



April 2019



SCHOOLS

IT'S OUR MONEY, WE WANT IT BACK

In 2015 new Pension Schemes were introduced across the Public Sector. These schemes increased the retirement age. In order to protect members from sudden increases in their retirement age, those within 10 years of retirement were exempt from being transferred into the new schemes. These 'protected' members were allowed to stay in their pre-2015 schemes.

Additionally, new financial arrangements (known as the 'Cost Cap') were introduced into the new Pension Schemes. The arrangements allowed for any shortfall in Pension Fund to be made good by increased contributions and/or reduced benefits. It also allowed for any excess monies in the scheme to be redistributed back to members via reduced contributions and/or improved benefits.

In the Local Government Pension Scheme excess monies have been generated which have allowed for improvements in benefits as follows with effect from 1st April 2019.

- A reduction in the amount paid by those currently paying 5.5% to 2.75%
- A reduction in the amount paid by those currently paying 5.8% to 5% and a widening of this tier to catch more people and align with tax thresholds
- An increase in Death Benefit to the higher of 3 x Salary or £75,000
- Abolition of Tier 3 Ill Health
- A reduction in the Actuarial Reduction Factors (to make it more cost effective to retire early)

However, the principle of 'Protection' has been found to be Age Discriminatory and the government has therefore paused the improvements in Benefits until a further decision by the courts.

GMB considers this pause to be unfair because.

- It undermines the 25 year government guarantee in respect of the changes
- It undermines the rules of governance of the scheme
- It undermines Collective Bargaining principles
- The issue should be addressed by the Comprehensive Spending Review not by removing the proposed improvements we have already paid for.

GMB is campaigning to un-pause this pause. We need you to support our call asking Liz Truss MP to **UNPAUSE THE PAUSE** Sign the petition at:-

<https://www.gmb.org.uk/campaign/tell-liz-truss-stop-public-sector-pension-swindle>

Not a GMB Member? Join today at www.gmb.org.uk/join

"It's outrageous and unacceptable for the Government to pinch over £2.4 billion out of 4.1 million people's pensions to pay for its own mistakes."

Join GMB and stand up for your pensions sign our petition at <https://www.gmb.org.uk/campaign/tell-liz-truss-stop-public-sector-pension-swindle>

GMB Membership Subscriptions

1 Oct 2018 rates for GMB membership will be as follows:-

Full time - Grade 1 = £3.15 per week (£13.70) pm

Part time - Grade 2 = £1.83 per week (£7.96) pm

JOIN ONLINE: WWW.GMB.ORG.UK/JOIN

