

PensionsFocus

Spring 2009



Pensions Increase - 5% this year

What was the increase this year?

The Pensions Increase (Review) Order, which is issued each year by central government, tells public sector pension schemes of the increase that should be applied to pension benefits. The increase is based on the rise in the cost of living in the year up to last September. This year the increase will be 5% from 6 April 2009.

Who is eligible for the increase?

- Anyone in receipt of a pension who is over 55 or left employment to retire on the grounds of ill health.
- A person who has received the payment of their preserved benefits on ill health grounds and who was incapable of carrying out any type of work.
- Anyone in receipt of a spouse's or children's pension.

Who is not eligible for the increase?

- Anyone who is below the age of 55, except those in receipt of ill health benefits.
- A person who is below the age of 55 and has received the payment of their preserved benefits on ill health grounds but who was not incapable of carrying out any type of work.

How is the increase to pensions worked out?

Pensions increase is calculated on the annual pension in payment at the end of March 2009 less any Guaranteed Minimum Pension (GMP) for anyone who has reached State Pension Age. The GMP is a figure supplied by the Department for Work and Pensions (DWP) which ensures that you receive at least the value of benefits which the State would have provided had you not been contracted - out of the upper, earnings-related, tier of the State Scheme between 6 April 1978 and 5 April 1997.

The increase on your GMP is paid by the DWP as an addition to your State pension. The DWP refer to the GMP as a 'contracted out deduction' on their correspondence.

When will we notify pensioners about the increase?

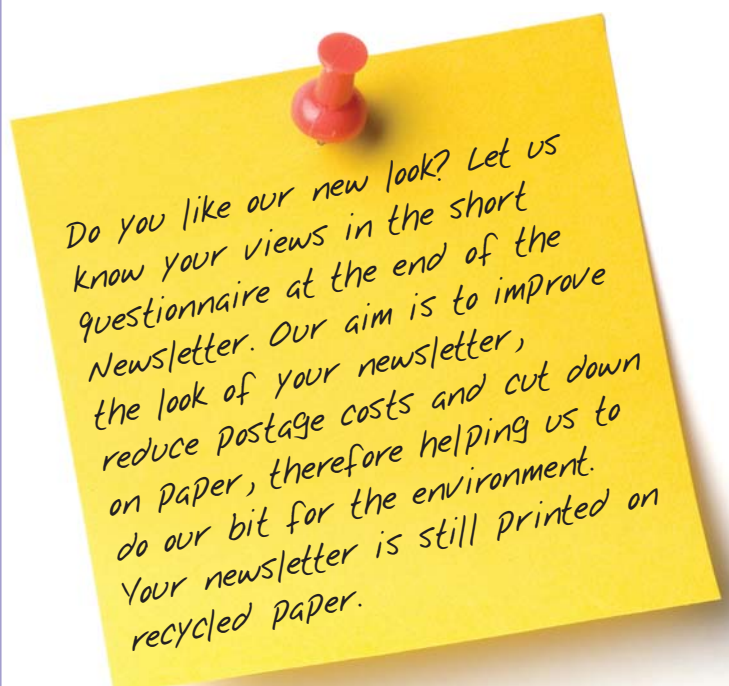
Payslips which are sent in April will show the increase for the period from 6 April to 30 April, where applicable. For those eligible to an increase

of more than £1 a month a further payslip will be sent in May to show the increased pension for a full month.

Am I entitled to the full increase?

If your pension began on or before 21 April 2008 your pension will have increased by the full 5% (but see previous comments regarding increases to the GMP if you have reached State Pension Age). If your pension began after this date a smaller, pro-rata, increase applies as shown in the table below:

Pensions Beginning	Pensions Increase
7 April 2008 to 21 April 2008	5.00%
22 April 2008 to 21 May 2008	4.58%
22 May 2008 to 21 June 2008	4.17%
22 June 2008 to 21 July 2008	3.75%
22 July 2008 to 21 August 2008	3.33%
22 August 2008 to 21 September 2008	2.92%
22 September 2008 to 21 October 2008	2.50%
22 October 2008 to 21 November 2008	2.08%
22 November 2008 to 21 December 2008	1.67%
22 December 2008 to 21 January 2009	1.25%
22 January 2009 to 21 February 2009	0.83%
22 February 2009 to 21 March 2009	0.42%



CREDIT UNION - How we can help each other

The County Council and all the District councils in North Yorkshire are supporting the creation of a credit union for York and North Yorkshire. The credit union, which will be formed by extending York Credit Union to cover the rest of the County, is a financial co-operative owned and controlled by its members. It will offer savings and loans at competitive rates. Subject to getting the go-ahead from the Financial Services Authority, it will be running by spring. The interest

from loans the credit union will make will be re-circulated in the North Yorkshire economy. Savers will not only support the local economy but also help the credit union make loans to many people who do not have ready access to traditional high street lenders and instead have to rely on “doorstop” lenders, who charge high interest.

For more details, call Nick Marshall at York Credit Union on **01904 676664**.

A reminder about payslips

For some time now the North Yorkshire Pensions Fund has only sent a payslip when your net pension has changed by more than £1 from the previous month. This means that it is usual for payslips only to be sent in April (and in some cases May) each year.

This saves the Pension Fund money on administration and reduces the amount of paper which is sent out. It also means that you have one less piece of paper to shred each month with the rest of your confidential waste!

Doing your bit for the Environment!

Can you help us? If you have an email account and are happy to receive all future Newsletters via email instead of hard copy, we would be extremely pleased to hear from you. Email us at pensions@northyorks.gov.uk confirming that you wish to receive all future copies of the Retired Members

newsletter via email. Your email must include your full name, National Insurance number, date of birth, current home address and the email address that you wish us to send your newsletter to. Thank you for helping us to consider the environment.



How Secure Are Your Benefits?

Many of you may be wondering how the recent sharp falls in stock markets around the world might have affected your pension. The good news is that you should not worry. Your pension contributions entitle you to the right to pension scheme benefits which are guaranteed by Government.

So although the value of the Local Government Pension Scheme (LGPS) Fund has fallen in recent months, this does not affect Scheme members' benefits.

It is the responsibility of your employer to ensure that sufficient money is put into the Fund to meet future liabilities. How the Fund does this is quite complex.

John Moore, Corporate Director - Finance & Central Services had this to say:

"Essentially, the Pension Fund invests the cash it receives by way of employee and employer contributions in the financial markets. The Investment Strategy is diversified, i.e. the Fund holds equities (UK and global), fixed income (bonds, gilts),

property, and cash. The current market conditions impact on these different investment assets in different ways. It is also important to view the Pension Fund as a long-term investment, so it is the trend of asset values over the next 5/10 years that is critical to investment decisions rather than what might happen next week.

Taking all the above into account, there is little doubt that the solvency of the Fund (ie the value of its investment assets less the estimated cost of liabilities which are the accrued pension rights of the contributors) has been reduced over recent months. Precisely how much depends on what day of the week you do the sum!

If the current market conditions continue the likelihood is that at the next Triennial Valuation (due at 31/3/2010) the employers will have to increase their contributions (which are paid out of their Revenue Budgets). For the County Council - a 1% increase in the contribution rate will cost £1.5m (0.5%) on the Revenue Budget."

Photography Competition

Thank you to all those who entered the photography competition in our last Newsletter. We had some great entries but there could only be one winner and that was Mrs Sheila Whipp of York who submitted the photograph below of York Minster (taken from the 3rd floor of Marks & Spencers in York). Mrs Whipp wins a £20 National Gardens gift voucher.



Happy Retirement

Picture perfect finish for Peter



Our colleague, Peter Hymer, decided to hang up his calculator after nearly 43 years with the County Council. Peter retired on 31 October 2008; we asked him a few questions about his career and his plans for retirement.

When did you start working for NYCC and what was your first job?

I commenced work on the 31 December 1965 as a Trainee Accountant. During the period to 31 March 1974 I worked in Payroll, Audit, Income and Accountancy before moving into Pensions. Although a position did not exist I was appointed due to my neat handwriting as there were no desk computers in 1965.

Can you tell me what changes you have seen over the years?

I don't think the article is long enough to record all the changes that have taken place over 43 years. Sometimes I think that you look back over the early years through rose tinted glasses. That could be because of your age at the time but the lifestyle was a lot less pressurised.

What have been the best bits of your long career?

I worked with a lot of people and am grateful for the help given to me over the years by various members of the Finance Department. I joined the Pensions Team in 1974 and have enjoyed my time with members of the section. I hope that over the years I have helped others in the section and other parts of the Finance Department. I feel that if you are pleasant and helpful to others you will receive the same in return. Two people who stand out are Matthew Cook and Frank Smith. Matthew Cook was the Deputy Treasurer in 1965 and was responsible for employing me in 1965 and went out of his way to ensure that I started on 31 December 1965. I first started working in the Payroll Section with Frank Smith and he was the Deputy Pensions Manager when he retired. I will



always be grateful for the help he gave me when I worked with him.

What has been the biggest motivation to stay with the Authority for nearly 43 years?

The County Council when I started was classed as a safe employer and Northallerton was a nice place to live in. I have lived in Swainby for 30 years now and would rather travel to Northallerton than Middlesbrough, Teesside Borough Council being an alternative employer at the time.

How do you plan to spend your new found freedom?

Having been interested in photography since the age of 14, I intend to take up Landscape photography in addition to Wedding photography.

Is there anything that you feel passionate about that we can pass on to our readers?

I am looking forward to retirement and doing all the things that I can't do while being at work. I think that you need to make sure that you enjoy every moment of retirement as you work a long time when compared to the time in retirement.

Contact Details

All the administration dealing with your regular pension payment is provided by the North Yorkshire County Council Payroll Service on behalf of the North Yorkshire Pension Fund. If you have any queries you should contact the Payroll Section as follows:

First initial of your Surname	Payroll Officer	Tel: (01609)
A-B	Karen Stokes	532960
C-F	Rita Laverick	533138
G-I	Nigel Copland	532963
J-M	Stuart Jackson	532966
N-R	John Richardson	532959
S-T	Laila Hird	532957
U-Z	Michelle Purvis	532955

If you need to speak to someone in the Pensions Section, please contact one of the following Senior Pensions Officers

Marion McKone: 01609 535880

Caroline Park: 01609 532698

Suzanne Berry: 01609 532567

Payroll Section

North Yorkshire County Council
County Hall
Northallerton
North Yorkshire
DL7 8AL
Or via email at: payroll@northyorks.gov.uk

North Yorkshire Pension Fund

County Hall
Northallerton
North Yorkshire
DL7 8AL
Or via email at: pensions@northyorks.gov.uk

Visit the North Yorkshire Pension Fund website...
www.nypf.org.uk

If you would like this information in another language or format such as Braille, large print or audio, please contact Jo Wade, Communications, Training and Support Team Leader: Tel: 01609 532932 or by e-mail at jo.wade@northyorks.gov.uk



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North Yorkshire Pension Fund

Customer Satisfaction Survey - Retired Members

The Pensions Section aims to continually review and improve the way in which we communicate with our customers. It would therefore be helpful if you would take a few minutes of your time to print out and complete this questionnaire. Alternatively, e-mail your comments and suggestions to pensions@northyorks.gov.uk

Name:

DoB:

Do you enjoy Pensions Focus?

Yes

No

If No, how do you think it could be improved?

Do you like the new format?

Yes

No

Do you find Pensions Focus informative?

Yes

No

Does Pension Focus cover all the areas you expect?

Yes

No

Are there any articles included that do not interest you?

Yes

No

If Yes which ones and why?

Are there any areas that you would like to be covered in future issues?

Are there any additional comments you would like to make about Pensions Focus?

Please return your form to the following address:

F.A.O Karen Scott
Operations Manager
North Yorkshire County Council
Central Finance Service Unit
Pensions Section
County Hall
Northallerton DL7 8AL



Just for Fun!

Can you name the sites below all taken from an Ariel view?
Answers below ...no cheating!!!



01



02



03



04



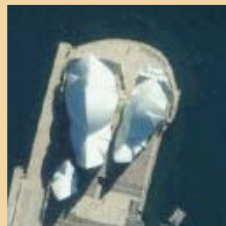
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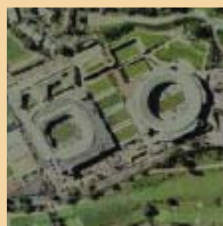
09



10



11



12

Answers

1. Niagara Falls
2. Statue of Liberty
3. Hoover Dam
4. Angel of the North
5. Blackpool Tower
6. Alton Towers
7. Edinburgh Castle
8. Sydney Opera House
9. Millennium Stadium
10. The Sphinx
11. St Paul's Cathedral
12. Wimbledon