

Public Service Pensioners' Council

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To: Secretaries of Constituent Organisations

29th October 2014

Dear Colleagues

PSPC CAMPAIGNS UPDATE – OCTOBER 2014

I am taking this opportunity to update constituent organisations on some important issues.

PSPC Manifesto Conference 4 March 2015

The PSPC is organising a pre-election Manifesto Conference on 4 March 2015. We have invited the main party spokespeople on pensions and pensioner issues to present their policies and take questions from the audience. The Manifesto can be found on the PSPC website at www.publicservicepensioners.org.uk/campaigning.htm

Each constituent organisation is invited to send up to eight representatives to the Manifesto Conference. Secretaries should send a list of their proposed attendees to the PSPC nearer the time to allow us to gauge numbers. In the meantime constituent organisations can send potential questions or issues for the Conference to pspc@nut.org.uk or Anita Brown at a.brown2@nut.org.uk.

Public Service Pensions Increase 2015

Colleagues will be aware that the April public service pensions increase is based on the inflation increase for the preceding September. Since April 2011, the increase has been based on the Consumer Prices Index (CPI) rather than the Retail Prices Index (RPI).

The CPI increase in September was 1.2 per cent, compared to a 2.3 per cent increase in RPI. The public service pensions increase for April 2015 will be confirmed by a Treasury order in early 2015.

This gap between RPI and CPI illustrates the long-term effect of the Government's decision to index public sector pensions to CPI. We estimate that a £10,000 pension beginning in April 2010 would have grown to £11,696 in April 2014 if indexed to RPI and £11,384 if indexed to CPI. The likely April 2015 increase will widen the gap still further.

NARPO petition on suspension of dependents' benefits on remarriage or cohabitation

The PSPC General Election Manifesto 2015 includes the issue of suspension of dependents' pensions on remarriage or cohabitation. Although improvements have been made prospectively in some schemes, the 'no retrospection' policy operated by the Government means that many people are still subject to these provisions.

General Secretary: ANDREW MORRIS

ASSOCIATIONS REPRESENTED: Association of HM Inspectors of Schools OFSTED Section Committee • Association of HM Inspectors of Schools (Scotland) • Association of Local Authority Chief Executives • Association of Teachers and Lecturers • Association of School and College Leaders • British Broadcasting Corporation Pensioners Association • Civil Service Pensioners' Alliance • Civil Service Pensioners' Alliance (Scotland) • Educational Institute of Scotland • Forces Pension Society • Foreign and Commonwealth Office Association • GMB • MDP Retired Officers' Association • National Association of Head Teachers • National Association of Retired Firefighters • National Association of Retired Police Officers • National Association of Schoolmasters Union of Women Teachers • National Federation of Occupational Pensioners • National Union of Teachers • Overseas Service Pensioners' Association • Prospect • Public and Commercial Services Union • Retired Police Officers' Association (Scotland) • Retired Prison Governors Association • Retired Teachers' Association (Northern Ireland) • Scottish Retired Teachers' Association • UNISON • University and College Union

A change.org petition highlighting this issue can be found on the NARPO website at www.narpo.org/index.php/notices/widows-pension-for-life-petition.html and constituent organisations are encouraged to publicise it to members.

Consultation on removal of non-residents' personal tax allowances

HM Treasury has conducted a consultation on whether to remove the personal allowance from persons who are non-resident in the UK for tax purposes. The Treasury produced a consultation document which is available at: www.gov.uk/government/consultations/restricting-non-residents-entitlement-to-the-uk-personal-allowance/restricting-non-residents-entitlement-to-the-uk-personal-allowance .

The consultation document (at 6.6) appeared to recognise the position of public service pensioners:

The government does not intend to raise taxes on vulnerable groups or in situations where the UK is the principal taxing authority and an individual has no recourse to relief as a result of the UK having sole taxing rights under a tax treaty. If the government were to restrict non-residents' entitlement to the Personal Allowance, it would intend this to apply to types of income which are taxable both in the UK and overseas (such as that from immovable property) but to retain the Personal Allowance on income that is taxable exclusively in the UK.

As public service pensions are taxable exclusively in the UK, this statement does provide us with a measure of comfort, though it does depend on what the Government eventually decides to implement. Constituent organisations may find it useful to direct members who feel strongly on this issue to the following e-petition on the Government's e-petition website: <http://epetitions.direct.gov.uk/petitions/68507>

Yours sincerely



ANDREW MORRIS
General Secretary