



# Information for Pensioners

A guide to the payment of your benefits from the  
Local Government Pension Scheme



## Introduction

This guide explains how your pension will be paid and how certain changes in your circumstances can affect the amount that you receive. It is intended as a guide only and does not confer any statutory rights.

## Service Standards - Our Promise to You

London Borough of Bexley, together with the London Pensions Fund Authority (Local Government Pension Scheme administration) are committed to providing you the following services:

### Payment of your pension

We will pay your pension accurately and on time each month.

You will be provided with a password to enable you to access your personal details via the internet. This is called "MyView". If you use this facility you will also be able to view your payslips.

### Changing your Personal Details

Where we receive notification of a change to your banking details, address or income tax code we will operate that change in the month in which it is received provided that it reaches Bexley HR Business Centre by the 12<sup>th</sup> of the month, except December and January when it should be received by the 5<sup>th</sup> to account for the earlier paydays.

### Pensions Increase

In March each year a news item will appear on the Bexley Pensions website giving details of; the rate of percentage increase to be applied to your pension in the forthcoming year; the date from which the increase is payable; the categories of people entitled to receive the increase.

For April payday we will calculate any increase due to you; pay your pension at the new rate; and send to you a letter showing the amount of your increased pension for a full month.

### Provision of Information

Bexley Pensions website [www.yourpension.org.uk/bexley](http://www.yourpension.org.uk/bexley) contains scheme details, news items, annual reports and guides to the scheme.

Soon after the end of each financial year a P60 will be sent to you showing your pension and income tax details for the financial year April to March.

### Payment of Benefits

#### Your Pension

Each month you will receive one-twelfth of your annual pension and payment is made directly into the bank or building society account that you have specified. The monthly payments are normally made on the last Thursday of each month. Where this day is a Bank Holiday, payment is made on the next working day. In December and January every year your pension is paid one week earlier.

### Payroll

London Borough of Bexley's payroll service is undertaken, in house, by the HR Business Centre and their contact details are provided below.

If you change address or your account, it is very important that you notify the HR Business Centre in writing as soon as possible. Failure to inform them in time may result in the late payment of your pension.

Please do not rely on the company that holds your account to notify any change in account details; always take responsibility yourself for giving the correct details.

# Information for Pensioners

Notification can be in writing, or you can make the alteration yourself if you use the MyView facility.

If you leave the UK to live abroad, permanently or temporarily, please notify us as soon as possible so that arrangements can be made for your pension to be paid to you overseas.

If you do not keep the HR Business Centre informed of your current address it could be necessary to temporarily suspend your pension until contact is re-established. This is for data protection and security reasons.

HR Business Centre  
London Borough of Bexley  
Room 200, Hill View  
Hill View Drive  
Welling  
Kent DA16 3RY

Telephone: 0203 045 4061 or  
0203 045 4049

Fax: 0203 045 4063

## Income Tax

Retirement pensions, however, are regarded as earned income and as such are taxable.

In assessing your overall liability for income tax, the Inspector of Taxes will take account of all the taxable income you receive (e.g. pension, State Pension, other earnings, building society interest, dividends etc) and will tell HR Business Centre the tax code to be applied against your pension. While waiting to receive notification of your correct tax code normally the tax code you had while employed will apply. In the absence of this information the emergency code will be used.

## Changes in your Tax Code

The Tax Office will notify both you and HR

Business Centre of any change to your income tax code. However, HR Business Centre may receive their notification after you and not in time to operate it in the month that you receive your notification. Your new tax code will be shown on your payslip once it is in operation. Any adjustments for over or under deduction of tax will be effected automatically in the following months, unless the Tax Office instructs otherwise.

## The State Pension and your Tax Code

The Government pays State pensions without deduction of income tax. The State pension is, however, taxable income and the amount will appear on the notice of coding you receive from the Inspector of Taxes as a reduction to your personal (tax free) allowances. The effect of this procedure is that the tax (if any) deducted from your Local Government pension may include tax in respect of your State pension. Any increase in State pension can result in more tax being deducted from your Local Government pension.

## Tax Queries

The HR Business Centre cannot deal with any query regarding the amount of tax deducted if the tax code number on your payslip is the same as notified to you by the Tax Office. Any question as to the accuracy or validity of your tax code should be taken up with:

Any question as to the accuracy of your tax code should be taken up with HM Revenue & Customs.

Telephone the Taxes Helpline : 0845 300 0627

(For opening hours go to [www.hmrc.gov.uk](http://www.hmrc.gov.uk))

Alternatively you can write to them using the postal address on the most recent

# Information for Pensioners

correspondence from them.

If you don't have recent correspondence then write to:

HM Revenue & Customs  
Pay As You Earn  
PO Box 1970  
Liverpool  
L75 1WX

You will need to quote your National Insurance Number and your pension payroll reference (Pension Number) that can be found on your payslip, your PAYE reference is 120/SA56743.

## Keeping in Touch with the Tax Office

To assist the Tax Office in keeping HR Business Centre informed of the correct tax code to use against your pension it is important that you reply quickly to any Tax Office enquiry, and notify them if you change your address.

## P60

Soon after the end of each financial year a P60 will be made available showing your pension and income tax details for the financial year April to March

## Payroll Reference

Electronic payslips and annual pension

statements will include your payroll reference. Please quote this when contacting HR Business Centre.

## Charity Giving through Payroll

Charities Trust a Payroll Giving Agency operates a scheme on behalf of London Borough of Bexley enabling you to make donations to charity through deductions from your monthly Bexley pension. If you require more details please contact the HR Business Centre for a copy of the leaflet Charity Giving Through Payroll.

## Pensions Increase

Your pension payments are reviewed annually in April. The review increases the amount of pension in payment by a percentage set by the Government, which reflects the rise in the Price Index over the 12 months to the previous September. This is often referred to as 'index-linking'. The increase is not discretionary, does not reflect the performance of the Pension Fund and does not allow any additional increase to be paid. The amount of the increase awarded may be affected by any entitlement you may have to a Guaranteed Minimum Pension and this is explained in more detail under the heading **Guaranteed Minimum Pension.**

## Terminology

The following terms will appear on your payslip if relevant to your benefits:

<b>Term</b>	<b>Meaning</b>
Pension-Basic (Ret)	Original amount of pension
Pension-Increase (Ret)	Pensions Increase on original pension
Pension-Additional (Red/Eff)	Original amount of added years compensation
Pension-Increase (Red/Eff)	Pensions Increase on original added years compensation
Pension-Basic Early (Ret)	Original amount of pension
Pension-Increase Early (Ret)	Pensions Increase on original pension
Injury Allowance -Basic	Original amount of injury pension
Injury Allowance-Increase	Pensions Increase on original injury pension
Tax	Tax deducted from pension

## Notifying you of Increases

The actual amount of Pensions Increase you receive each month is shown separately on your annual pension statement and electronic payslip. In April you will receive the increase for the period from the review date to the end of the month and your May payslip will show the increase for a full month.

## Guaranteed Minimum Pension (GMP)

The Local Government Pension Scheme is 'contracted-out' of the State Earnings Related Pension Scheme (SERPS) (State Second Pension Scheme with effect from 6 April 2002). As a result of being a 'contracted-out' scheme, the pension benefits payable from the Local Government Pension Scheme must in general be no worse than the benefits that would have been payable had its members been in SERPS. In respect of service in the Local Government Pension Scheme after 5th April 1978 and before 6th April 1997, there is a guarantee that your Local Government pension cannot be lower than the earnings-related pension you would have received from the State had you not been contracted-out. This is known as your Guaranteed Minimum Pension (GMP). The Department for Work and Pensions (DWP) will send you a statement which includes the amount of your GMP, shown as 'Contracted Out Deduction' (COD).

## GMP and Pensions Increase

Some or all of the Pensions Increase due in respect of your GMP will be paid by the DWP with your State Pension and any balance by London Borough of Bexley with your Local Government Pension. A leaflet about GMP is available on request (see the end of this guide for contact details).

## Right of Appeal

If you are dissatisfied with any decision

made in relation to the information given to you in connection with your Local Government Pension benefits, you have the right to have your complaint independently reviewed. In the first instance you should write to the HR Business Centre, London Borough of Bexley, at the address shown on page 3, who will arrange for you to receive further information. Any complaint should be made within six months of the date of the notification. There are also a number of other regulatory bodies that may be able to assist you and you should contact the LPFA if you would like any more information. To avoid any unnecessary effort on your behalf, London Borough of Bexley would welcome the opportunity to attempt to resolve with you the matter about which you are dissatisfied before you resort to a formal complaint.

## Further Information

If you would like further information, including information specific to your own circumstances, or if you have any comments or queries about this guide, then please contact us at:

London Pensions Fund Authority  
Dexter House  
2 Royal Mint Court  
London  
EC3N 4LP

Telephone: 020 7369 6247  
Fax: 020 7369 6111  
Textphone: 020 7369 6119

Email: [bexley@lpfa.org.uk](mailto:bexley@lpfa.org.uk)

Website:

[www.yourpension.org.uk/bexley](http://www.yourpension.org.uk/bexley)

It would assist the Bexley team if you could quote your National Insurance Number.

**This information, and our other literature and correspondence, is available in large type and on Audio Cassette. It may be possible to reproduce items in other ways or in another language and we will be pleased to consider your request.**