

Pensions Increase 2017

The Government have confirmed that Local Government Pensions, which have been in payment for more than a year, will increase by 1.0% from Monday 10th April 2017.

What is Pensions Increase?

Your Local Government pension is increased annually in line with the rise in the Consumer Price Index (CPI). Although pensions are increased in April, they are based on the previous September's inflation figure.

Who gets Pensions Increase?

- All pensioners who are over the age of 55 and those under 55 who retired on ill health.
- All pensioners in receipt of a dependant's pension.

What if my pension has not been in payment for a full year?

Any pension which has been in payment for less than a year will be increased by a proportional amount depending on the number of months it has been in payment. The percentage increase for those members who retired in the last twelve months are as follows:-

Pension beginning	Amount of Increase	Pension beginning	Amount of Increase
11/04/2016	1.00%	26/09/2016	0.50%
26/04/2016	0.92%	26/10/2016	0.42%
26/05/2016	0.83%	26/11/2016	0.33%
26/06/2016	0.75%	26/12/2016	0.25%
26/07/2016	0.67%	26/01/2017	0.17%
26/08/2016	0.58%	26/02/2017	0.08%

Pensions Increase and Guaranteed Minimum Pension (GMP)

What is a GMP?

This is not an additional pension but the minimum amount of pension that the East Riding Pension Fund (ERPF) has to pay you. Your GMP is calculated by the Department for Works and Pensions (DWP) and should be notified to you, and the ERPF, before you reach your state pension age. The GMP is also known as a contracted-out deduction and will be referred to as this on your state retirement notice.

How do I know if I have a GMP?

You will have a GMP if:

- You were a member of the ERPF between 6 April 1978 and 5 April 1997, and are over state pension age.

OR

- You are a widow/widower of a member who had pensionable service in the ERPF between 6 April 1978 and 5 April 1997

AND

- full (contracted-out) rate national insurance was paid by the member during that period.

If you have a GMP then this will be shown on your ERPF pay advice. Your GMP may be made up of two separate elements known as a Post 88 GMP and/or a Pre 88 GMP.

How does my GMP affect my pensions increase?

The ERPF is responsible for paying pensions increase up to a maximum of 3% on your Post 88 GMP. So this year, if you have a Post 88 GMP, it will be increased by 1.0%.

The DWP is responsible for paying pensions increase on the Pre 88 GMP part and this will be paid with your state pension. The DWP is also responsible for paying any increases on your Post 88 GMP over the capped limit of 3%. However this is not relevant this year as the increase is less than 3%.