

## Welcome to your annual edition of Pension news from Civil Service Pensions.

You can also view this newsletter on our website [www.civilservicepensionscheme.org.uk](http://www.civilservicepensionscheme.org.uk) under the Pensioners section.

In this edition of Pension news we cover:

- The Annual Review of Pensions
- Timing for issuing your P60
- What is GMP?
- NI modification for classic members
- What to do if you have a question about your tax code
- A reminder to keep us up to date with changes in your personal circumstances
- Looking after your data
- Preventing fraud
- Cessation of Contracting Out
- Useful contacts

## Annual Review of Pensions in Payment

**P**ensions in payment are reviewed annually in line with Treasury Orders. This review is called the annual Pensions Increase (or PI) and takes effect on the Monday following 06 April each year.

The Treasury Order takes account of the previous September's Consumer Prices Index (CPI) figure to determine what the adjustment will be.

If the CPI shows an increase in prices from one September to the next, Civil Service Pensions in payment are usually increased the following April to reflect this. If CPI shows that prices have fallen or remained at the same level, then no increase will usually be applied to Civil Service Pensions in payment.

As CPI at September 2015 was -0.1%, the Treasury Order has confirmed that no increase will be paid to Civil Service Pensions in payment this year.

## Who is entitled to Pensions Increase?

**W**hen an increase is due, it is usually paid to anyone aged 55 or over, or under 55 when they've qualified for an ill-health retirement, widow's, widower's, civil partner's, partner's or child's pension.

## Why has there been no increase applied to my pension this year?

**A**pril adjustments to Civil Service Pensions in payment are based on the Treasury Order. As CPI at September 2015 was - 0.1%, there will not be an increase this year.

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## Will PI apply to my pension in the future?

**A**s increases to Civil Service Pensions in payment are dependent on future changes in Prices, it is not possible to predict future pension increases. These will be based on the Treasury Order each year.

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## Who has decided there will be no Pensions Increase this year?

**P**ublic service pensions are increased under the provisions of the Pensions (Increase) Act 1971. The underlying purpose of this legislation is to maintain the purchasing power of public service pensions.

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## I have received my payslip. What is GMP (Guaranteed Minimum Pension)?

**I**f you were a member of the scheme between 06 April 1978 and 05 April 1997, you will have paid lower NI contributions because it was contracted out of the State Earnings-Related Pension Scheme (SERPS).

This meant that you were effectively giving up your entitlement to part of the State Pension in exchange for a pension from your occupational scheme that is at least as much as the State Pension you would have received if you had not been contracted out. This is called Guaranteed Minimum Pension or GMP for short.

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## Your pay and P60 information

**Y**our pay advice shows how much monthly pension you will get from 06 April 2016, as long as your annual pension rate, tax liability or other deductions do not change by more than £1.

You will receive a P60 which is a record of how much pension you have received and the tax that has been deducted from it in the previous tax year. You should keep it somewhere safe, as you may need to refer to it in the future – for example, if you need to complete a tax return.

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## I have received my P60, why is the gross amount not the same as my annual pension?

**Y**our P60 shows the total of all the payments you have received during the tax year.

There are a number of reasons the gross amount may not be the same as your annual pension. Either:

- Your pension started during the tax year;
  - The first payment in the tax year included one or more days before the last increase;
  - It was not paid in full for the whole tax year – for example, we reduced your pension because you were working in the Civil Service; or
  - You have received a change in annual rate, arrears payment or an increase in pension during the year.
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## Why haven't I received my P60?

**I**n previous years, you may have received your P60 and payslip together, however we now post these documents as soon as possible and sometimes this means that they may be sent separately.

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You should have received your P60 by the end of May, but if you live abroad, please allow a reasonable amount of time for overseas delivery before contacting us to request a copy.

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## A reminder for classic members with service before 01 April 1980

If you are in receipt of a classic pension, when you reach State Pension Age, your Civil Service pension reduces to take account of an element of your basic State Pension. This is known as NI modification.

The rate of your basic Civil Service pension, before we apply any increases reduces by £1.70 for each year of your reckonable service before 01 April 1980.

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## Do you have a question about your Tax code?

HM Revenue and Customs tells us how much tax to take from your pension through your tax code.

We are unable to change your tax code unless HMRC tells us to do so. If you have any queries about your tax code or tax liability, please contact HM Revenue & Customs on **0300 200 3300** or Overseas **+44 135 535 9022**.

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## Keep us up to date

Don't forget to let us know if you're moving house or changing your bank details so we can make sure you continue to receive your payments. Details of how to contact us can be found at the end of this newsletter.

If we are paying you a widow's, widower's or civil partner's pension under the classic or classic plus arrangements we also need to know if you have re-married, entered into a civil partnership or co-habit.

It is important that you regularly review your death benefit nomination and partner declaration (classic plus/premium/nuvos) to ensure it is up to date. You can find a form and instructions on the Civil Service Pensions website.

In the event of your death, your next of kin or other representative should let us know as soon as possible. Contact details are shown at the end of this newsletter. Please note that your pension stops on the day you die, so any money paid that covers a period after the date you die has to be repaid.

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## Looking after your data

To enable Civil Service Pensions to pay your pension to you, certain information about you has to be held. There are strict rules regulated by the Information Commissioner around how that information can be used, with certain organisations having designated roles in managing it.

As the scheme manager, Cabinet Office is the designated 'data controller', which means that it is accountable for managing all the personal details that we hold about you. Cabinet Office decides how this information will be used in the administration of your pension and ensures that it is not shared with other organisations without your permission, unless the law requires information to be shared.

MyCSP is a designated 'data processor'. This means MyCSP is responsible for processing your personal details, to make sure your pension gets paid correctly.

For further information about how organisations need to protect your personal information please visit the Information Commissioner's website at [www.ico.org.uk](http://www.ico.org.uk)

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## Preventing fraud

It's important that the Civil Service Pensions arrangements do not make pension payments to members who have died, or are no longer eligible to receive them. To validate eligibility we take part in the National Fraud Initiative (NFI), which involves checking our pension records against Government data.

The NFI programme only covers UK residents, so if you live outside the UK we will write to you periodically to confirm your continuing eligibility for your pension.

It is important that you do not ignore these letters as your pension may be suspended if we do not hear from you.

Where we suspect fraud we must recover the payments and cases can be referred to the police, which may lead to a prosecution.

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## Cessation of Contracting Out

**A** new State Pension scheme is being introduced for people who reach state pension age on or after 06 April 2016.

The current State Pension is made up of two parts: basic State Pension and the additional State Pension (the additional State Pension is sometimes called State Second Pension or SERPS). The new State Pension will replace these existing pensions.

While you were a member of the Civil Service Pensions arrangements you were contracted out of the additional State Pension. As a consequence of these State Pension changes, the Civil Service Pensions arrangements will no longer be contracted out.

For further information please click [here](#).

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## Contact us

### Visit our website:

[www.civilservicepensionscheme.org.uk](http://www.civilservicepensionscheme.org.uk)

### Email us:

[contactcentre@mycsp.co.uk](mailto:contactcentre@mycsp.co.uk)

### Write to us:

MyCSP, PO Box 2017, Liverpool, L69 2BU

### Call us:

0300 123 6666

Overseas +44 1903 835902

Monday-Friday 08.30-18.00

If you need a copy of this newsletter in large print or braille please contact us.

## Useful Contacts

### The Civil Service Retirement Fellowship

Suite 2, 80A Blackheath Road,  
London, SE10 8DA

**Telephone:** 020 8691 7411

**Email:** [enquiries@csrf.org.uk](mailto:enquiries@csrf.org.uk)

**[www.csrf.org.uk](http://www.csrf.org.uk)**

### Civil Service Pensioners' Alliance

CSPA, Grosvenor House, 125 High Street,  
Croydon, CRO 9XP

**Telephone:** 020 8688 8418

**Email:** [enquiries@cspa.co.uk](mailto:enquiries@cspa.co.uk)

**[www.cspa.co.uk](http://www.cspa.co.uk)**

### HM Revenue & Customs

Pay As You Earn, HM Revenue & Customs,  
BX9 1AS. United Kingdom

**Telephone:** 0300 200 3300

**[www.hmrc.gov.uk](http://www.hmrc.gov.uk)**

### The Charity for Civil Servants

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

**Telephone:** Freephone 0800 056 2424

**Email:** [info@foryoubyyou.org.uk](mailto:info@foryoubyyou.org.uk)

**[www.foryoubyyou.org.uk](http://www.foryoubyyou.org.uk)**