

Dear Pensioner

Important information about your pension: April 2010

This letter contains important information and news about your PCSPS(NI) pension, including sections on things you need to tell us about.

In this letter, when we refer to **classic**, this means the pension arrangement that applied to everyone who left employment before 1 October 2002. Staff in post on 30 September 2002 could opt to stay in **classic** or transfer to the **premium** or **classic plus** arrangements.

Your combined certificate of Pay and Income Tax for 2009/2010 (P60) and your April pay advice (on the reverse side) is enclosed. **Please keep this important document and this newsletter in a safe place.**

What to do if you have a question about your pension

If you have any questions about your pension or a change in your personal circumstances, please contact Civil Service Pensions (CSP) using any of the methods below:-

The number to call is **(028) 71319000**. CSP's fax number is: **(028) 71319234**.

CSP's address is: Civil Service Pensions
 Waterside House
 75 Duke Street
 Derry/Londonderry
 BT47 6FP

CSP's e-mail address for general enquiries is: cspensions.cpg@dfpni.gov.uk

You should have your CSP reference number and National Insurance number handy when you make a call as you will have to confirm your identity before your enquiry can be answered.

Pension Payments from April 2010

Your pension is reviewed each year in line with the cost of living. The increase to public service pensions is the responsibility of HM Treasury. The Pensions (Increase) Act (Northern Ireland) 1971 is the primary legislation that governs the increase to public service pensions. HM Treasury has announced that for the year ending 5 April 2010 there will be no increase to public service pensions.

The increase in each April is the percentage rise in the Retail Price Index (all items) in the 12 months leading up to the preceding September. So the review for April 2010 therefore takes account of the rate of inflation in the year up to September 2009. This was actually a negative figure. However, the Pensions (Increase) Act (Northern Ireland) 1971 does not allow for a decrease in the rate of a public service pension. **Therefore there is no increase in the rate of public service pensions in 2010.**

As a result of this, regardless of whether you are under or over age 55 or paid an ill-health, widow, widower, civil partner, adult dependant or child's pension, your pension will not increase from 6 April 2010 and you will continue to be paid at the same amount that is currently in payment.

Your April pay advice and P60 Certificate 2009/2010

Your April pay advice shows your new annual rate of pension. This monthly rate will apply as long as your annual pension rate, tax liability or other deductions do not change. The tax deducted from your pension may vary slightly from payment to payment. This is due to variations in the HMRC tax tables.

You will find your P60 printed on the reverse of your April pay advice. Your P60 tells you the amount of pension CSP paid you and the tax deducted in the year 2009/2010. The amount of pension before tax shown on your P60 may not be the same as your annual rate of pension for most of the tax year.

This may be because:

- your pension started during the tax year; or
- it was not paid in full for the whole tax year, for example your pension was abated (reduced) because you were re-employed.

Your Tax Code

HM Revenue and Customs (HMRC) inform us how much tax to take from your pension via your tax code. It is very important that you are aware that we are unable to change your tax code unless we have been specifically instructed to do so by HMRC. If you have any questions about your tax code or your tax liability you should contact:

Her Majesty's Revenue and Customs (HMRC),
Belfast 1,
Beaufort House,
31 Wellington Place,
Belfast
BT1 6BH.

The telephone number is **0845 302 1469**.

You will need to quote your National Insurance number, PAYE reference (925/81000) and your pension reference number which can be found on your pension advice note.

Guaranteed Minimum Pension (GMP)

As the PCSPS(NI) was contracted out of the State Earnings Related Pension Scheme (SERPS) you have a GMP if you had service between 6 April 1978 and 5 April 1997. This means the pension we pay you must equal or exceed your GMP.

When you reach State Pension Age, the Pensions Increase (PI) applied to your pension is calculated differently due to the GMP rules. When an annual increase is payable, some of the increase on the GMP part of your pension may be paid by the Government with your State pension.

The GMP consists of two elements:-

- **(Pre 1988)** For service up to 5 April 1988, the Government will normally pay the PI on your GMP with your State pension. **This part does not attract increases from the PCSPS(NI).**
- **(Post 1988)** For service after 5 April 1988, PI up to 3% is normally paid by the scheme.

The effect of this is that the overall increase in your pension will be the same as if the full increase had been paid with your PCSPS(NI) pension. **As no increases are payable this year neither of the two elements will be increased.**

The GMP is paid as part of your PCSPS(NI) pension and not as a separate benefit. Your April pay advice shows the annual rate of your pension.

Pensioners who live in certain countries are not entitled to increases to their State pension. There have been no increases this year but had there been we may have applied the increases to the whole of your PCSPS(NI) pension. We can only do this if we are notified by the Pension Service. We understand that the Pension Service need pensioners whose State pension is not increased due to where they live to contact them before they can notify us.

If you would like more information contact the International Pension Centre, Tyneview Park, Newcastle upon Tyne, NE98 1BA, United Kingdom. Telephone: +44 191 218 7777, Fax: +44 191 218 7021, Textphone: +44 191 218 7280.

National Insurance Modification

If you were a **classic** member your pension may be reduced when you reach State pension age to take account of basic National Insurance pension. The rate of your basic pension, that is before any increases are applied, will be reduced by £1.70 for each year of your reckonable service before 1 April 1980. The reduced pension is then increased by the full increases since your pension came into payment.

Changes you need to tell CSP about

It is important that you tell CSP of the following changes in your circumstances straight away:

- A change to your address, bank or building society details. (If CSP pay you more than one pension please quote the reference numbers of all the pensions to which the changes apply). If your bank or building society details have changed please give details of the old and new account details.
- If you are thinking of taking up employment or have already been re-employed by an employer covered by the PCSPS(NI).
- If CSP pay you a widow's, widower's or civil partner's pension and you re-marry, enter into a civil partnership or live with another person as man and wife or civil partners.
- If you register a civil partnership after your retirement (your civil partner may be entitled to a survivor pension)
- If you are being paid a child's pension you must tell CSP if the child is over 17 (18 for **premium** or **classic plus**) and they leave full time education or training.

Please advise your next of kin or other representative that they must notify CSP about your death without delay. Your pension ends on the date of your death and we will recover any pension overpayment. If your surviving spouse, civil partner or partner is entitled to a pension CSP will send them an application form.

Bereavement – How much will my dependants get after my death?

Lump sum death Benefits

A lump sum may be paid if you die within 2 years (5 years if you are a member of **classic plus** or **premium**) of your pension being paid. If a lump sum is payable CSP will pay it to whoever you nominated to receive it or to your personal representatives. **It is important, therefore, that you review your death benefit nomination during the first years of your retirement.**

Dependant's pensions

The amount of widow's, widower's, civil partner's or nominated partner pension we will pay depends on the contributions you paid, how long you paid them for, and the arrangement you are a member of (**classic, classic plus, premium**).

Please note that pension payments to your dependants will not necessarily be one half of your own pension.

Re-marriage or new relationships

If we are paying you a widow's, widower's or civil partner's pension your entitlement may be affected if you re-marry, enter into a civil partnership or live with another person as man and wife or civil partners. In those circumstances:

- a pension paid under **classic** will normally stop. However, we may pay the pension again if your new relationship comes to an end or you encounter unforeseen events during the relationship that cause you severe financial difficulties.
- if your pension is paid under **classic plus**, that part of the pension based on the member's service before 1 October 2002 will stop. The part of your pension based on the member's service from 1 October 2002 continues for the rest of your life.
- if your pension is paid under **premium** we will continue to pay your pension even if you enter into a new relationship.

Other Useful Addresses

<p>Civil Service Pensions Waterside House 75 Duke Street Derry/Londonderry BT47 6FP Telephone: 028 71 319000 www.civilservicepensions-ni.gov.uk</p>	<p>Civil Service Pensioners' Alliance Harkin House 54 Wellington Park Belfast BT9 6DP Telephone: 028 91 275718 Email: NIBranch@cspa.co.uk www.cspa.co.uk</p>
<p>Civil Service Retirement Fellowship Suite 2, 80A Blackheath Road, London, SE10 8DA Telephone: 020 8691 7411 Email: info@csrf.org.uk www.csrf.org.uk</p>	<p>Civil Service Benevolent Fund Fund House 5 Anne Boleyn's Walk, Cheam Sutton, SM3 8DY Telephone: Freephone 0800 056 2424 Email: info@csbf.org.uk</p>
<p>C S Healthcare Society Princess House, Horace Road, Kingston-upon-Thames Surrey KT1 2SL Telephone: 0800 917 4325 www.cshealthcare.co.uk</p>	<p>The Benenden Healthcare Society Limited Registered Office Holgate Park Drive York YO26 4GG Tel: 0845 0525 700 www.benenden.org.uk</p>
<p>State Retirement Pension The Pension Service PO Box 1121 Belfast BT1 9GA Telephone: 0845 601 8821</p>	<p>Pension Credit The Pension Service PO Box 205 Derry/Londonderry BT48 6YB Telephone: 0845 601 8821</p>
<p>Pension Tracing Service The Pension Service Tyneview Park, Whitley Road, Newcastle upon Tyne NE98 1BA Telephone: 0845 6002 537</p>	