

Pension newsletter

PRIVATE & CONFIDENTIAL

April 2019

This document contains information showing how your Scheme pension will increase from 8 April 2019. It also includes other subjects you might find interesting. If you want more information or have any questions, please get in touch.

Your 2019 pension increase

Your Scheme pension receives increases each year to help protect its value against rising prices. The rate of these increases is set out in law.

The Government has confirmed that from 8 April 2019, Scheme pensions should increase by 2.4%. The actual increase you receive depends on when your pension started. In addition, this increase may not be applied to the full amount of your pension (see 'Your increase in more detail' on page 2).

You will start to receive your increased monthly pension in May. The pension payment you receive in May will include the increased amount due between 8 April and 30 April.

Here to help

If you have a question about your pension

Please contact the Pensions Team.

Opening hours 9am to 5pm

Email: LBSpensions@southwark.gov.uk

Phone: 020 7525 4924

Write to: Southwark Council Pension Services

Finance and Governance

Second floor, hub 1

PO Box 64529

London SE1P 5LX

If you have a question about tax or your tax code

Please contact your tax office.

Write to: LP Lothians TSO 846 (HMRC)

Grayfield House

5 Bankhead Avenue

Edinburgh EH11 4AE

When you write, please remember to include your:

- tax reference number 846;
- Pay As You Earn (PAYE) reference number LLB8A; and
- National Insurance number.

Your increase in more detail

Your Scheme pension goes up in April each year in line with the cost of living, as measured by change in the Consumer Prices Index ('CPI') over the year to the previous September.

Over the year to 30 September 2018, the CPI went up by 2.4%.

Members who were receiving a Scheme pension on 23 April 2018 receive the full amount of this increase. If you are receiving a dependant's pension and your partner was receiving a Scheme pension on 23 April 2018 you will also receive the full amount of this increase. Members who have started to receive a previously deferred (frozen) pension since 23 April 2018 will also receive the full amount of this increase. If you are over State Pension Age and your pension includes benefits built up in the Scheme between April 1978 and March 1997, you may not receive the full amount of this increase. This is because during this period you built up a 'Guaranteed Minimum Pension' – and this part of your pension increases in a different way. There is more about this on the Scheme website.

www.lgpsmember.org/more/PI-GMP.php

All other members whose pension started after 23 April 2018 may receive a proportionately smaller increase. The table below shows the increases that apply.

The date your Scheme pension started	Your 2019 pension increase
24 April 2018 to 23 May 2018	2.2%
24 May 2018 to 23 June 2018	2%
24 June 2018 to 23 July 2018	1.8%
24 July 2018 to 23 August 2018	1.6%
24 August 2018 to 23 September 2018	1.4%
24 September 2018 to 23 October 2018	1.2%
24 October 2018 to 23 November 2018	1%
24 November 2018 to 23 December 2018	0.8%
24 December 2018 to 23 January 2019	0.6%
24 January 2019 to 23 February 2019	0.4%
24 February 2019 to 23 March 2019	0.2%
24 March 2019 onwards	No increase

When we will pay your pension

Here are the pension payment dates for the next 12 months:

- 18 April 2019
- 20 May 2019
- 20 June 2019
- 19 July 2019
- 20 August 2019
- 20 September 2019
- 18 October 2019
- 20 November 2019
- 20 December 2019
- 20 January 2020
- 20 February 2020
- 20 March 2020

Tax rates

You currently receive a paper payslip every month. From May 2019, you will only receive paper payslips as follows:

- Everyone will receive a paper payslip once a year following the annual Pensions Increase exercise (you will also still receive a paper P60)
- You will receive a paper payslip if your pension amount changes as a result of your tax code changing

If it is essential that you continue to receive a paper payslip monthly, please contact the Pensions Team as soon as possible.

Starting on 6 April 2019, the personal allowance – the amount you need to earn before you pay income tax – goes up to £12,500.

Over the personal allowance, here are the rates of UK income tax that will apply in the 2018-19 tax year.

Basic tax rate	20% on income up to £37,500
Higher tax rate	40% on income from £37,501 to £150,000
Additional tax rate	45% on income above £150,000

Do you live mainly in Scotland?

If your main place of residence is in Scotland, you may have to pay Scottish income tax. The tax rates in Scotland are different from those set out above.

If HM Revenue & Customs think you are a Scottish taxpayer, they will write to let you know. They should be your first point of contact if you have any questions about your tax position.

Do you live mainly in Wales?

From 6 April 2019 Wales will also be setting its own rates of income tax. However, at present these are the same as those for English taxpayers, as shown above.

Keep your records up to date

It is important that your Scheme records are up to date so we can continue to administer your pension efficiently.

There are certain times when you may need to update your details (see below). If any of these situations applies to you, please write to the Pensions Team as soon as possible:

- If your Scheme records include an email address, you can send an email from this address to update your details.
- If you do not use email, or if you need to send us supporting evidence, please write to the Pensions Team at the address. (We will return all documents as soon as we have updated your records.)

The changes we need to know about	
If your bank details change	For security reasons, you will need to confirm this in writing.
If you move home	
If you get married or enter into a civil partnership	You will need to send us the relevant certificate as evidence (either the original version or a copy).
If you change your name	You will need to send us the relevant certificate or deed poll as appropriate as evidence (either the original version or a copy).
If you start another job	We need to know about this as soon as possible in case this affects your Scheme pension.
If you are receiving a child's pension and you are between age 18 and 23, and you leave full-time education	If this happens, you will no longer be eligible to receive a Scheme pension.
If you are currently receiving a Tier 3 ill-health pension and you have started another job	We will need to stop paying your pension as soon as possible. If we pay a pension to someone who is no longer eligible, we will need to recover this amount.
If you appoint a lasting power of attorney for your property and financial affairs	You will need to send us a copy of your registered Property and Financial Affairs Lasting Power of Attorney form, stamped by the Office of the Public Guardian. There is more about this on the Government website at www.gov.uk/power-of-attorney .

Protecting your personal details

The London Borough of Southwark, as the administering authority for the Scheme, is a Data Controller under the General Data Protection Regulation. This means we store, hold and manage your personal data in line with statutory requirements so we can administer your benefits. To enable us to carry out our statutory duty, we are required to share your information with certain bodies, but will only do so in limited circumstances. For more information about how we hold your data, who we share it with and what rights you have to request information from the Scheme, please visit

www.southwark.gov.uk/council-and-democracy/pensions/how-we-use-your-data.

If you have any concerns, you may also contact our Data Protection Officer by emailing DPO@southwark.gov.uk.

P60

You will receive your P60 shortly. This will give you details of the pension we paid you during the 2018-19 tax year and the tax that was deducted during this period.



Planning ahead

If you are a former employee of the London Borough of Southwark, a school or academy, or another employer that took part in the Fund, the Scheme will provide valuable benefits for the people who matter to you after you die. These benefits include pensions for eligible dependants and possibly a lump-sum death grant. This grant would be payable if you were to die within 10 years of starting your pension, and under age 75. There is more information about these benefits and who can receive them on the Scheme website. www.lgpsmember.org/arl/already-left-prot.php

While we hope you enjoy your Scheme pension for many years to come, we encourage you to consider taking the following steps:

- **If you are under age 75 and within 10 years of starting your pension**, please make sure you have completed an Expression of Wish form and that the details you have given are still up to date. This form allows you to confirm who you would like to receive any lump-sum death grant that might be payable.
- **If you are living with your partner but are not married or in a registered civil partnership**, please complete a Co-habiting Partner Information form.

You can print off blank Expression of Wish and Co-habiting Partner Information forms from the London Borough of Southwark website. Go to <http://www.southwark.gov.uk/council-and-democracy/pensions/pension-forms>.

Or, contact the Pensions Team and ask them to send you the form you need.

Remember to take a copy before you return your form and put it somewhere safe.

- Make sure that whoever will be settling your affairs knows about your Scheme pension and the benefits that may be payable to your dependants. Include the Pension Team's contact details. As soon as possible after your death, they will need to contact the Pensions Team.

The Pensions Team will arrange to stop paying your pension.

They will also start the process of identifying your eligible dependants and starting to pay their pensions, as well as arranging to distribute any lump-sum death grant that might be payable.

Please note

If you are receiving a dependant's pension following the death of a Scheme member, no further benefits will be payable when your pension stops.

Your State Pension

Remember that you receive a State Pension when you reach State Pension Age. You can find detailed information about the State Pension on the Government website. This includes contact details if you have any questions.

If you reached State Pension Age before 6 April 2016, you will continue to receive benefits under the 'old' two-tier State Pension system.

www.gov.uk/state-pension

If you reached State Pension Age on or after 6 April 2016, you will receive the 'new' State Pension.

www.gov.uk/new-state-pension

If you are under State Pension Age, you will receive the 'new' State Pension. You can check how much you could receive on the Government website.

www.gov.uk/check-state-pension

Your feedback is important to us

We hope you found this newsletter useful. If you have any comments on this edition or would like to suggest topics for future editions, we would like to hear from you. Please get in touch with the Pensions Team using the details on the front page.

Future communications

We will be making a number of changes in the future that are designed to improve the way we communicate with Scheme members. This includes making greater use of electronic communications. We will send you more information about this in due course.

Further reading

Your pension is paid from the London Borough of Southwark Pension Fund, which is part of the Local Government Pension Scheme.

You can find detailed information about the Pension Fund – including the latest Annual Report – on the London Borough of Southwark website. www.southwark.gov.uk/council-and-democracy/pensions/pension-fund