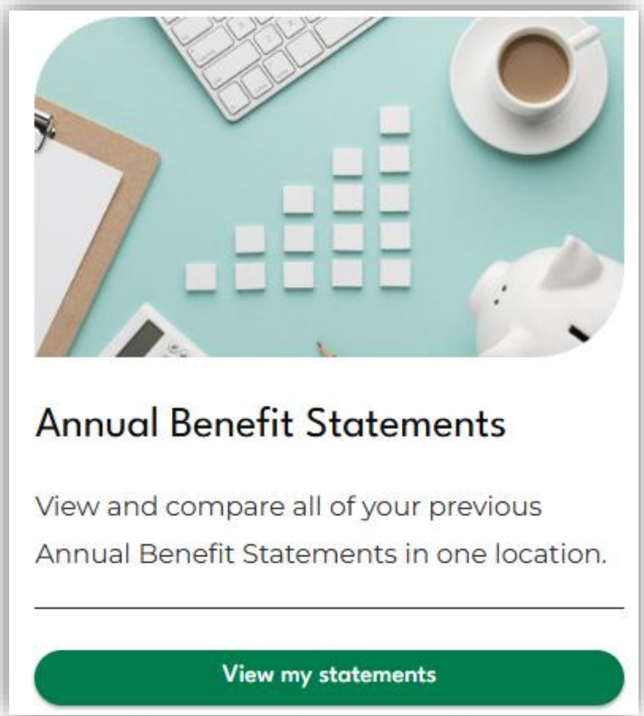
To print a copy of your statement, scroll to the bottom of the screen and select **Download a printed version**:


If you have more than one post (or pension record), you will need to select each post from the dropdown menu at the top of the page to download a separate statement for each record.

## Deferred Councillor members

Deferred Councillor members are those who have left public office and are no longer paying into the Scheme.

You can access your deferred pension statement through the **Annual Benefit Statement** tile on your My Pension dashboard:




**For further guidance, please refer to page 14 of this guide.**

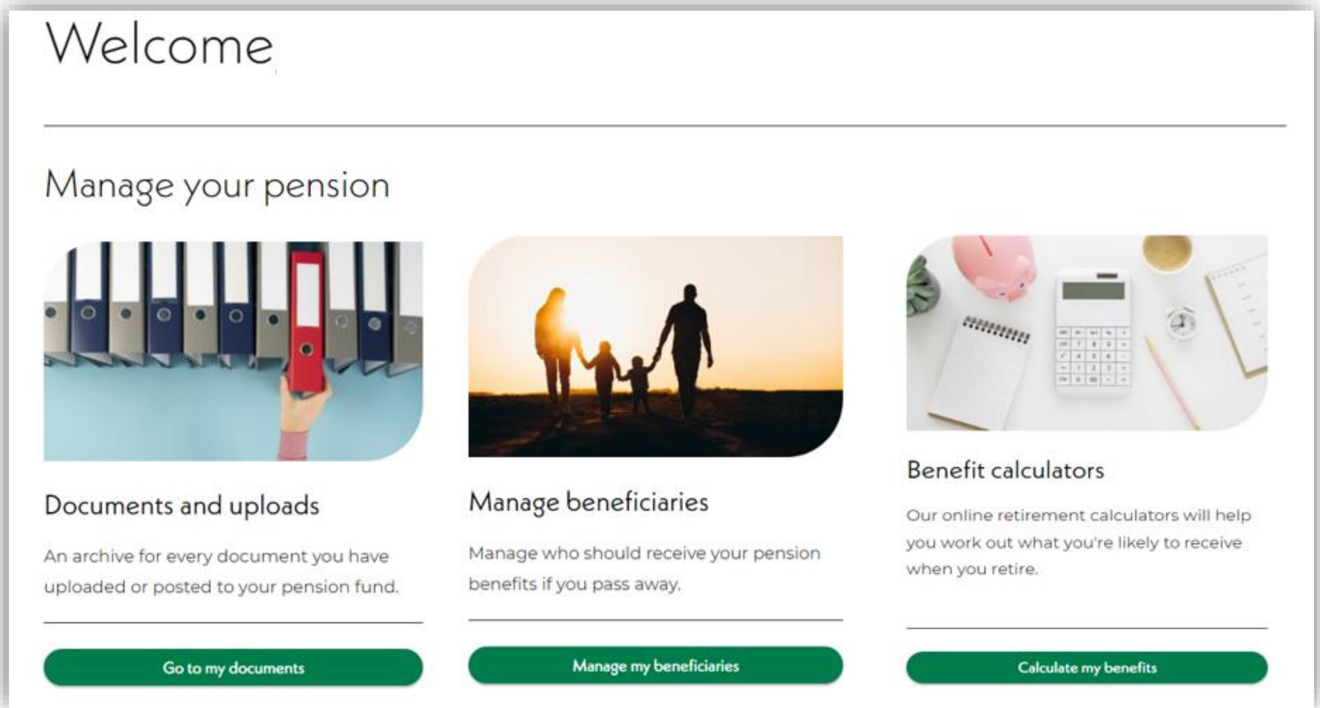
If you have not yet registered for My Pension, instructions on how to register can be found on page 4.

## Active Councillor members

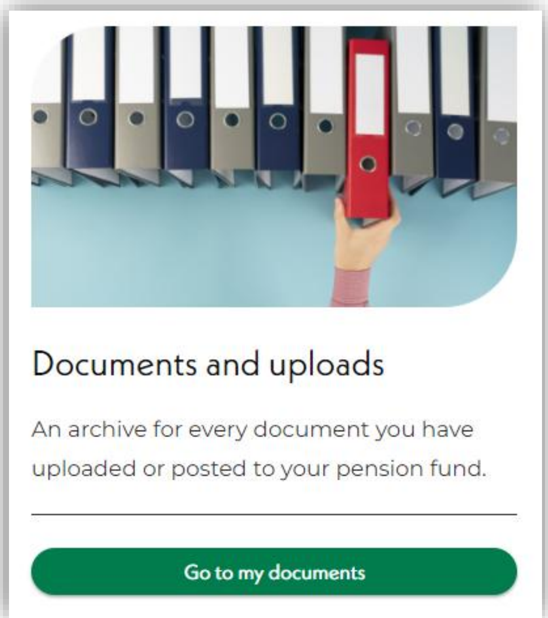
Active Councillor members are unable to see the **Annual Benefits Statement** tile at this time. Instead, we have uploaded a PDF document to your **Documents and uploads**.

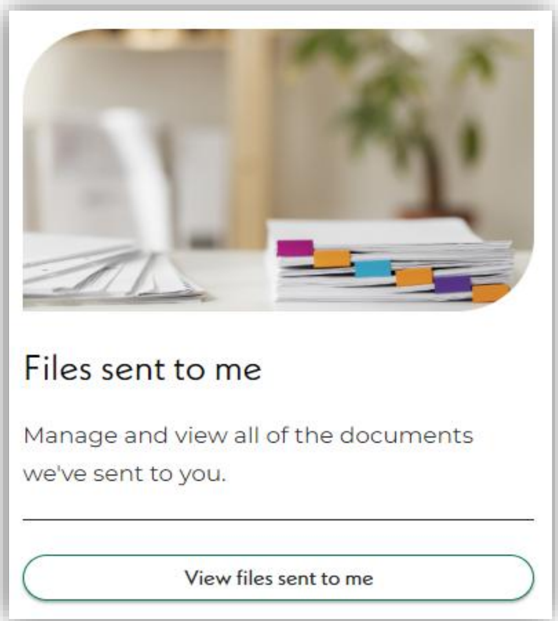
**If you have not yet registered for My Pension, instructions on how to register can be found on page 4 of this guide.**

Once you have logged in you will be taken to your My Pension dashboard:

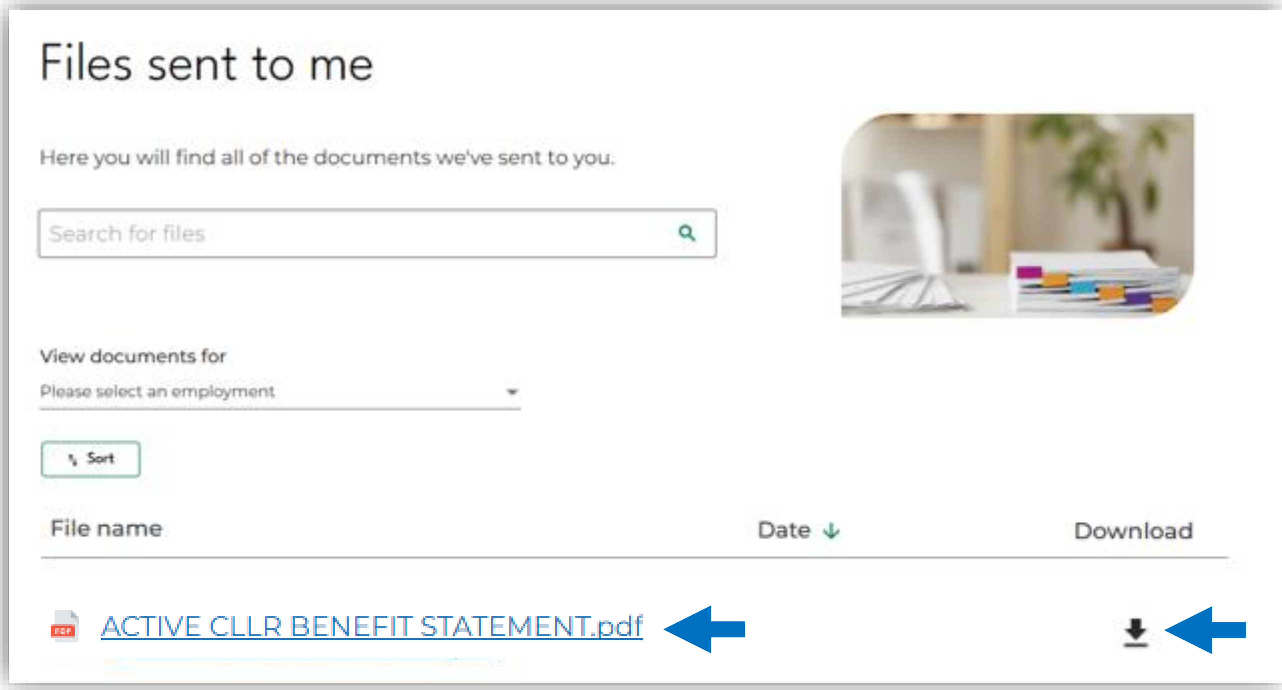



Select **Documents and uploads**, then **Files sent to me**:



The PDF document we have sent to you will be shown in the box below:




You can open your document(s) by selecting the **file name** or 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 of the Local Government Pension Scheme (LGPS) (Scotland), you will receive an annual benefit statement each year for every active employment you hold. Your statement shows the estimated value of the pension benefits you have built up in the LGPS up to 31 March 2026. It also includes a projection of the pension benefits you could build up if you continue working and contributing to the scheme until your Normal Pension Age, assuming there are no changes to your pay or contractual hours.

### 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 is linked to your State Pension Age. This means that if the Government changes your State Pension Age, your Normal Pension Age for your LGPS benefits will also change. You can check your State Pension Age using the Governments online calculator: [www.gov.uk/state-pension-age](www.gov.uk/state-pension-age)

### What is a deferred benefit statement?

If you have previously contributed to the LGPS and have since left that employment (or opted out of the scheme) with at least 2 years membership, you will hold deferred benefits relating to that period of membership. Your deferred benefits are increased each April in line with the Pension Increase (PI) Review Order to make sure they keep pace with the cost of living. You will receive a deferred benefit statement each year showing you the current value of your pension benefits and the date they 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 changes in the cost of a typical basket of goods and services over time. Pension increases are based on the CPI figure at the previous September. CPI at September 2025 was 3.8%, this means that your pension benefits have been increased by 3.8% from 6 April 2026.

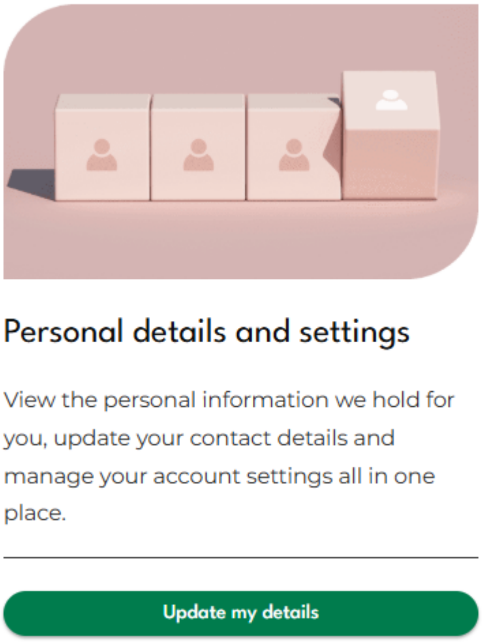
### Why do I not have an annual benefit statement?

You will not receive a statement if:

- you joined the LGPS after 31 March 2026 (your first annual benefit statement will be available to view at the end of August 2027).
- 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.




You can update your personal information, including your home address, contact telephone numbers, email address and passwords by logging into your My Pension account – select **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 using the **My uploads** facility on your My Pension account.


**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 available to us immediately, and we receive an automatic notification when new documents are submitted.

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 or your local Highland Council Service Point, and we will take copies for you.

Please do not send us your original documents in the post. However, if you do need to send them, please make sure these are sent by Royal Mail's recorded delivery service and clearly marked for the attention of 'The Pensions Manager'. We cannot be held responsible for any original documents that are lost or fail to reach this office.

### 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.

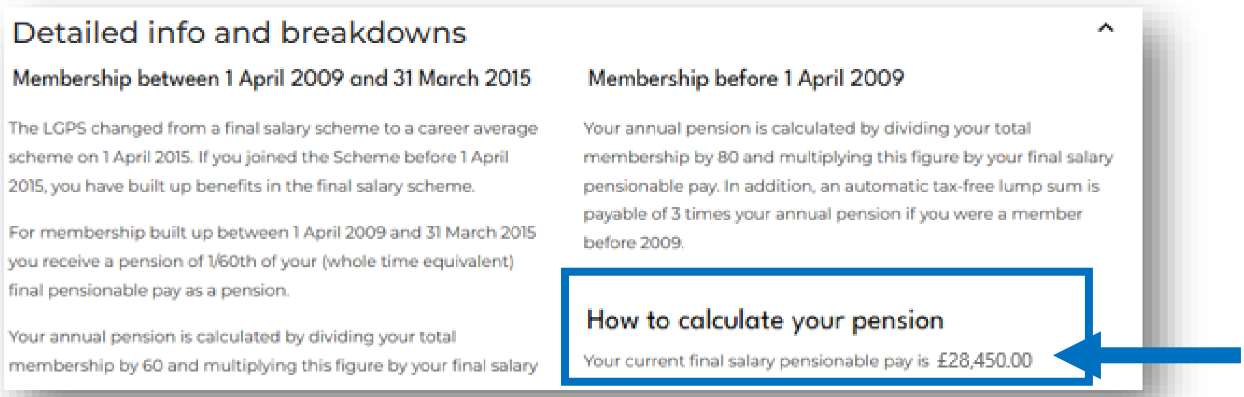
If you were not a member of the LGPS before 1 April 2015 (or have not brought a transfer into the LGPS which purchased final salary membership), you will not have built up any benefits in the final salary section of the scheme.

### What is final salary pensionable pay?

This is the pay used to calculate any final salary benefits you have built up before 1 April 2015.  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.
- Any deductions to your pay because of a salary sacrifice arrangement will reduce the final salary pensionable pay used to calculate your pension.

The final salary pensionable pay used to calculate the benefits shown on your annual benefit statement information can be found in the **Pension breakdown** section. Select **Detailed info and breakdowns**:



**Important:**

**If you think your pensionable pay figure is incorrect, please contact us as soon as possible.** The figure is supplied by your employer as part of their annual return and is used to calculate the benefits shown on your statement, including your pension projection. **Our contact details can be found at the end of this guide.**

Your statement is based on your circumstances at 31 March 2026. The pensionable pay figure used is therefore based on your earnings for the period 1 April 2025 to 31 March 2026, and **not your current salary**. You can check this figure against the information shown on your P60 certificate provided by your employer.

## 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 pensionable pay and the length of time you built up pension benefits in the final salary section of the scheme.

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

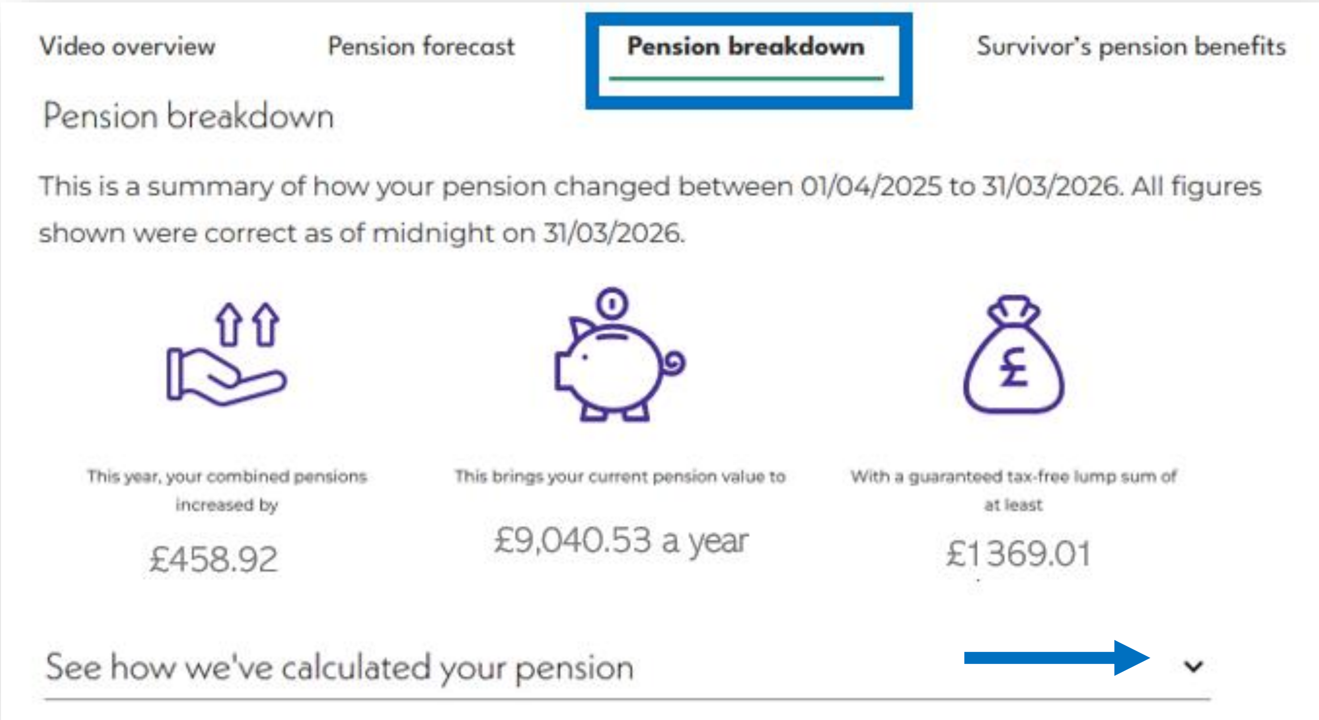
| | | |
|---|---|---|
| Annual pension = | 15 years x £25,000 ÷ 80 = | **£4,687.50** |
| Automatic lump sum = | 15 years x £25,000 ÷ 80 x 3 = | **£14,062.50** |

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.

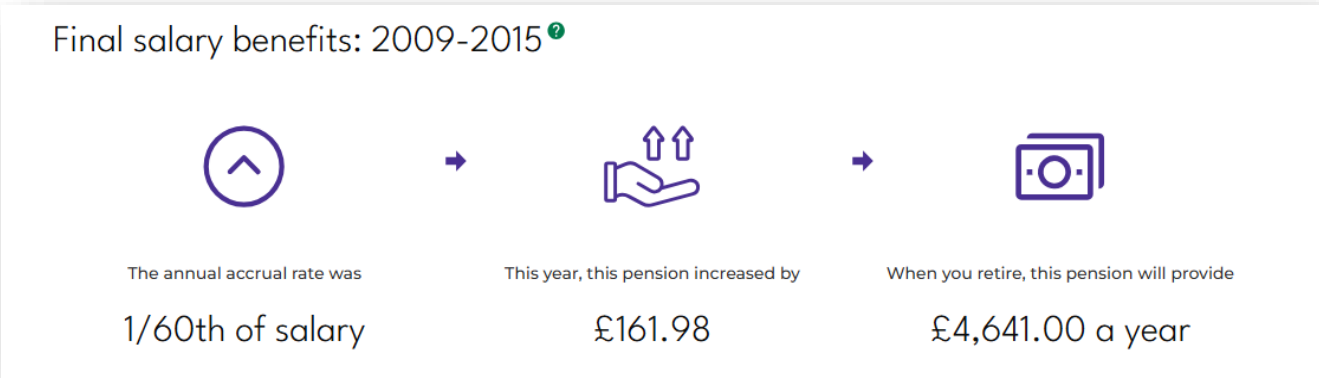
The example below shows how we work this out, based on:
- a member with 6 years membership between 1 April 2009 to 31 March 2015
- with a final pensionable pay of £25,000

| | | |
|---|---|---|
| Annual pension = | 6 years x £25,000 ÷ 60 = | **£2,500.00** |

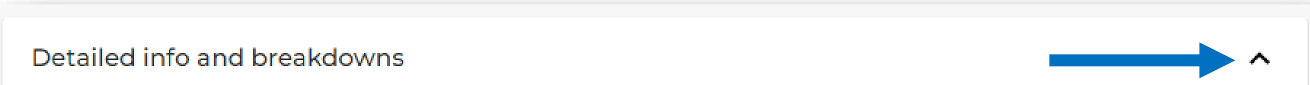
You can find out how much final salary pension and any automatic lump sum you have built up at 31 March 2026 in the **Pension breakdown** section. Select **See how we've calculated your pension**:



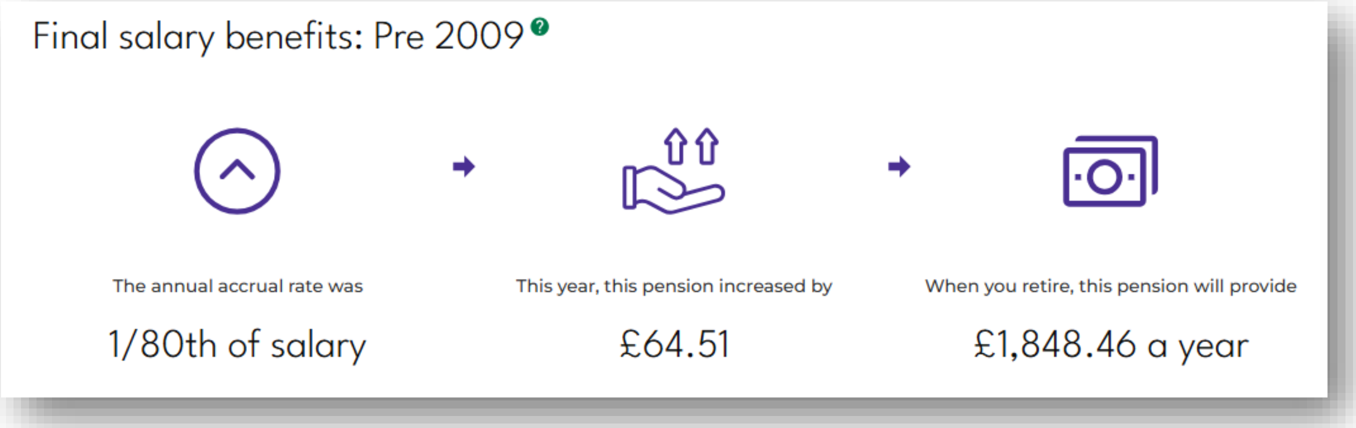

**Final Salary benefits: 2009-2015:** Membership built up between 1 April 2009 to 31 March 2015 (example below):



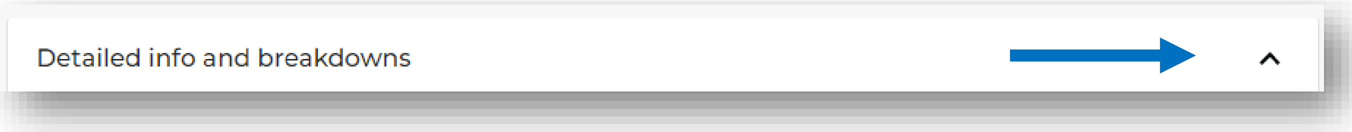

For a full breakdown of your final salary 2009-2015 calculation, select **Detailed info and breakdowns**:



**Final Salary benefits Pre 2009:** Membership built up before 1 April 2009 (example below):




For a full breakdown of your final salary Pre 2009 calculation, select **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 ÷ 49 = £408.16 | £408.16 | -0.10% | £407.75 |
| 2016/17 | £407.75 | £20,500 ÷ 49 = £418.37 | £826.12 | 1.0% | £834.38 |
| 2017/18 | £834.38 | £21,000 ÷ 49 = £428.57 | £1,262.95 | 3.0% | £1,300.84 |
| 2018/19 | £1,300.84 | £21,500 ÷ 49 = £438.78 | £1,739.62 | 2.4% | £1,781.37 |
| 2019/20 | £1,781.37 | £22,000 ÷ 49 = £448.98 | £2,230.35 | 1.7% | £2,268.27 |
| 2020/21 | £2,268.27 | £22,500 ÷ 49 = £459.18 | £2,727.45 | 0.50% | £2,741.09 |

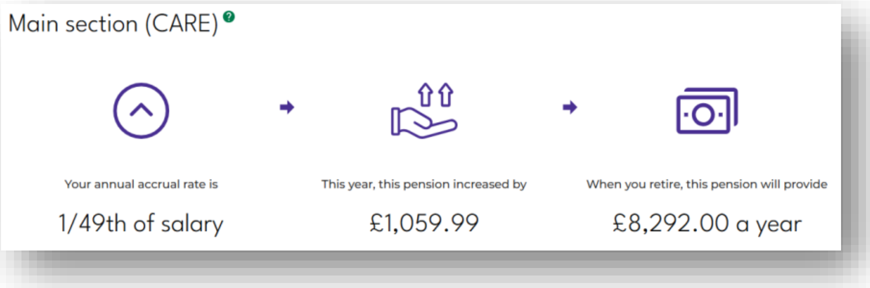
| | | | | | |
|---|---|---|---|---|---|
| 2021/22 | £2,741.09 | £23,000 ÷ 49 = £469.39 | £3,210.48 | 3.10% | £3,310.00 |
| 2022/23 | £3,310.00 | £23,500 ÷ 49 = £479.59 | £3,789.59 | 10.10% | £4,172.34 |
| 2023/24 | £4,172.34 | £24,000 ÷ 49 = £489.80 | £4,662.14 | 6.7% | £4,974.50 |
| 2024/25 | £4,974.50 | £24,500 ÷ 49 = £500 | £5,474.50 | 1.7% | £5,567.57 |
| 2025/26 | £5,567.57 | £25,000 ÷ 49 = £510.20 | **£6,077.77** | **3.8%** | **£6,308.73** |

So, in this example, the total annual pension built up over the 11 years to 31 March 2026 is **£6,308.73.** Although your benefits have been increased by 3.8% 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 2026 and the cost-of-living adjustment does not take place until 6 April 2026.

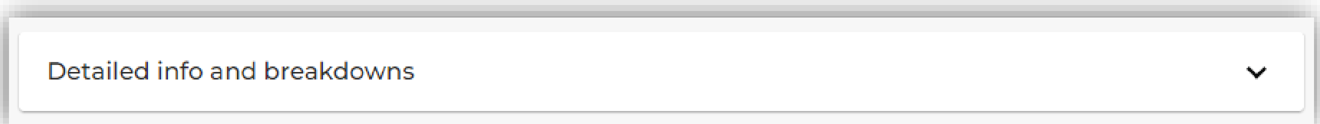
If you elected to join the 50-50 section of the scheme (where you pay half the normal rate of contributions), you will receive half (or 1/98th) of the amounts shown above for the period of your election.

You can find out how much CARE pension you have built up in the **Pension breakdown** section. Select the dropdown called **See how we've calculated your pension:**


**Main Section (CARE):** Membership built up from 1 April 2015 (example below):



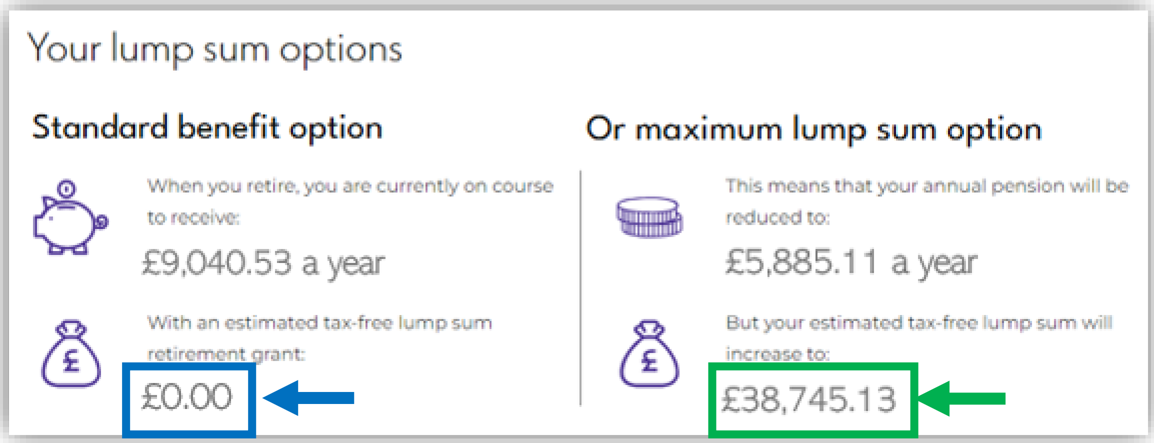

For a full breakdown of your CARE calculation, select **Detailed info and breakdowns**:




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 this employment ) on or after 1 April 2009, your estimated standard lump sum will show as £0.00.  Example below:




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

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

When you retire, you can choose to convert part of your annual pension to provide a tax-free lump sum.  For every £1 of annual pension you give up, you will receive £12 of tax-free lump sum.  HM Revenue and Customs (HMRC) limits the amount of tax-free lump sum you can receive. From 6 April 2024, the maximum lump sum is the lowest of:

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

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

- For members who do not have Additional Voluntary Contributions (AVCs):
  120 x annual pension + 10 x automatic lump sum (if any) ÷ 7 = total capital value.

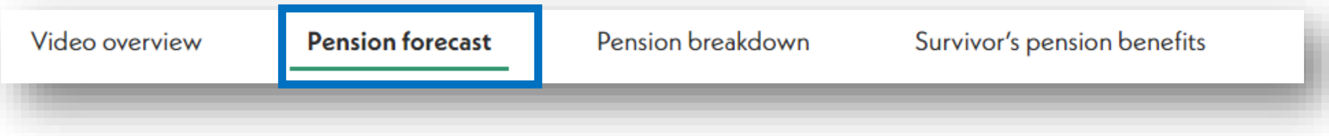
- For members who are paying in-house AVCs:
  120 x annual pension + 10 x automatic lump sum (if any) + 10 x in-house AVC pot ÷ 7 = total capital value.

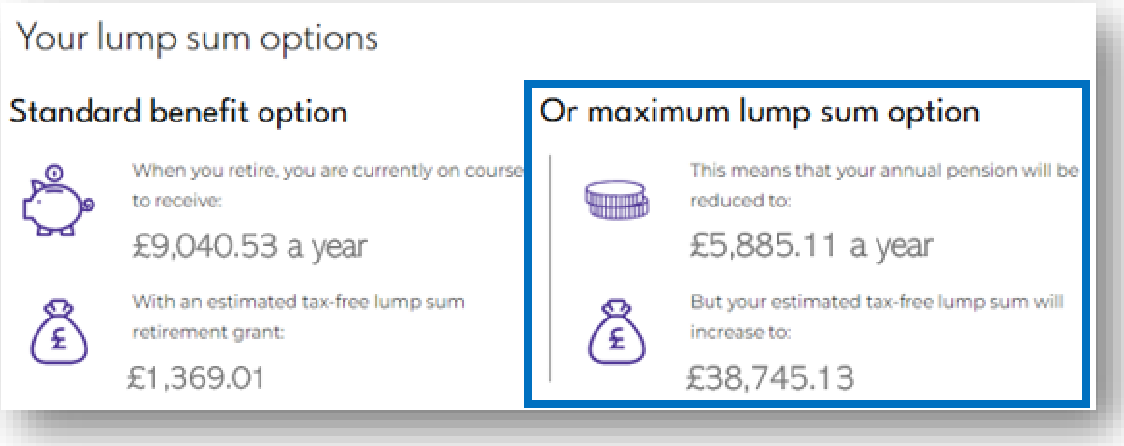
In some case, a member's AVC pot, when added to the automatic lump sum, may exceed the maximum tax-free lump sum allowed.  Where this happens, only the amount of the AVC fund to reach the maximum can be taken as tax-free cash.  The remainder of the AVC fund can be used to:

- Buy extra pension (if you paid into the scheme on or after 01 April 2015
- Buy extra membership (if you paid into the scheme before 30 June 2005
- Buy an annuity with Prudential
- Buy an annuity with another annuity provider
- Taken as cash, but taxed through PAYE.

If you have previously received a serious ill health lump sum, an additional limit applies. In these circumstances, the maximum lump sum you can take is £1,073,100, less the value of the serious ill health lump sum and any other pension lump sums you have already taken.

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:




If you have an AVC fund, you can use the Lump sum calculator :: LGPS Scotland to work out the maximum tax-free lump sum you can take, including your AVC fund.

When using the calculator, enter:

- The value of your **annual pension** at the date you intend to take your benefits.
- The value of any **automatic lump sum** you are entitled to receive. An automatic lump sum is only payable if you were a member of the LGPS before **1 April 2009**.
- The amount of your **AVC fund** that you wish to take as a lump sum.

Your **Annual Benefit Statement** shows the value of your pension benefits as at **31 March 2026** and also includes an estimate of your benefits at your Normal Pension Age.
If you have an AVC fund, you may be able to take all of it as part of your tax-free lump sum. However, taking some or all of your AVC fund as a lump sum will reduce the amount of LGPS pension benefits that can be converted into additional lump sum.

### 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 2026 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 2026 pension update?

You may hold more than one pension record, one for each separate employment. You will receive a separate 2026 pension update for each period of membership you hold.

You may also hold separate deferred benefits from a previous period of employment if you chose not to join them 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 see your 2026 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 2026 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 2026 pension update?

AVC statements are produced and issued separately 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?

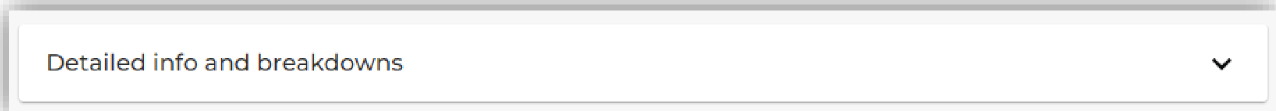
If you elected to buy Added years or Additional Regular Contributions (ARCs) **before 31 March 2015**, then the amount of pension you have purchased will be included with your final salary benefits.

If you have elected to pay Additional Pension Contributions (APCs) **after 31 March 2015**, any additional contributions you have made will be included with your CARE pension calculation.

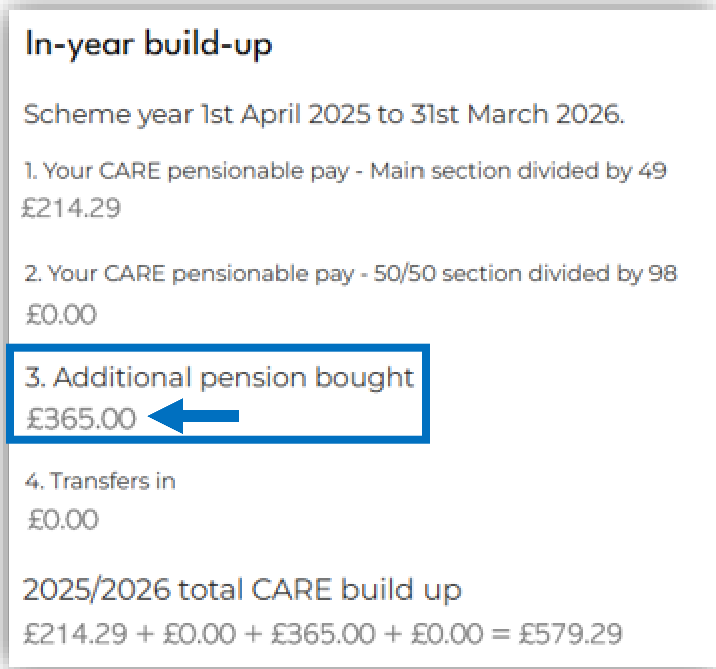
Any APCs paid during the scheme last year (1 April 2025 to 31 March 2026) can be found on the **Pension breakdown** section:


Select **See how we've calculated your pension**:


Then, **Detailed info and breakdowns**:




The amount of APC purchased up to 31 March 2026 will be shown under item 3. Additional pensions bought:



### Where can I see my transferred-in benefits?

If you transferred-in pension rights from another pension arrangement into the LGPS, you will have received a transfer credit.

**If you transferred pension rights into the scheme** before 1 April 2015, or transferred them after 1 April 2015 and they were permitted to count as final salary membership, this service will be included within your final salary benefits.

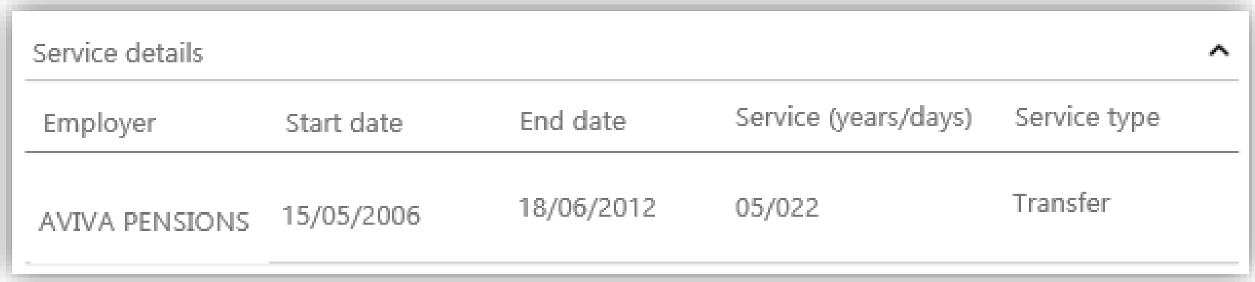
You can view your transferred-in membership by selecting:

- **Personal details and settings**, then
- **Employment details**, followed by
- **Membership details**:

Details of any transferred in membership will be shown under **Service details:**

- Select the dropdown arrow to expand this section:

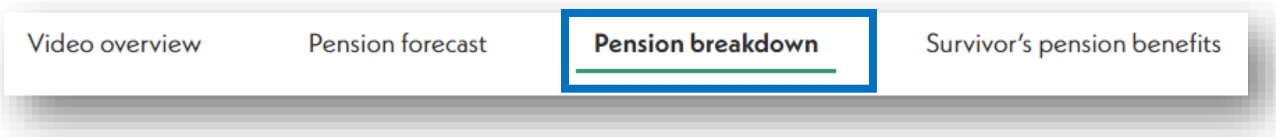

The **Service details** section contains a record of your previous membership history, including any transferred in membership that counts towards your final salary benefits:


Service details

| Employer | Start date | End date | Service (years/days) | Service type |
|---|---|---|---|---|
| AVIVA PENSIONS | 15/05/2006 | 18/06/2012 | 05/022 | Transfer |

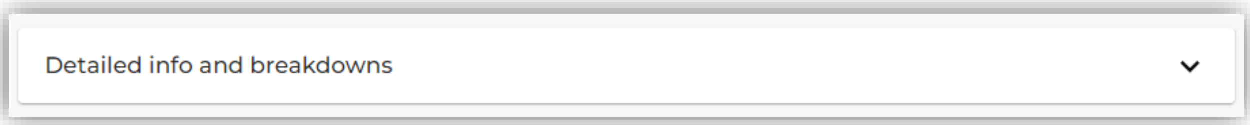
**If you transferred pension rights into the scheme** on after 1 April 2015, this transfer will normally be credited as additional CARE pension benefits and will be reflected in your CARE pension calculation.

Any transferred-in CARE membership during the last scheme year (1 April 2025 to 31 March 2026) can be viewed in the **Pension breakdown** section:

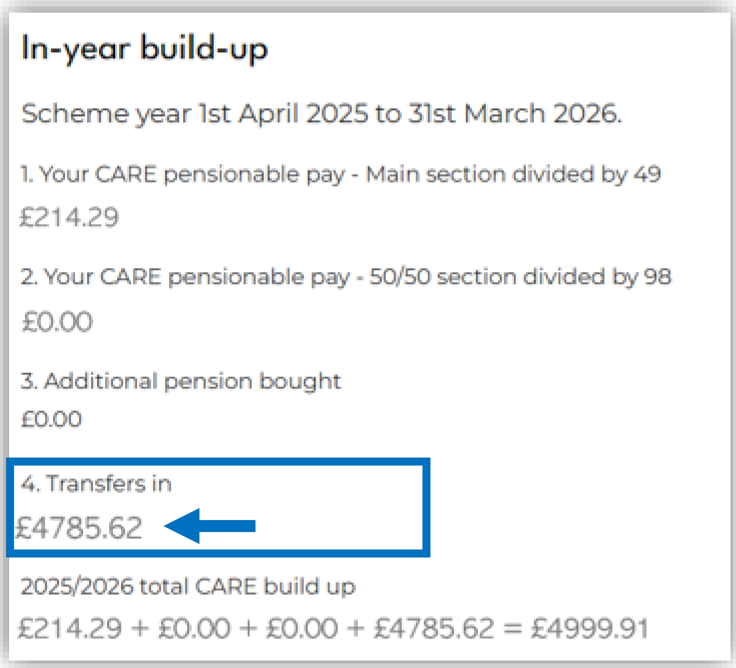


Select **See how we've calculated your pension**:


Then, **Detailed info and breakdowns**:




The amount of CARE pension credited as part of transferred in CARE benefits up to 31 March 2026 will be shown under item 4. Transfers in:

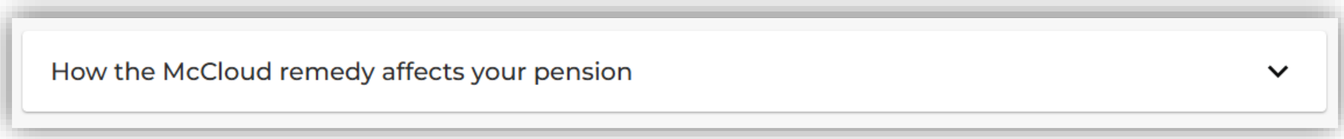



### What if I have a certificate of protection?

If you have received a certificate of protection from your employer following a permanent reduction to your pensionable pay, your pension benefits may be increased when you leave the scheme. This increase is based on a previous period when your pensionable pay was higher. It is not possible for us to include any protections which may apply in your annual benefit statement information. However, when you do come to leave the scheme, and your Certificate of Protection remains valid, any additional benefits due to you will be included when your pension benefits are calculated and paid.

## Does my annual benefit statement include the McCloud underpin

To learn more about the McCloud Remedy and how this may affect your pension benefits, select **How the McCloud remedy affects your pension**:




### What is McCloud

The **McCloud Remedy** is a change to public service pension legislation that addresses unlawful age discrimination identified in the 2015 public service pension reforms. As part of the remedy, eligible LGPS members receive **underpin protection** for pension benefits built up during the **remedy period**, from **1 April 2015 to 31 March 2022**.

### Who is affected

Some LGPS members are protected by the McCloud remedy. If you are eligible, we will:

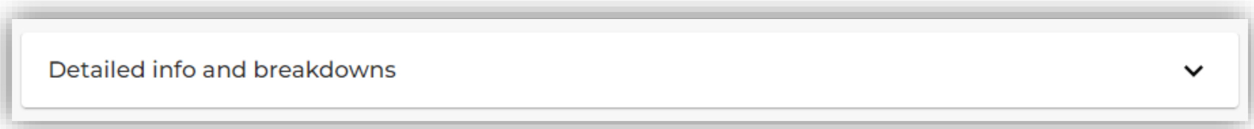
- compare the pension you built up in the CARE scheme during the remedy period; and
- the pension you would have built up under the previous final salary scheme.

If the pension built up under the final salary scheme would have been higher, your pension benefit will be increased to match that higher amount. This increase is known as the **McCloud underpin** or your **final guarantee amount**.

### Will my Annual Benefit Statement show my McCloud protection?

Any McCloud protection that may apply cannot always be accurately reflected in your **Annual Benefit Statement**, as the final underpin calculation depends on information that is only available when your benefits become payable.

For most members, the 2026 Annual Pension Statement will include an **estimated Final Guarantee Amount,** where applicable. If an estimated final guarantee amount applies to your pension, it will be shown separately within the **Detailed info and breakdowns** section:




Please note that this is an estimate only. Your actual McCloud underpin entitlement will be calculated when your pension benefits become payable and may differ from the estimate shown on your Annual Benefit Statement. The final amount awarded may be higher or lower than the estimate shown, but it will never be less than zero.

**For members who joined after 31 March 2022 and have transferred-in membership from another Public Service Pension Scheme,** we have been unable to provide an estimated final guaranteed amount on this year's statement.

This does not affect your entitlement to underpin protection. It simply means that we have not been able to provide a reliable estimate of any underpin that may apply. If you are entitled to an increase under the **McCloud Remedy**, this will be assessed automatically when you take your pension benefits. Any additional pension due as a result of the remedy will be calculated and applied at that time.

### Does the current value of my benefits at 31 March 2026 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 as at 31 March 2026. It does not take account of any reductions that may apply if you choose to take your pension before your Normal Pension Age (NPA).

Your NPA is the age when you can retire and take the pension you have built up without any early retirement reductions:

- for pension benefits built up before 1 April 2015, your NPA is age 65
- for pension benefits built up from 1 April 2015 onwards, your NPA is linked to your State Pension age (SPA), but with a minimum age of 65.

You can check your State Pension Age by using the UK Government's State Pension Age calculator: https://www.gov.uk/state-pension-age.

If you take your pension before your NPA, your benefits will normally be reduced because they are being paid earlier and for longer. The reduction applied depends on the number of years and days from the date your pension starts to your NPA. 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/resources/early-retirement-reduction-factors/.

Please note, the Government has announced that the earliest age you can take your pension benefits will increase from age 55 to age 57 from 6 April 2028. This does not apply to pensions paid on the grounds of permanent ill health.

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

No. Your annual benefit statement is purely an illustration of what you might receive when you retire and should not be relied upon to make any financial decisions.

The information shown on your statement is mass produced based on pay information we receive from your employer, and may not reflect all adjustments which can affect the calculation of your pensionable pay. For example, the pensionable pay used may not yet reflect:

- Periods of unpaid leave
- Acting up or temporary responsibility payments
- Reductions resulting from salary sacrifice arrangements
- Backdated payroll adjustments
- Other changes during the 2025-26 tax year which relate to a previous tax year

These factors could affect the pay used to calculate the pension benefits shown on your statement.

**If you believe the pensionable pay figures used to calculate your annual benefit statement are incorrect, please contact us as soon as possible. Our contact details can be found at the end of this guide.**

## Planning for retirement

If you are considering retirement, or starting to plan for it, our Retirement Planning Guide can help you understand your options and the steps involved. The guide is available from the resources section of our website: https://www.highlandpensionfund.org/resources/.

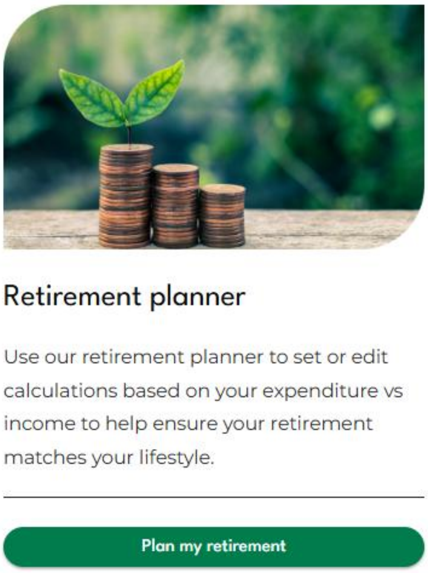
### Use My Pension to model your retirement options

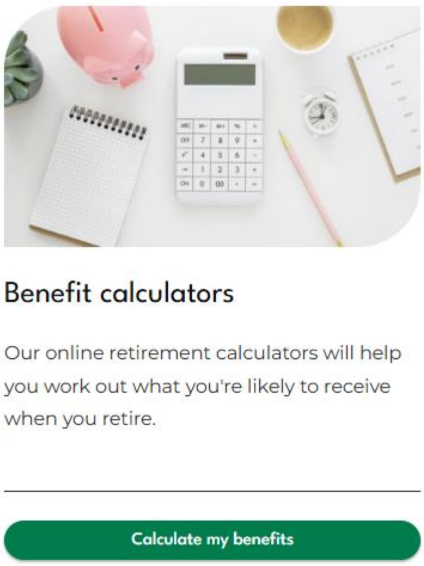
By logging into your My Pension account, you can access a range of online tools designed to help you plan for retirement.

Using the **Retirement Planner** and **Benefit Calculator**, you can:

- Estimate your pension benefits at different retirement dates
- See the impact of retiring early or later
- Explore your lump sum options
- Compare different retirement scenarios

Look for the **Retirement planner** and **Benefit calculator** tiles on your My pension dashboard. These tools provide personalised estimates based on the information currently held on your pension record and are a useful starting point when considering your retirement options:



The accuracy of the online estimates depends on the quality and completeness of the information held on your record at the time the calculation is carried out. The calculators may not take account of:

- Future pay increases or changes to your working hours
- Changes to your membership or employment status
- Periods of unpaid leave
- Reductions resulting from Salary sacrifice arrangements
- Backdated payroll adjustments
- Future changes to pension legislation or scheme regulations
- Any outstanding information still to be received from your employer

**If you believe the pensionable pay figures used to calculate your online estimate are incorrect, please contact us. Our contact details can be found at the end of this guide.**

For most members, the calculators provide a good indication of the benefits that may be payable at retirement, but the results are not guaranteed and should not be treated as final benefit quotations. Your final pension benefits will only be calculated and confirmed when your retirement is processed.

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, select **Documents and uploads**.

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

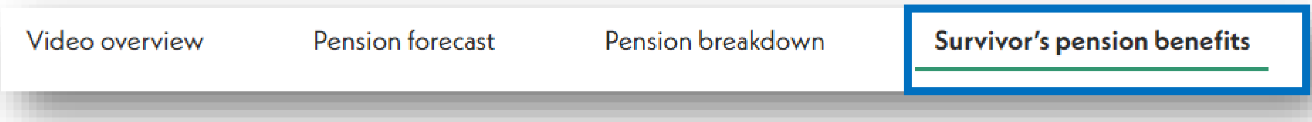
### What are survivor benefits?

The LGPS provides valuable financial protection for your loved ones if you die.

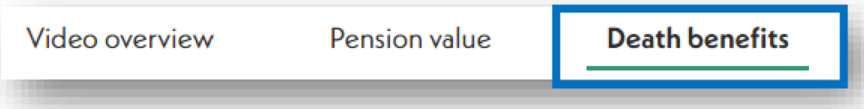
If you die whilst an active member of the LGPS, a lump sum death grant of three times your assumed pensionable pay (APP) will usually become payable. APP is not necessarily three times your actual salary at the date of death. This means that if your pay has been reduced due to a qualifying absence, the death grant is normally based on your protected APP figure rather than the lower amount you were receiving.

The LGPS also provides an ongoing pension to an eligible surviving partner (husband, wife, civil partner or cohabiting partner) and any eligible dependant children. Children’s pensions are usually payable until they reach age 18, or up to age 23 if they remain in full time education or approved vocational training.

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



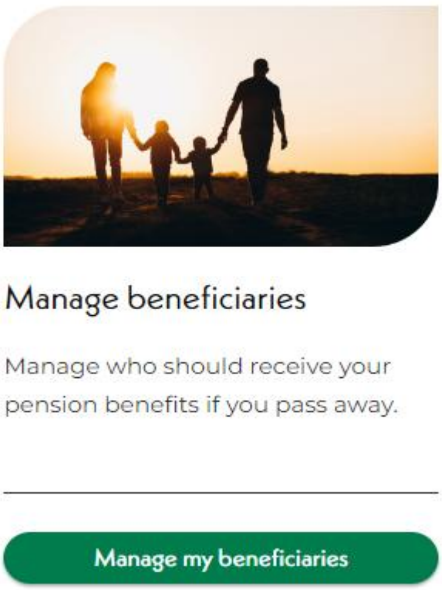

If you are active member who also holds an LGPS deferred benefit, the lump sum death grant payable will normally be the higher of the active **or** deferred death grants. The two death grants are not added together.

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

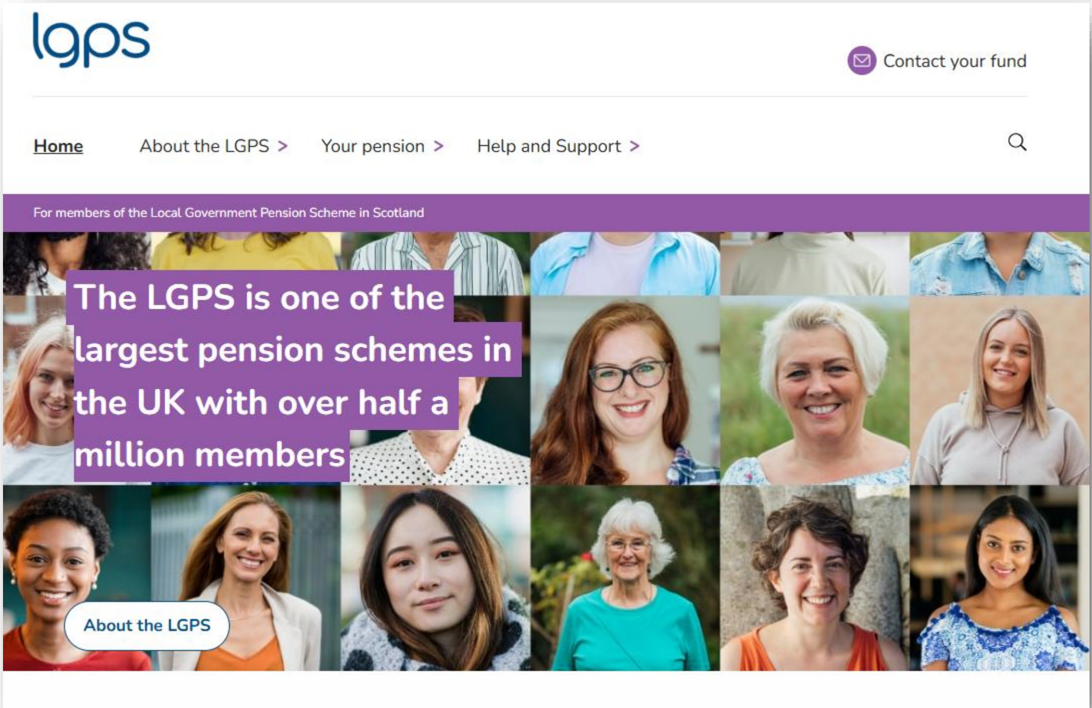
If you are not able to get online, you can request a paper form which we will send to your home address. Our contact details can be found at the end of this guide.

## 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

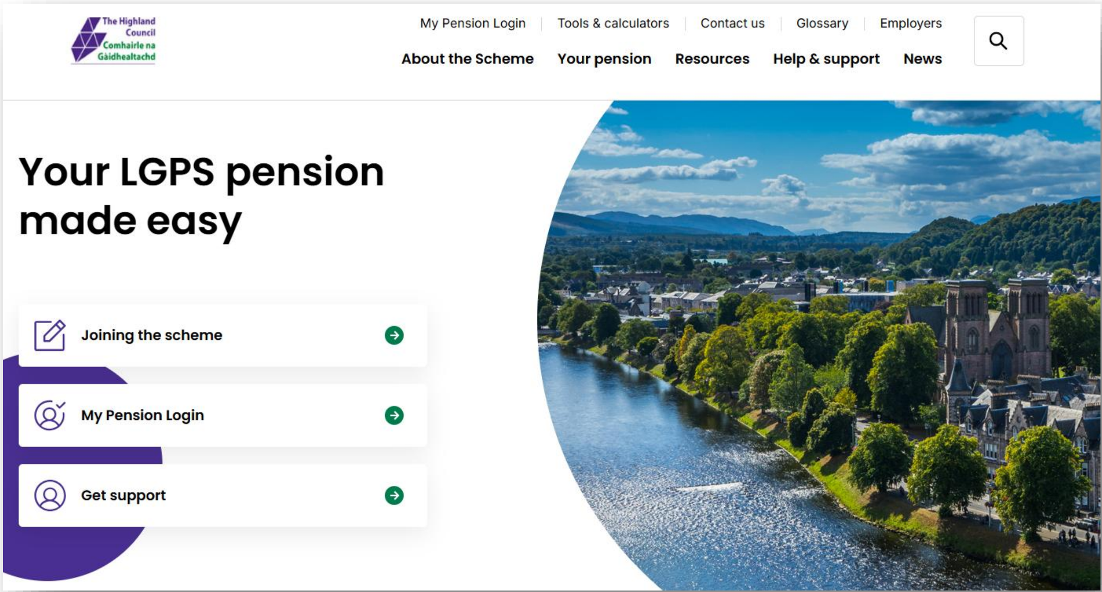
Here you will find:

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




## Highland Pension Fund website:

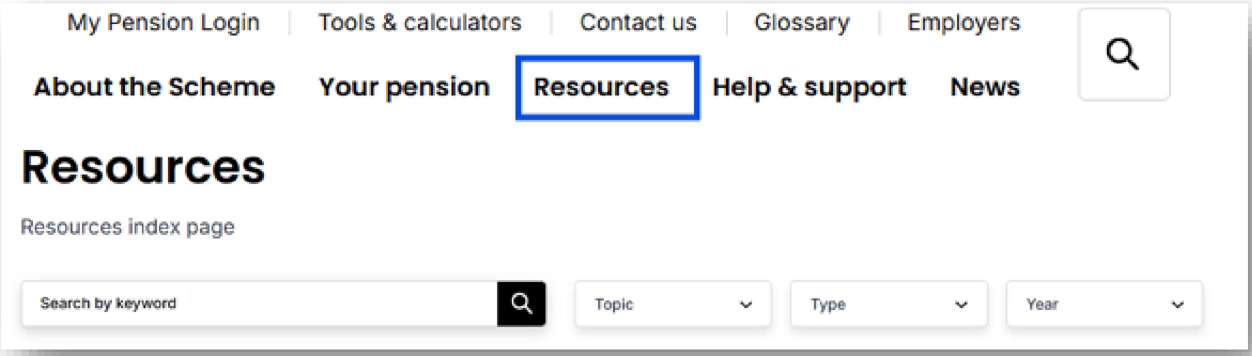
We also have our own dedicated website which you can visit at: www.highlandpensionfund.org.



## 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/.

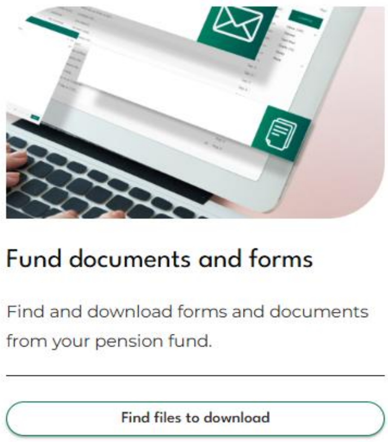
You also search for a resource by entering key words into the search box, or you can filter by document type or topic:




## 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:

- Select 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 the completed form to your desktop or another preferred location.




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

## How to return your completed forms and documents

Please upload your completed forms and all supporting documents securely via your My Pension account:

1. Log in to your My Pension account:
2. Go to **Documents and uploads**
3. Select **My uploads**
4. Follow the simple on-screen instructions.

**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.

For further guidance, please refer to our step-by-step user guide: https://www.highlandpensionfund.org/resources/my-pension-user-guide-my-uploads/.

If you have not yet registered for a My Pension account, you can activate your account here: https://highlandpensionfund.mypensiondetails.co.uk/login.

**Please note that documents returned to us by post will take longer for our teams to process.**

## Contact us

There are several ways to contact us if you need assistance accessing My Pension, or have a question about your Local Government pension benefits.

**Telephone: 01463 702441**
Our telephone lines are open Monday to Friday, 9am to 12noon.

**Email: mypension@highland.gov.uk**
When contacting us by email, please include your National Insurance number to help us identify your pension record and respond to your enquiry as quickly as possible.

**Write to us:**
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. Please contact us by phone or email to book an appointment. This allows us to arrange for the most appropriate member of the team to help your enquiry.

### Using artificial Intelligence (AI) tools for pensions decisions

Pension decisions you make can have long-term consequences and may be difficult (or impossible) to reverse.

AI tools such as **ChatGPT** or **Copilot** can help explain pension concepts, but when mis-used, they can also provide inaccurate, outdated or generic information that does not reflect an individuals' own personal circumstances.

Privacy risks arise when sensitive financial information is shared with AI tools and therefore, you should be mindful of the growing risk of AI-enabled pension scams, for example, AI-generated 'deepfake' videos using trusted financial figures to promote fake investment opportunities. Essentially, whilst AI can be a useful starting point for research, **important pension decisions should be verified using trusted sources and, where appropriate, discussed with a professional regulated financial adviser.**

**If you are unsure about any of the information provided in this guide, please contact our team.**

We recommend that you speak to a regulated financial adviser before making any financial decisions. Often large amounts of money are at stake, and they will be able to help you make the right decision for your individual circumstances.

**Always check that any adviser you choose to use is regulated by the FCA Financial Services Register:**

- Website: https://www.fca.org.uk/firms/financial-services-register.

**MoneyHelper** is a government backed service which provides free impartial pension information and guidance online, over the phone and via webchat:

- Website: www.Moneyhelper.org.uk
- Phone: 0800 011 3797.

## 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 Highland 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.