

The Local Government Pension Scheme Update

We've moved

For those of you living in the Borough, you are probably aware of the new council offices, Bernard Weatherill House. This building is now the main office for around 2,700 staff and through new ways of working, is helping the council to deliver improved, more integrated services.

It includes an innovative new customer access hub which makes it easier and quicker for customers to access council services.

The pensions team moved in to the new building in September 2013, the new address is:

Pensions

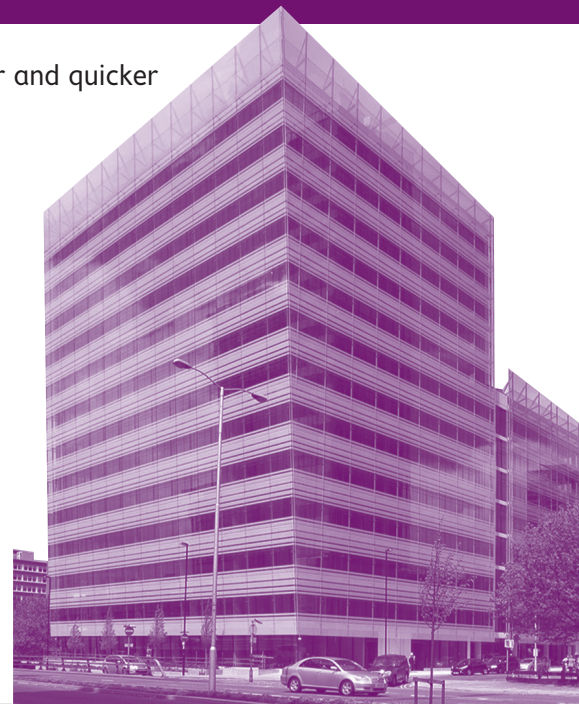
11th floor, Zone A,
Bernard Weatherill House
8 Mint Walk, Croydon CR0 1EA

Our phone number and e-mail address remain the same, please see: 'How to contact us' on the back page.

If you were wondering what is going to happen to Taberner House, it is to be demolished. Work has already started on this and is due to be completed by the end of this year.



Pensions 4u



Pensions Increase



All public service pensions (of which the LGPS is one) are increased each year to reflect the rises in the cost of living. This is sometimes called inflation proofing or index linking. The LGPS offers full index linking to pension benefits i.e. there is no upper limit or capping on the amount by which benefits will be increased in times of high inflation.

Pensions Increase is normally paid to:

- Pensioners who are aged 55 or over; or
- Pensioners who have retired for the reason of permanent ill health at any age; or
- Spouses and dependants of former pensioners

lgps

Pensions Increase 2014

Your LGPS pension is increased annually in line with the rise in the Consumer Price Index (CPI), in accordance with the Pensions Increase Act 1971. Although pensions are increased in April, they are based on the rise in the CPI over the 12 months to the previous September. The pensions increase calculation for **April 2014** has been based on the increase in CPI during the 12 months preceding September 2013 and has been set at **2.7%**.

For pensions which began before 23rd April 2013 this year's increase will be the full **2.7%** effective from **7th April 2014**. For pensions which began on or after 23rd April 2013 the increase will be calculated in accordance with the following table:

From	To	% Increase
Pensions commencing before 23rd April 2013		2.70%
23rd April 2013	22nd May 2013	2.48%
23rd May 2013	22nd June 2013	2.25%
23rd June 2013	22nd July 2013	2.03%
23rd July 2013	22nd August 2013	1.80%
23rd August 2013	22nd September 2013	1.58%
23rd September 2013	22nd October 2013	1.35%
23rd October 2013	22nd November 2013	1.13%
23rd November 2013	22nd December 2013	0.90%
23rd December 2013	22nd January 2014	0.68%
23rd January 2014	22nd February 2014	0.45%
23rd February 2014	22nd March 2014	0.23%

The rates of pensions increase for the last 12 years are:

Date of Increase	Percentage
7th April 2003	1.70%
12th April 2004	2.80%
11th April 2005	3.10%
10th April 2006	2.70%
9th April 2007	3.60%
7th April 2008	3.90%
6th April 2009	5.00%
12th April 2010	0.00%
11th April 2011	3.10%
9th April 2012	5.20%
8th April 2013	2.20%
7th April 2014	2.70%

Pensions Increase and GMP

This is where things get a little complicated. The LGPS is contracted out of the State Second Pension (formerly known as SERPS - the State Earnings Related Pension Scheme). When you reach state pension age you will receive a notice from HM Revenue & Customs giving details of your Guaranteed Minimum Pension (GMP) (this is the amount that is guaranteed to be paid to you by the LGPS had you not been contracted out of the State Second Pension).

Your GMP is already included in the total pension you receive from Croydon Council. From state pension age, therefore, your pensions increase will be paid from 2 sources, HM Revenue & Customs and Croydon Council.

Let us take an example of somebody who retired on 31st March 1988 with a total pension currently worth £1,000. Of that amount let's say that £300 relates to the GMP. The remaining £700 will be increased by 2.7% to £718.90. Add back on the GMP and the total pension payable from Croydon Council is £1,018.90. The remaining pensions increase due on the GMP will be included as part of your State Pension as paid by HM Revenue & Customs.

If you retired after 5th April 1988 it gets even more complicated! Let's look at the example above but for someone who retired on 31st March 2008, again their pension is currently valued at £1000. Of that amount let's say that £300 relates to the GMP, but is now split depending on when it accrued, either pre or post 1988, let's say £100 is pre 1988 GMP and £200 is post 1988 GMP. The remaining £700 will be increased by 2.7% to £718.90, but the post 1988 GMP is increased by Croydon Council up to 3%, in this case the post 1988 GMP will increase by 2.7% to £205.40. Add back on the pre 1988 GMP of £100 plus the increased post 1988 GMP of £205.40 and the total pension payable from Croydon Council is £1,024.30. The remaining pensions increase due on the pre 1988 GMP will be included as part of your State Pension as paid by HM Revenue & Customs.

Payslips/ P60s and tax codes

Just a reminder that we do not routinely send out payslips every month unless your net pension has changed by more than £20. Payslips are however generated in March, April and May. Please retain the May payslip as this will indicate your normal pension payment for the rest of the year.

Your P60 will be sent to you towards the end of May. If you need the figures before the end of May you can use the figures from your March payslip as they will be the same. Retain your P60, as you will need it should you be asked to complete a self assessment tax return. The figures provided on the P60 are the gross taxable pension and the tax deducted in the year. Subtract the amount of tax deducted from the gross taxable pension to arrive at the net amount paid in the year.

When you receive a new tax code from the Inland Revenue please check that we have applied the same code. Please allow at least 6 weeks for the change to be made as normally you will receive your code a few weeks before we do.

Pensions Pay dates

Your pension payments are made to your bank or building society account on the 24th of every month. The payment dates for the next 12 months are:

2014	
March 2014	Monday 24th March
April 2014	Thursday 24th April
May 2014	Friday 23rd May
June 2014	Tuesday 24th June
July 2014	Thursday 24th July
August 2014	Friday 22nd August
September 2014	Wednesday 24th September
October 2014	Friday 24th October
November 2014	Monday 24th November
December 2014	Friday 19th December to be confirmed
2015	
January 2015	Friday 23rd January
February 2015	Tuesday 24th February
March 2015	Tuesday 24th March



Age UK Croydon Products and Services are available for anyone over 50 residing in the London Borough of Croydon.

Telephone: 020 8680 5450

Email: aukc@ageukcroydon.org.uk

Age UK Croydon are also available for Home Services – including Handy Person Services, Help@home, nail care services and Tradesperson List.

For all Home Service charges apply.

Contact the team on:

Telephone: 020 8683 7120

Email: home.services@ageukcroydon.org.uk

Age UK Croydon has a variety of Volunteering Opportunities at both offices.

Please contact us:

Telephone: 020 8680 5450

Email: homeservices@ageukcroydon.org.uk

or see our

Website: www.ageuk.org.uk/croydon

for further information.

St Christopher's Hospice

Would you like to volunteer as a driver or gardener?

Many opportunities exist for volunteers at St Christopher's Hospice. Training and support is provided. To find out more, contact

Tina Byott on 020 8768 4566 or

email: t.byott@stchristophers.org.uk

or visit our **website: www.stchristophers.org.uk**



Keeping in Touch

If you move house, become re-employed or change bank account, please write to inform us as soon as possible.

Failure to inform us may result in your pension being suspended. Please do not rely on the bank that holds your account to notify us.

We cannot accept any bank changes over the phone, via email or fax. All notification of changes to bank accounts need to be sent in writing and signed by yourself, quoting your pension number or national insurance number.

We have a number of pensioners who need a bit of help from relatives or friends with their financial affairs. This is not a problem, but to enable us to take instructions regarding change of address or bank details from a person other than the pensioner, we do require either a power of attorney or a court of protection order.

Overseas pensioners

Every year we obtain a signed certificate from our pensioners that live abroad. This is requested as part of an audit requirement to prevent fraud. If you live overseas you will receive the certificate, please sign and return it as soon as possible. Your pension payments may stop if this is not returned.

Your pensioner representative

There are 2 pensioner representatives who attend the Pensions Committee meetings on your behalf, the current representatives are Gilli Driver and Peter Howard. They can be contacted through the pensions team.

Minutes from these meetings can be viewed on line at <http://www.croydon.gov.uk/democracy/dande/minutes/committees>

Your representative is elected by you every 3 years, which is due for election this year.

More information will be sent separately on this election.



Feedback

We would welcome your views on this newsletter and if you have had dealings with us recently we would like to hear from you on the service you received, good or bad.

How to contact us

If you change your address, you must write to:

The Pensions Team

Croydon Council
Floor 11, Zone A
Bernard Weatherill House
8 Mint Walk
Croydon CR0 1EA

Telephone: 0208 760 5768 Ext 62892

E-mail: pensions@croydon.gov.uk

If you wish to change the bank/building society details for the payment of your pension, please write to:

Croydon Payroll

Liberata UK Ltd

4th Floor East

NLA Tower

12-16 Addiscombe Road

Croydon CR9 6LL

Other useful contacts

Croydon Citizens Advice:

Telephone: 020 8684 2236

Website: www.croydoncab.org.uk

Department for Works and Pensions:

General advice on your State Pension, widow's or bereavement benefits

Telephone: 0845 60 60 265

Website: www.dwp.gov.uk

NHS Direct:

NHS 111 is a new service that's being introduced to make it easier for you to access local NHS healthcare services in England.

You can call **111** when you need medical help fast but it's not a 999 emergency.

NHS 111 is available 24 hours a day, 365 days a year. Calls are free from landlines and mobile phones.