

pensions grapevine

SPRING 2003 - ISSUE 8



Welcome to the latest issue of *Pensions Grapevine* - the official newsletter for everyone drawing a pension from Greater Manchester Pension Fund.

Thanks once again to those of you who have written in with your amusing or interesting memories from the past, and news of what you're getting up to. I hope you enjoy the ones we've featured this time - and if you want to appear in *Grapevine*, please do drop us a line, and we'll see what we can do.

On the investment front, we've had a bit of a rollercoaster ride recently, like most other pension funds. But because of the way this Scheme is set up, there's absolutely no risk to your pension when investments fall. See page 4 for details.

I hope you enjoy this issue.

Ged Dale

Head of Pensions Administration.

in this issue...

6 All the way to Antwerp for a pint of Chesters

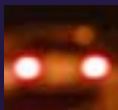
Funny wartime exploits from *Grapevine* reader Les Wych



7 Sniff out your share
£5 million savings go missing



8 Tail lights
Tom Talbot waxes lyrical



Write in and win!

Are you so busy you don't know how you ever found the time to go to work? Have you got an amusing or interesting anecdote from the past? If so we want to hear from YOU! And if we use your story, we'll send you a smart Parker pen as a thank you.

Write to the address below, including your name, pension number, and a daytime phone number if you can.

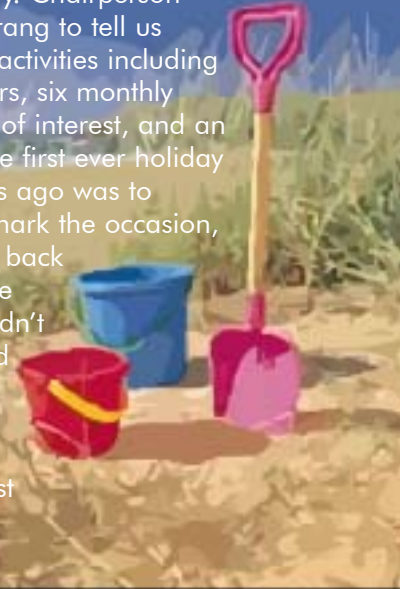
Pensions Office, Concord Suite, Manchester Road, Droylsden, Tameside, M43 6SE.

email: malcolm.tyrer@gmpf.org.uk

Administered by www.tameside.gov.uk

Silver jubilee trip for GM Buses

The champagne corks were popping in Stockport earlier this year when GM Buses Retired Members Association celebrated its 25 year anniversary. Chairperson **Lillian Oliphant** rang to tell us about the group's activities including weekly get togethers, six monthly days out to places of interest, and an annual holiday. The first ever holiday organised 25 years ago was to Llandudno, so to mark the occasion, the group is going back there this year. One member who wouldn't miss it for the world is 93 year old **Sam Evison MBE**, who is the group's oldest member. Last one in the sea is a cissy!



Don't bin it!

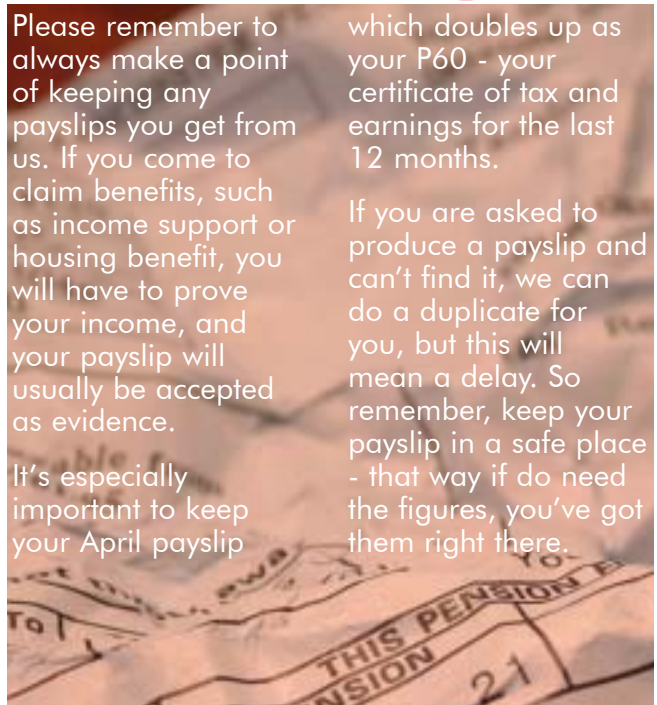


Please remember to always make a point of keeping any payslips you get from us. If you come to claim benefits, such as income support or housing benefit, you will have to prove your income, and your payslip will usually be accepted as evidence.

It's especially important to keep your April payslip

which doubles up as your P60 - your certificate of tax and earnings for the last 12 months.

If you are asked to produce a payslip and can't find it, we can do a duplicate for you, but this will mean a delay. So remember, keep your payslip in a safe place - that way if do need the figures, you've got them right there.



Nora's record breaking year

The flags of the 72 nations have long since been taken down, and the Commonwealth Games stadium is ready to welcome City next season. But the 2002 Commonwealth Games will live on in our hearts forever.

Manchester became a riot of colour, energy, and friendship, and with the eyes of the world upon us, we far exceeded anybody's expectations, and well and truly put Manchester on the map.

The job of organising the Games was immense, and it would have been impossible without one vital ingredient - the volunteers.

In one of the biggest volunteer operations ever mobilised, a happy band of 10,000 people volunteered their time and energy to everything from ticketing to transport, and marshalling to medicine.

In fact Commonwealth Games organisers gave a talk at one of our Pensioners Forums explaining how you, our members, could get involved.

One such Grapevine reader was **Nora Rigby**, who retired from Manchester 26 years ago. Little did she know that when she volunteered for the Games, she would enter the record books and fulfil a lifelong ambition by meeting the Queen. Nora didn't hesitate to volunteer for the Games - she told us:

"I've always been a sporty person - I've done everything from teaching keep fit, to enjoying horse riding and archery. I'm a keen follower of snooker too.

So when the chance to volunteer came along, it seemed a golden opportunity".

Nora added "It's ideal for retired people - you've got time on your

hands, and a whole lifetime of experience to bring to any job you're asked to do". In fact the job Nora was offered was as a receptionist at the athletes' village, literally a stone's throw (or should that be javelin's throw?) from her home in Fallowfield. She got to welcome athletes and dignitaries from many countries. And as a remarkably fit and energetic 86 years young, she also entered the record books as the oldest volunteer on record.

To top it all Nora was delighted to be asked to lunch with the Queen, when she visited the athletes' village. "That really was the icing on the cake" she told us - "The whole experience was literally the highlight of my life".

Now it's back to normal - Nora is still keeping active with her keep fit classes and gardening, and she enjoys watercolour painting too.

We know that many of you did offer your services, and although we haven't room to feature you all, we wanted to use this column to say a special thank you. We couldn't have put it better than Darren Campbell, Manchester born athlete who said during the Games: "The work the volunteers are doing is fantastic. They make me proud to be a Mancunian."



Tanni Grey-Thompson



Ashia Hansen goes for gold



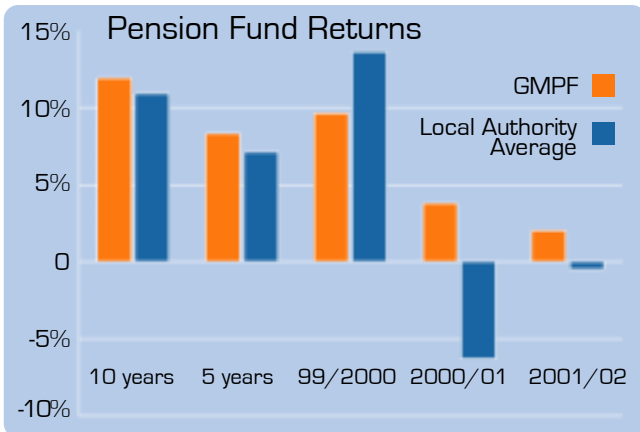
Proud Mancunian
Darren Campbell



HM the Queen visits the athletes' village



Financial review of the year



As we all appreciate, stock markets are experiencing their worst phase for a generation. The value of the UK market has nearly halved over the last 3 years. This has had an immediate knock on effect on pension schemes, who mainly invest in stocks and shares.

The fairly cautious approach we've taken over the last few years has left us in a stronger position than many other pension funds.

The Fund has a wide range of investments, covering anything from UK equities (stocks and shares in companies such as Selfridges) to property. The bottom graph shows the full range and how they have performed.

To check we are 'fully roadworthy' the Fund has to have a financial MOT every three years. This 'valuation' is carried out by an outside Actuary, who as part of the process, decides the amount each employer pays in. It's all about balancing the books - comparing how much is in the pot, to how much we might have to pay out. At the last valuation in March 2001, the Actuary found that the Fund had £105 in the pot, for every £100 of liabilities. This compares favourably with other local authorities, where on average, they had around £90 for every £100 needed. At 31 March 2002 the Fund had a value of £6.35 billion, which put us in a relatively strong position to face the stock market falls which have come along since then. So remember, even when the value of investments fall, your benefits are still safe.

Members of personal pensions and even some company pensions feel the effect of this directly on their benefits. But in so called 'final salary' schemes like ours, benefits are not linked to investment performance - instead they are based on membership and pay close to retirement. In this way, our members are completely sheltered from the stock market problems we are currently facing. This is the case whether you are paying into the Fund, or enjoying your retirement.

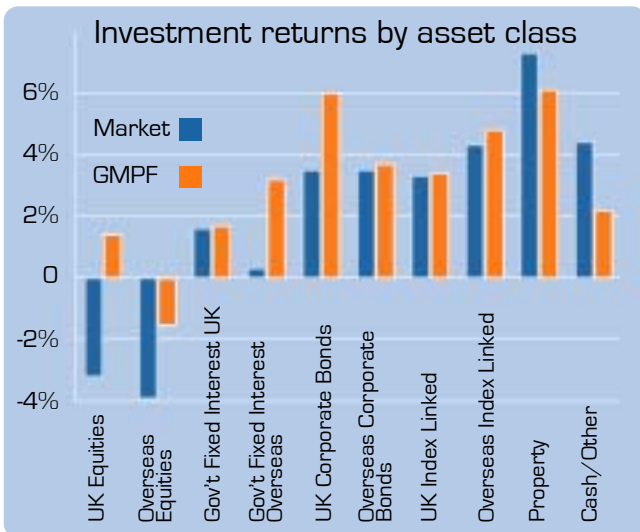
So how can we still guarantee your benefits? Quite simply because employers have to pay in enough to make sure that we can. In the private sector, many firms are finding the strain of this too much, and have closed their final salary schemes in favour of so called money purchase schemes, which are riskier for the employees.

Looking back at the financial year ending March 2002, the Fund still managed to grow in value by 2%. This is better than most other local authority funds, as the top graph shows.

To get the full picture, why not ask for a copy of our Report & Accounts by calling us on 0161 301 7000.

Figures at a glance - year ending 31.03.02

	£ millions
Income	
Employees contributions	86
Employers contributions	119
Transfers in (Net)	11
Income from investments	183
Total Income	399
Expenditure	
Benefits paid out	243
Investment & administration costs	11
Total expenditure	254
Money available for investment	145



Far flung friends...

We recently had a letter from **Joe O'Reilly**, who was shop steward at Grimshaw Lane cleansing Depot in the 1970s, until he retired in 1978. Following his Doctor's advice after a back injury, Joe moved over to Moraira, Spain in 1985 and hasn't looked back!

Since retirement, Joe really has kept himself busy and active - before setting off for Spain, he wanted to see more of England. Most people would have been content with touring at a leisurely

pace by car or coach - but Joe 'got on his bike' and cycled from Land's End to John O'Groats!

As well as soaking up the Spanish sunshine and keeping fit with walking, gardening and swimming - Joe has also managed to find the time to teach Spanish modern dancing. In fact, he has settled in so well out there, he is thinking of changing his name to José. He wrote to us in January, and told us "The temperature has dropped a bit now - it's only 70°F!"



Joe would like to hear from any of his old friends, including Charlie Macken, Harold Waterhouse, Bob Lord or Bob

Fletcher - to name a few. If you worked with Joe O'Reilly, why not drop him a line through us - the address is on page 2.

news from...

The Pension Service

Part of the Department for Work and Pensions

www.thepensionsservice.gov.uk

The Government department that deals with pensioners - the Pension Service - is launching a new scheme called Pension Credit in October this year. It will replace the Minimum Income Guarantee, which you may have heard of, and is designed to offer a guaranteed minimum income for people aged 60 and over. And if you are 65 or over, it could also provide a reward if you have modest savings.

According to Andrew Smith, Department for Work and Pensions Secretary:

"By scrapping the old system that penalised thrift and introducing the Pension Credit we are tackling pensioner poverty. On average, pensioners will gain £400 a year".

How will it work?

Pension Credit should give more money to pensioners by:

- Guaranteeing a minimum income of £100 a week for single pensioners and £154 for couples
- Rewarding pensioners who have a modest second pension (for example from this

Fund) or modest savings. This could be worth up to £13.80 a week for single pensioners and up to £18.60 for couples

The intrusive weekly means test will be scrapped. Instead most benefits for those aged 65 will be agreed for a five year period, with most increases in income during this time being ignored.

How do you claim it?

Don't do anything yet - the Pension Service will be writing to all pensioner households over the months up to June 2004. This will

give you the facts to help you decide whether you should apply for Pension Credit.

If you already get Minimum Income Guarantee

You won't even have to apply for Pension Credit - you will automatically be put onto the new system.

If you want to know more, your local Pension Service office should be able to help. Or you can visit their website, which is shown above.

Funny but true...

All the way to Antwerp for a pint of Chesters

In September 1944 I was a member of the Royal Marines, and our unit was converging on the port of Antwerp in Belgium, prior to its capture. We reached the outskirts of the city in semi darkness, and were amazed to find a local resident digging up his front garden like a man possessed! It turned out that before the German occupation, he had buried four crates of English beer in his garden, safe in the knowledge that one day Belgium would be liberated by the English. Needless to say, his gifts were gratefully accepted and disposed of before we moved on.



Incidentally, the beer was Chesters - a bit of a coincidence as I grew up in Ardwick, where our house was 'sandwiched' between Chesters brewery and the old Ardwick Empire! I kept in touch with the man and his family, and even met up with them once or twice, when they came over here on holiday.

Many thanks to **Les Wych** who wrote in with two cracking stories from his time in the forces. Les retired from Manchester City Council back in 1982, and celebrated his 80th birthday last year...

The sweet smell of success

In the Winter of 1942, myself and the other Marines were stationed in Brockenhurst, a small village in the New Forest near Lymington. Off duty entertainments included swimming in the local pool, and Saturday night whist drives. One Saturday I was lucky enough to win the men's prize, which after much unwrapping turned out to be a bag of apples (no problem there) and a sweet smelling bottle of lavender water! To add insult to injury, the winning lady was just as baffled to be rewarded with a jar of Brylcreem! After much laughter, we exchanged prizes, and this strange introduction lead to a friendship lasting more than 40 years until the lady died in 1988.



I have holidayed in the area many times since, and will always fondly remember the locals of Brockenhurst, who invited us to share their homes and their friendship.

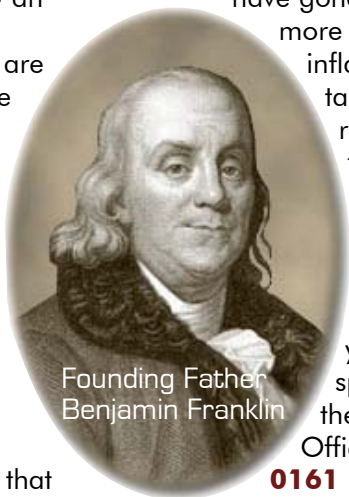
Tax update

As Benjamin Franklin once quipped "Nothing is certain in this life except death and taxes". Here are the likely tax figures for 2003/2004...

Just like when you were at work, you have an allowance - an amount of money you are allowed free of tax. For many of us, this is simply the so called *personal allowance*.

In his 2003 Budget, the Chancellor announced that the personal allowance for people under 65 would be frozen at last year's rate of £4,615. But there's

good news if you're 65 or over - the allowances have gone up by more than inflation - the table on the right gives the details.



Founding Father Benjamin Franklin

If you have an enquiry about your own tax, you're best speaking to the Ashton Tax Office on **0161 308 5200**.

Please quote your National Insurance number and reference **M5010**.

Personal allowances 2003/2004

Under 65: £4,615 a year

65 - 74: £6,610 a year*

75 & over: £6,720*

* Less if income is over £18,300

Here is some more food for thought on tax...

“ The hardest thing in the world to understand is the income tax. ”

Albert Einstein

“ The avoidance of taxes is the only intellectual pursuit that carries any reward. ”

John Maynard Keynes

“ If it moves tax it. If it keeps moving regulate it. If it stops moving subsidise it. ”

Ronald Reagan

“ The trick is to stop thinking of it as YOUR money. ”

Revenue Auditor

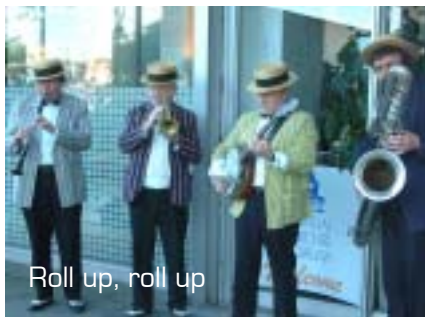
★ YOUR ONE AND ONLY CHANCE TO APPLY FOR A TICKET ★

If you would like the low down on what's been happening at the Fund, including its investments, why not apply for a ticket to this year's Annual Pensioners' Forum! If you're interested, the date to put in your diary is:

Friday 24th October.

We've yet to finalise the details for this Autumn, but you can be sure of a super day if you come along. Once again the venue will be New Century House, in the heart of Manchester.

The day will consist of coffee and biscuits on arrival, to give you chance to look round information stands from people like the Inland Revenue. Then there's the main meeting, with a selection of



Roll up, roll up

Annual Pensioners Forum 2003



Lights, music, action

guest speakers. At the end of this you might be a little peckish, so there's a sit down buffet lunch.

Then finally there's a further chance to 'grill the experts' in the information centre.

And of course on top of all that, it's a great chance to meet up with old pals. If you've not been before, the photos should give you an idea of what went on last year.

Sorry, but for practical reasons we can only offer tickets to a limited number of people. So to be in with a chance, simply fill in the enclosed card and send it back to us. We will carry out the draw later in the year, and send you a ticket if your name is 'picked out of the hat'. But out of fairness to people whose names weren't picked last year, they will be given priority.

And please please please, **only fill in the card if you really want to be there.** For every ticket holder who doesn't bother showing up, there are several disappointed people who would have gladly taken their place!



A well earned sit down

Sniff out £5 million in lost savings

That's the surprising amount that lies unclaimed in savings accounts across the UK. Savers can easily lose track of their accounts if they move house, lose their passbook, or their bank or building society is taken over. But now there are two new free services which will make this lost money easier to

track down. One is being offered by the **British Bankers Association (BBA)** and the other by the **Building Societies Association (BSA)**. Simply get in touch, give as many details as you can, and they will start hunting. Try it - you never know what you might track down!

Useful contacts:

BBA: 020 7216 8909
www.bba.org.uk

BSA: 3 Savile Row, London, W1S 3PB
www.bsa.org.uk



National Fraud Initiative leaves no hiding place

Remember, if you come to claim any type of State or local government benefit, for example housing benefit, you **MUST** tell them about your pension from us.

Every year thousands of people across the country fail to do this, and the Audit Commission which polices such things reckons this type of fraud costs something like £40 million!

And it really is a type of fraud - a crime - yet it's funny how many of the people involved wouldn't even steal a Mars Bar from a shop. The Authorities are taking a very hard line on this type of fraud, and organisations like this Fund, the Benefits Agency, and your local Council all take part in the Audit Commission's data matching exercise to compare records to check for possible fraud.

The people involved will be asked to pay the money back, and some have even faced prosecution or imprisonment! So as all the people who've been caught so far can vouch, there really is no hiding place.

Tail lights... Tom Talbot writes to us from Leigh...

Before joining Greater Manchester Transport at Atherton, I was a Regular Soldier and saw quite a bit of the world.

I saw my own children grow up, then my grand children - and I love them just as much as thousands of other grandparents...

We have seen the lights of Paris.

We have seen the Northern Lights of old Aberdeen.

We have also seen the lights at Blackpool.

But in all the world, the nicest lights I have ever seen are the brake lights on my son's car as he takes the grand kids home...

Keep in touch!

Please remember to keep in touch and let us know about any changes you think could affect your pension including...

If you move house

Simply ring us on 0161 301 7100 and we'll change your records there and then.



If your bank details change

The bank or building society WON'T tell us, so make sure you do, either by dropping us a line or calling in person at our offices.



If you start work again

You **MUST** tell us if you get any job in Local Government, even though in many cases it won't affect your pension.



As long as you let us know about address or bank changes by the middle of the month, we can carry them out in time for the month after.

Pensions query?

Have your Pension Number handy then call us on:

0161 301 7100

Or to discuss Grapevine, you can ring 0161 301 7043.

www.gmpf.org.uk

mail@gmpf.org.uk

...DON'T FORGET - OUR HELPLINE NUMBER IS NOW 0161 301 7100...