



Important information about your pension: April 2014

This note has important information about your Civil Service pension, including things you may need to tell us about.

Note: When referring to **classic** we mean the section of the Civil Service pension scheme in existence before October 2002. Staff in post on 30 September 2002 could opt to stay in **classic** or transfer to **premium** or **classic plus**. **nuvos** is the section of the Civil Service pension scheme which has been open to new members since 30 July 2007.

We have enclosed your combined certificate of Pay and Income Tax for 2013/2014 (P60) with pay advice (on the reverse side). Keep these important documents and this letter in a safe place.

Pension Payments from April 2014

If you are over 55 and get a Principal Civil Service Pension Scheme (PCSPS) pension or an ill-health, widow's, widower's, civil partner's, partner's or child's pension, the full year's Pensions Increase (PI) from 7 April 2014 is 2.7%. This is based on the increase in the Consumer Prices Index (CPI) up to September 2013. We will apply a proportionate, or zero, amount of PI in some circumstances – for example, where a person aged over 55 takes benefits and the pension came into payment only recently.

Your pay advice and P60

Your pay advice shows your new annual rate of pension and your next payment. This monthly rate applies as long as your annual pension rate, tax liability or other deductions do not change. The tax we deduct from your pension may vary slightly from payment to payment. This is because of variations in the tax tables. Please note that we will only send further pay advices when there is a change in your tax code, annual rate or when your net payment differs by £1 or more from the previous payment.

Your P60 is on the back of your pay advice. It tells you the amount of pension we paid you and the tax deductions in the year 2013/14. The amount of pension before tax that your P60 shows may not be the same as your annual rate of pension for most of the tax year. There are a number of reasons why this might be. Either:

- your pension started during the tax year;
- the first payment in the tax year included one or more days before the last increase; or
- it was not paid in full for the whole tax year - for example, we abated (reduced) your pension because you were working in the Civil Service.

Your Tax code

HM Revenue and Customs (HMRC) tell us how much tax to take from your pension through your tax code. We are unable to change your tax code unless HMRC tell us to do so. If you have any questions about your tax code or tax liability, please contact: HM Revenue & Customs, Pay As You Earn, PO Box 1970, LIVERPOOL, L75 1WX. Telephone: **0300 200 3300**.

You will need to quote your National Insurance number, PAYE reference and your pension reference number, which are on your pension advice note.

Changes you need to tell us about

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

- **a change to your address, bank or building society details** - if you have changed your bank or building society please give details of the old and new accounts. If we pay you more than one pension, please quote the reference numbers of all the pensions to which the changes apply.

Tell us about these changes in writing or by telephone using the contact details towards the end of this newsletter. This applies both if you are living in and being paid in the UK, or elsewhere in Europe and the rest of the World.

- **if you are thinking of re-joining, or have already re-joined the Civil Service (or work for an employer covered by the Civil Service pension arrangements).**

- **re-marriage or new relationships** - if we are paying you a widow's, widower's or civil partner's pension under the **classic** or **classic plus** arrangements (if you are unsure you should check correspondence we have sent to you or contact us using the details at the end of this newsletter) and you re-marry, enter into a civil partnership, or live with another person as a couple or civil partners.

- A **classic** pension will normally stop or be reduced. However, we may pay the pension again if your new relationship comes to an end and you receive less in the way of spouse's or civil partner's pension compared to when the spouse's or civil partner's pension first became payable. We may also pay your pension again if there are compassionate grounds for doing so.
- For **classic plus members**, the **classic** part of the pension (covering service before 1 October 2002) will stop. The **premium** part of your pension (from service from 1 October 2002) continues for the rest of your life.
- Pensions paid under the **premium** and **nuvos** arrangements are paid for life, unreduced, whatever your change in circumstance.
- If you register a civil partnership after your retirement (your civil partner may be entitled to a survivor pension if you die).
- If you are getting a **classic** pension for a child, you must tell us if the child is over 17 (or 18 for **classic plus, premium or nuvos**) and they leave full time education or training.

Please tell your next of kin or other representative that they must tell us immediately if you die. Your pension stops on the day you die, and we will recover any pension we pay after that date.

Guaranteed Minimum Pension (GMP)

As the PCSPS is 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. We pay your GMP as part of your Civil Service pension, not as a separate benefit. Your pay advice shows your annual rate of pension and any GMP.

When you claim your State pension, we work PI out differently. This is because the Government pays the increase on the GMP part of your pension 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 increase on your GMP with your State Pension. **This part does not attract increases from the Principal Civil Service Pension Scheme, but the increase is included in your State Pension.**
- **Post 1988** - for service after 5 April 1988, the scheme normally pays PI up to 3% and the increase above 3% is included in your State Pension.

This means that the overall increase in your pension will be the same as if the full increase is paid with your Civil Service pension.

These arrangements are also being applied to members whose GMP age (60 for women, 65 for men) is different from their State pension age – for example, women born after 5 April 1950. In these cases, the scheme will temporarily increase the GMP element which the State previously paid until State Pension Age. From State Pension Age, the pension will be split as set out above.

Important note if you live outside the UK

Pensioners who live in certain overseas countries outside of the UK are not entitled to increases to their State pension. If this applies to you, we can continue to pay the pension increases to your GMP with your Civil Service pension but you must contact the Pension Service who will ask us to do this.

Please 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 are a **classic** member your pension may reduce when you reach State Pension Age to take account of basic National Insurance pension. The rate of your basic Civil Service pension, before we apply any increases, will reduce by £1.70 for each year of your reckonable service before 1 April 1980. We will apply full PI to your reduced pension since your pension came into payment.

New Civil Service pension scheme

A new pension scheme will be introduced in April 2015, which the majority of serving members will move into. These changes **will not** affect you as a PCSPS pensioner. For more information about the new pension scheme you can find the latest information on the Civil Service pensions Website: www.civilservice.gov.uk/pensions/reform

Bereavement – what benefits will my dependants get after my death?

Pension benefits

If your surviving spouse, civil partner or partner is entitled to a pension we will send them an application form.

Lump sum death benefits

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

Further detailed information explaining how dependant benefits are worked out is available in the Frequently Asked Questions area of the website www.csp.hartlinkonline.co.uk
Alternatively you can call our contact centre and request a dependant's benefits fact sheet.

Lifetime Allowance (LTA) (For re-employed pensioners only).

HM Revenue and Customs (HMRC) set a limit on tax relief for pensions. The LTA is the maximum value of pension an individual can take from all pension benefits before they are charged additional tax (the LTA charge). It does not limit the total amount of pension benefits that an individual can have in their lifetime. We assess the value of your benefits when you take the pension and this does not include your State Pension or any dependant's pension that you might get.

If you took benefits on or after 6 April 2006, they will have already been assessed against the LTA. If you are building up additional benefits in the Civil Service scheme or another arrangement, we will take your existing pension into account to see if these further benefits will be subject to the LTA charge.

The standard LTA is £1.25 million for members taking benefits in the 2014-15 tax year. The LTA charge will, therefore, affect a very small number of people and will not affect you if you have taken pension benefits from all sources.

If you are close to the LTA limit, and you are building up further benefits, you should take independent financial advice about the LTA. See the HMRC website for details - www.hmrc.gov.uk

If you started taking any of your Civil Service pension benefits after 5 April 2006, the total value of your benefits is shown as a percentage of LTA on your P60.

Government Fraud Initiative (GFI)

Along with other organisations the scheme takes part in the GFI. Our pension records are checked under the direction of Government auditors against other national databases, to ensure that our records of continuing pension entitlement are accurate. These data matching exercises meet the requirements of Data Protection law.

The GFI programme covers UK residents. If you live outside the UK we will write to you to ask you to complete a statement to confirm your continuing entitlement to your pension.

We must recover any pensions we pay by mistake. Where we suspect fraud, we refer cases to the police. We will prosecute in such cases.

What to do if you have a question about your pension

Our contact centre will deal with questions about your pension, or advise you if you have a change in circumstances. It is open from 8.30am to 6pm Monday to Friday. The lines are particularly busy on a Monday, so if your call is not urgent, you may find it more convenient to call on another day. When you call, please have your CSP reference number (you can find this on your pay advice note) and National Insurance number handy, as we must confirm your identity before dealing with your enquiry.

The contact details are:

Telephone: **0870 1699 700** Fax: **0870 1699 720** e-mail: csp.enquiries@capita.co.uk

Post: PO Box 215, Mowden Hall, DARLINGTON, Co Durham, DL3 9GT

You can view your pension payslips and P60s and make changes to some of your personal details, by registering at 'My Pension Online', the secure area of Capita's Website at:

www.csp.hartlinkonline.co.uk

MyCSP

MyCSP manages the contract with Capita; the company that pays your pension.

Set up as the first mutual joint venture between three partners - Central Government, our private sector partner Equiniti and MyCSP employee partners, we have pooled our public sector expertise with the best knowledge and skills from the private sector to provide high quality pensions administration, training and member communication services to 1.5 million members.

You may also like to know...

MyCSP supports the community through its 1+1+1 Corporate Social Responsibility programme through donating 1% of net profits to employee partners' selected charities, 1% of partners' time to engage directly in local charity and community projects and 1% of total headcount to be offered for apprenticeships and interns.

At MyCSP we are also working with recognised organisations that will be familiar to some of you for offering all kinds of support to people. Some people may not realise that these organisations and their services and support are available to you (and often your families), even after you've left the Civil Service. They provide a wide range of practical help as well as access to recreation and other services. They have provided some information about themselves and their contact details are at the end of this letter.

Remember The Charity for Civil Servants (formerly the Civil Service Benevolent Fund) is there to help all current and former civil servants. It offers a wide range of help and advice, not just financial support, and you don't have to be a donor to get help from them.

The Charity for Civil Servants

5 Anne Boleyn's Walk, Cheam,
Sutton, SM3 8DY

Telephone: Freephone 0800 056 2424

Email: info@foryoubyyou.org.uk

www.foryoubyyou.org.uk

The Charity for Civil Servants is the charity for all current, former and retired civil servants, and their dependants, for life. The Charity offers financial support to those in need and also a wide range of help, advice, information and support services for issues affecting health, well-being and finance.

We support all civil servants, past and present, throughout their lives, with whatever problems they may have. You'd be surprised with what we deal with every day. So just get in touch.

Civil Service Pensioners' Alliance

Suite B, Fourth Floor, Carolyn House,
22-26 Dingwall Road, Croydon,

CR0 9XF, Telephone: 020 8688 8418

Email: enquiries@cspa.co.uk www.cspa.co.uk

The Alliance campaigns to maintain and improve the purchasing power of Civil Service pensions and to promote the economic and social well-being of pensioners at large. It advises and represents members if they have problems with their pensions.

The 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

The CSRF is a charity dedicated to ensuring all retired Civil Servants, partners and dependants are provided with social activities, volunteering opportunities, friendship, advice and lots more. Why not find out about what we can offer? Get in touch - we would love to hear from you.

CSSC Sports & Leisure

7/8 Buckingham Place, Bellfield Road,
High Wycombe, Buckinghamshire HP13 5HW
Telephone: 01494 888444

Email: headoffice@cssc.co.uk

CSSC positively promotes health and well-being and we want to help you to have fun, get active, try out new hobbies or activities and experience the great diversity of our organisation. We organise hundreds of events, activities and special offers for you every year.
