

New information provided by Sir Peter Norriss on the subject of Service Pensions

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THE BUCCANEER 1958 - 1994



I think this is one of those petitions worth supporting - if you agree please forward it to your mailing list!!

Peter

One rule for the rich and another for the others.

In November 2010, Theresa May's aide, David Beckham, wrote to me on Theresa's behalf, "the Government believes the CPI provides a more appropriate measure of pension recipients' inflation experiences and is also consistent with the measure of inflation used by the Bank of England."

Two weeks ago I asked the Bank of England on the telephone which inflation index was going to be used in 2011 to increase Bank of England and Court pensions. The pensions are increased in July. They refused to answer on the phone so I submitted a Freedom of Information request. Yesterday I received a letter from the Deputy Secretary of the Bank of England which was the Bank's reply to my pension increase FOI question. The Deputy Secretary wrote: "The RPI will be used for calculating increases in 2011."

It may come as a surprise to learn that Bank of England and Court pensions will be increased in 2011 by the RPI, a measure which is not consistent with the inflation measure used by the Bank of England!

You couldn't make it up.

If you draw a Service Pension take note

The recent Forces Pension Society newsletter tells of an RPI/CPI e-petition which has been established hoping to reverse the Government's decision to link pension increases to CPI

instead of RPI. The Government will debate e-petitions that achieve 100,000 signatures, so please can you pass on the following link to ex-servicemen that you know in the hope that they'll sign it, as it affects all of us. The link is:

<https://submissions.epetitions.direct.gov.uk/petitions/1535/signature/new>

Public & Private Pension Increases - change from RPI to CPI

Responsible department: Department for Work and Pensions

Many workers in the Public and Private Sector have contributed to their pensions on the understanding that on retirement these Pensions would be increased each April by the preceding September's Retail Price Index (RPI) rate. From April 2011 the Government has transferred these increases to the Consumer Price Index (CPI) measure which in the Treasury's own words "...is designed to take account of the fact that consumers tend to shop around, switching to cheaper alternatives when prices of similar goods change." This change, which has been introduced in most cases without any prior consultation, will mean a steady reduction in spending power for pensioners as they progress into their retirement. Given the promises that have previously been made, the RPI measure should be reintroduced without delay to ensure that the spending power of these Public and Private pensioners is maintained.

NB: The change from RPI to CPI as a measure of general inflation was, of course, introduced to the UK by that well-known financial genius, Gordon Brown MP. His reason? Purely and simply to reduce government expenditure. While there isn't (and won't ever be) a single, universal and accurate measure of inflation, the CPI has consistently run at around 0.5 to 1.5% per annum less than the RPI. They look to be tiny figures, but CPI won't half reduce the real value of your pension, in double-quick time. *Don't let Osborne get away with it! Sign up now, and forward to all your serving and ex-Service mates.*