

CLWYD CATCH UP

The Newsletter for Pensioners of the Clwyd Pension Fund

Issue 10 **Spring** 2014



Introduction

Welcome to issue 10 of Clwyd Catch Up. I would like to thank you for a fantastic response in returning your life certificate which was issued with the 2013 Catch Up.

We have now updated our records with many address changes and other record updates.

As this project will not be run every year, we will not be requiring you to complete a Life Certificate in 2014.

This edition also includes the usual articles:-

- Pensions increase (PI) for 2014
- Pay dates for the next 12 months
- Understanding your PI notification
- Update on the Clwyd Pension Fund's investment performance
- Frequently Asked Questions

The articles in this newsletter should answer most of your queries about your pension with the Clwyd Pension Fund. However, if you do have any additional questions which have not been answered in Clwyd Catch Up, please do contact us.



Our contact details can be found on page 4 of this newsletter.

Regards,
Helen Burnham
Pensions
Administration Manager

April 2014 Pensions Increase

Your pension increases in line with the Consumer Price Index (CPI). The full CPI increase from 7 April 2014 has been confirmed as 2.70%. However, you will only receive the full increase if your pension began on or before 22 April 2013. If your pension began after this date, the increase on your pension will be pro-rated as per the table below:-

Pensions Beginning:	%
On or before 22 April 2013	2.70
23 April 2013 - 22 May 2013	2.48
23 May 2013 - 22 June 2013	2.25
23 June 2013 - 22 July 2013	2.03
23 July 2013 - 22 August 2013	1.80
23 August 2013 - 22 September 2013	1.58
23 September 2013 - 22 October 2013	1.35
23 October 2013 - 22 November 2013	1.13
23 November 2013 - 22 December 2013	0.90
23 December 2013 - 22 January 2014	0.68
23 January 2014 - 22 February 2014	0.45
23 February 2014 - 22 March 2014	0.23

Pay Dates for LGPS & Teachers' Compensation Pensions

LGPS and Teachers' Compensation pensions are usually paid on the 28th of each month. If the 28th is a weekend or Bank Holiday, the pension will be paid on the Friday before the 28th.

December pension is always paid earlier due to the Christmas holidays.

The table below shows the pension pay dates for the next 12 months:

28 April 2014	28 October 2014
28 May 2014	28 November 2014
27 June 2014	18 December 2014
28 July 2014	28 January 2015
28 August 2014	27 February 2015
26 September 2014	27 March 2015

Cronfa Bensiynau Clwyd
Clwyd Pension Fund

Administered by
CNGOR
Sir y Fflint
Flintshire
COUNTY COUNCIL

This information is available in alternative formats for example Braille, large print, BSL Video/DVD, audio tape and other languages on request.

Understanding your Pensions Increase notification

Please note that you will only receive pensions increase if:

- You are aged 55 or over
- You are in receipt of a surviving partner's pension or a child's pension
- You retired on ill health grounds

When you become eligible for pensions increase, the Clwyd Pension Fund will write to you to confirm your new rate of pension.

If you are eligible for a pensions increase, you will find enclosed with your copy of Clwyd Catch Up, a notification of the increase that will be applied to your own pension from 7 April 2014.

Please note that if you had more than one employment or you receive a pension in your own right and a dependant's pension, you will receive more than one letter.

Below is an explanation of how to read your PI notification:

EXAMPLE ONLY	
Current Annual Pension	£5,000
Less Total G.M.P. (£500)	£4,500
2.7% of Pensions Increase	£121.50
2.7% of Pensions Increase on post 1988 G.M.P. (£200)	£5.40
Total Pensions Increase	£126.90
Add Back on Total G.M.P.	£500
Pension from 7 April 2014	£5,126.90

G.M.P. stands for Guaranteed Minimum Pension. You will only have a G.M.P. if you were paying full rate, contracted out NI contributions between 6 April 1978 and 5 April 1997. The G.M.P. protects you and ensures that your pension value is not below a certain limit determined by the Department for Work and Pensions (D.W.P.)

This figure is your gross annual pension including any previous pensions increase applied to it up to 7 April 2014.

This is the full amount of pensions increase due to you from the Clwyd Pension Fund.

This is the amount of pensions increase applied to your standard current pension after the G.M.P. has been deducted.

This is the new value of your pension per annum for the next 12 months. To determine the monthly amount, please divide this figure by 12.

The Clwyd Pension Fund only pays the increase on any post 1988 G.M.P. you may have. If you have any pre 1988 G.M.P., the D.W.P. will pay the increase on this element of your LGPS pension.

The D.W.P. increases will be paid as part of your State Pension.

IMPORTANT - Alternative communication - The Clwyd Pension Fund uses many forms of communication to keep our active, deferred and pensioner members up to date. This may include generic information such as details of changes to the scheme. If you are happy to receive this information by email in the future, please contact us via the pensions inbox, (pensions@flintshire.gov.uk) and confirm the email address you wish to register.

Your email address will only be used by Clwyd Pension Fund for the above purposes.

State Benefits Increases

The Department for Work & Pensions (DWP) has confirmed the new rates for State benefits which will be applied from 7 April 2014.

The table below confirms some of the updated main state benefits available. Please note that the figures quoted below are weekly amounts.

Basic Retirement Amount	£113.10
Dependant Spouse Pension	£67.80
Attendance Allowance (higher rate)	£81.30
Attendance Allowance (lower rate)	£54.45
Pension Credit (single)	£148.35
Pension Credit (couple)	£226.50

Paying tax on the State Pension and benefits through your tax code

Your State Pension and some other state benefits count as taxable income, but no tax is taken off when you receive them. HM Revenue & Customs (HMRC) normally asks your pension provider to collect any tax due on your State Pension or other benefit at the same time. They do this by adjusting your tax code to take account of the State Pension or benefit.

If you're still working and getting the State Pension or another benefit, the tax due on your State Pension or benefit will be collected either through your employer's PAYE system or through our PAYE system.

HMRC issues Clwyd Pension Fund with a tax code which determines how much tax (if any) to deduct.

LGPS 2014

The review of the public sector pension schemes, including the Local Government Pension Scheme (LGPS), has now concluded.

From 1 April 2014, all active contributors to the Local Government Pension Scheme will transfer over to the Career Average Re-valued Earnings scheme.

However, any changes that are made to LGPS will **not** affect any pension benefits already in payment.

Only active contributors with a future retirement date are affected by the changes.

Fund Value Update

Please note that the following information about the value of the Clwyd Pension Fund and its investments is included in this newsletter for your interest only.

The LGPS is a Statutory Pension Scheme, which means that the LGPS provides salary related defined pension benefits which are not dependent on investment performance.

It is also a secure pension arrangement with rules set out in legislation made under an Act of Parliament.

Current Value:-

The value of the Clwyd Pension Fund increased from £1.060 billion in March 2012 to £1.181 billion in March 2013.

The table below shows the asset split of the Fund as at 31 March 2013.

	£m
Fixed Interest Securities	175
U.K. Equities	122
Foreign Equities	391
Alternative Investments	473
Cash & Net Assets	20
Total	1.181bn

The Clwyd Pension Fund Annual Report contains comprehensive information about our Fund and its investments. The Report can be found on the Governance and Investment section of our website:-

www.clwydpensionfund.org.uk

Frequently Asked Questions

Who should I contact if I think I am paying too much tax on my pension?

Please contact your local tax office directly as they determine the amount of tax you should pay. The tax office can be contacted on **0300 200 3300**. When you call, they may ask for our tax reference number. It is: **914/YA14288**.

When are P60s distributed?

You will receive your P60 in May. Your P60 is your certificate of pay and tax for the last 12 months so please keep it in a safe place as duplicates cannot be issued. Your P60 will normally be needed as proof of how much pension you draw if you claim benefits such as income support or housing benefit.

Why don't I receive a pay advice slip every month?

Payslips are only issued if there is a change of £5 or more in your net pay so normally you will only receive one in April and May when pensions increase is applied.

How do I inform you of a change of address and/or name?

If you do change your address or name, please let us know in writing. For changes of marital status, please supply us with a photocopy of your marriage certificate, civil partnership certificate, or Decree Absolute.

How do I inform you of a change in my bank details?

Please write to the Pension Section informing us of the change in bank details. Contact details can be found opposite. Please ensure you quote both your old and new bank account details in your letter.

You must tell us of any change at least 14 days before the next pay day in order for your next monthly pension to be paid into the new account.

I am moving abroad. Can my pension be paid into a foreign bank account?

So long as your bank is willing to accept a payment from the UK, the Clwyd Pension Fund can pay your pension into a foreign bank account. The payment is made via Equinity Paymaster and currently costs £2.74 per transaction.

Contacting the Clwyd Pension Fund

Telephone:

Pension amount queries, P60s, Medi-Cash, Welsh Hospital Forms:
Monday - Friday: 9am - 5pm
01352 702859 / 01352 702963

Local Government Pension/Teachers' Compensation:
Monday - Friday 9am - 5pm
01352 702761

Email: pensions@flintshire.gov.uk

Website:

www.clwydpensionfund.org.uk

For change of bank, address, or name details:

**Clwyd Pension Fund
County Hall
Mold, Flintshire
CH7 6NA**

Useful Contact Details

Tax Office - for your tax and National Insurance queries.
www.hmrc.gov.uk • 0300 200 3300

The Pensions Service - provides information about pensions and other benefits. You can obtain a full entitlement check and determine when you reach State Pension Age by calling The Pensions Service: **0845 60 60 265**

Teachers Pension Scheme - administers the main pension that retired teachers receive. The Clwyd Pension Fund only administers the compensation element of teachers' pensions. **0845 606 6166**

Citizen's Advice Bureau - gives free advice to solve legal, financial and other problems.
www.citizensadvice.org.uk

Age Concern - services include: information, advice and advocacy services; day centres and lunch clubs; home help and 'handyperson' schemes; and IT and other training.
Help line: 0800 169 65 65