

BRITISH ASSOCIATION OF FORMER UNITED NATIONS CIVIL SERVANTS

Planning for retirement in the United Kingdom



These notes are provided for the benefit of United Nations personnel who plan to live in the United Kingdom after leaving United Nations service. Attention is called to important matters that require consideration, general advice is provided and reliable sources are indicated for further information. A list of useful addresses is given at the end of this document. No attempt is made to address the detailed personal circumstances of individuals. Any member is welcome to write to the British Association of Former United Nations Civil Servants (BAFUNCS) for advice, but there are limits to the help that the Association can give. For example, it is not usually appropriate for the Association to petition the authorities on behalf of individual members.

There are many activities available in the UK which will be of interest to former United Nations employees. Having joined BAFUNCS you will receive a regular Newsletter and are welcomed to the fellowship of others of a like mind and similar experiences at regional social events and the national Annual General Assembly and Reunion.

Advances in medicine and the care of the elderly have led to a longer life expectancy. Now, more than ever, early planning is desirable to define a financial strategy, maintain good health, and to achieve a satisfactory life style in retirement. The pre-retirement courses given at most United Nations and Agency Headquarters are recommended; your Headquarters Welfare Officer should be able to select reading matter relevant to your personal needs.

Personal Finances

A reduction in income is likely on retirement, but sensible planning and budgeting can help alleviate the problem. You should be aware of your entitlements to benefits under Staff Regulations, particularly your pension rights. Some decisions you will have to make are irrevocable. Consider whether to take a lump sum. Consider whether to choose the dollar track or the two-track pension formula. Consider the effects of retirement before the statutory age. We advise that you discuss pensions and associated questions with experts in your own organization. Also talk to persons who have already retired, especially those in the United Kingdom. Individuals must consider their own case in the light of the regulations and decide on the best course of action. Be sure to establish what your dollar and local track entitlements will be. The United Nations Joint Staff Pension Fund does not automatically inform you of both of these at retirement. The Geneva office of the Fund Secretariat may be a useful contact, as your pension will be administered from there .

If the two-track system for calculating your pension is chosen, a Proof of Residence Form (PENS.E/10) is provided by the Pension Fund Secretariat. This should be completed and returned with a brief Certificate of Residence, signed and stamped by either your Local Authority or District Tax Inspector; the former is much easier to obtain than the latter. If you already own property in the United Kingdom then a certificate from your local Council certifying that you pay Council tax as a resident should be sufficient. The Police in the United Kingdom will not normally issue proof of residence, even though this possibility is suggested by the Pension Fund Secretariat.

If this all proves too daunting, a Notary Public will, for a charge, issue a signed certificate. This may well be the easiest, if not the cheapest, way forward. The Personnel section of your Organization may have a simple form to be filled in and the Notary will then only have to complete his/her part of it.

More recently, the UNJSPF has been requesting proof of signature from survivors of pensioners; it may be useful to register your spouse's signature with them before you leave your Organization.

Taxation

Taxation in the UK is dealt with in BAFUNCS Information Leaflet INF 5 which should be read in conjunction with this document. United Nations pensions paid in the United Kingdom are subject to income tax, but 10 percent is tax exempt because the pension comes from overseas. The relevant tax reference is 65(2)ICTA 1988. The Inland Revenue produces a series of booklets which can be found on their website (www.hmrc.gov.uk) and provide basic information to assist in understanding how income and assets are taxed.

Short-term Consultancies

If you undertake short-term consultancies it is advisable to read the contract carefully before signing. Do not assume that payment is free of tax or that you are covered by sickness and accident insurance.

Social Security

The state pension in the UK varies from case to case. To obtain the full basic pension a minimum number of National Insurance contributions must have been made. It is worth contacting the Pension Service at the Overseas Branch, Newcastle-upon-Tyne, as soon as possible to ascertain the amount of any pension payable and/or the number of payments necessary to establish eligibility. Do not forget to quote your National Insurance number. The full basic pension at present is about £4500 p.a. for a single person. In the case of a married couple a further £2650 is payable. The amount paid is determined by the number of contributions the husband has made. There are various extra amounts payable. A wife may also be entitled to benefits determined by the number of contributions she has made. Between April 2010 and November 2018, the pensionable age for women will rise to 65, the present retirement age for men. Between December 2018 and April 2020, the retirement age for both men and women will rise to 66. All persons over 80 who do not qualify for a contributory State pension but have been resident in the United Kingdom for 10 continuous years during the past 20 years can claim a Class D pension. Residents over 60 years of age usually also qualify for an annual winter fuel payment. In 2010/11 this amounted to £250 if you live alone or are the only qualifying person; £125 per person if two qualifying persons live in a household; and £400 if you are over 80 and live alone or are the only qualifying person.

A selection of Pension Service leaflets provide information on State pensions and any benefits to which you may be entitled; the Pensioner's Guide is particularly useful. They are available from The Pension Service Distribution and Storage Centre. They may often be consulted in, or obtained from, public libraries, Citizens Advice Bureaux and many Post Offices in the UK. To find out your entitlement to a pension you need to contact the relevant Pension Service Office. If you do this before moving back, you should then receive a National Insurance Card which is useful when registering with a doctor or dentist and applying for a UK pension, including winter fuel allowance. It is helpful to know your UK National Insurance number. If you do not have this on record, the UK Pensions Service will eventually provide it.

The National Health Service provides an invaluable range of medical treatments, especially in the case of sudden or serious illness. On arrival at your place of residence you should register with a local general practitioner. For medical care that is not urgent, there can be a delay in securing an appointment with a consultant or admission to hospital, although in recent years waiting times have fallen. Dental treatment is often difficult to obtain under the NHS. Private medicine can be very expensive in the UK and, bear in mind, that, if you do choose to take out new health insurance, existing health conditions may not be covered.; it may be advantageous therefore to continue with a United Nations or Agency scheme. Insurance premiums paid to a United Nations or Agency scheme are not tax deductible in the UK.

Family Matters

In recent years house prices in the UK have risen strongly, particularly in the Southeast, and are higher than in many European countries. House agents in the area where you wish to live will be able to provide information on prices, mortgages and other conditions regarding home ownership or tenancy. UK contacts may be able to send you the property sections of local newspapers or the free property papers available from most house agents, many of which also have web pages. There is a wide range of sheltered accommodation, but costs and conditions vary considerably (*see* INF3 "Accommodation for older people").

If you are still responsible for children's education, scholastic agents, chiefly in London, can advise on fee-paying schools. Information about State-funded schools can be obtained from the Local Authority in the area where you intend to reside. Information on University admissions is provided by the Universities and Colleges Admissions Service (UCAS). All full-time students taking an eligible higher education course are entitled to a loan from the Government if they meet the UK residence requirements and are under the age of 50 at the start of the course. The loan is recovered following the end of the studies by deductions from income once a certain level has been attained or can be paid in full voluntarily. The Department of Education publishes guides on the loans and grants available: *Financial Support for Students* (England and Wales); *Student Support in Scotland* (Scotland); and *Financial Support for Students* (Northern Ireland). They are published annually and can be obtained free of charge.

If you wish to bring pets into the United Kingdom, you should enquire at your nearest British Embassy or Consulate. Recent changes in the regulations have reduced the requirement for quarantine providing the pet has received appropriate vaccinations prior to travel.

It is advisable to make a new Will after arrival in the UK. A Will drawn up in a foreign country is valid in the UK, but it can give rise to complications, especially if you have not specified that the Will is to be executed in accordance with British law.

No doubt you will need a car. Cars may be brought into the UK and used for up to one year without tax and change of registration. The purchase of a car for delivery in the UK is usually easy to arrange with a local garage in your country of residence, documentation being completed at the time of purchase or when the car is collected. You should check if your current driving licence is valid. For example, a Swiss driving licence may be changed for a valid UK licence. Further information can be obtained from the DVLA, UK.

Voluntary Service

The wide range of voluntary agencies provide great scope for unpaid community work. Apart from the social value of such work, it gives retired people an opportunity to widen their circle of friends. Your Local Authority and library will usually have a catalogue of voluntary bodies covering every thing from Hospital Car Service to family counselling and adult education. The Retired Executives Activities Clearing House (REACH) will put retired professionals in touch with voluntary organizations that pay travelling expenses in return for help in the pensioner's area of competence. The Voluntary Services Overseas (VSO) will also help retirees find contracts overseas for two or three months, on an expenses and pocket money basis only, for the candidate and spouse. Often establishments such as museums, the National Trust and English Heritage require volunteer guides and wardens. One of the objectives of BAFUNCS is to cooperate with organizations engaged in mobilizing public support for the United Nations and its Specialized Agencies. The largest of these, the United Nations Association (UNA), has branches in many cities and towns throughout the United Kingdom.

General Advice and comments, abroad and in the UK

If possible, think ahead. If you do not have an established home in the UK, think about where you might wish to live, is location, facilities and accessibility. Once you take up residence you will be bombarded with material from utility companies. Ask neighbours for advice on local help

(home help, gardeners, plumbers, electricians, and the like). Regional Representatives arrange social activities which can lead to useful contacts and together with other BAFUNCS officers they will willingly provide information to help you settle in to your new home.

Useful contacts

In addition to BAFUNCS, you will already know the UN Joint Staff Pension Fund, New York and Geneva. Other contacts that may be useful are:

AGE UK:
207-221 Pentonville Road, London N1 9UZ
Tel: 0800 169 2939
Website: www.ageuk.org.uk
(BAFUNCS contact: Dr Ziaul Islam)

CITIZENS' ADVICE BUREAUX
There are over 400 CABs in the UK, located in many towns.
Website: www.adviceguide.org.uk

DEPARTMENT OF HEALTH:
Richmond House, 79 Whitehall, London SW1A 2NS
Tel: 020 7210 4850 Website: www.dh.gov.uk

DEPARTMENT OF WORKS AND PENSIONS
The Pensions Service, National Pensions Centre, Tyne View Park, Newcastle-upon-Tyne NE98 1YZ
Tel: 0845 301 3011

DVLA
Driving License Validation Team
Drivers Customer Services, DVLA, Swansea SA6 7JL
Tel: 0300 123 0784; fax from abroad: +44 1792 786 369

RETIRED EXECUTIVES ACTIVITIES CLEARING HOUSE (REACH)
(Main Office) 89 Albert Embankment, London SE1 7TP
Tel: 020 7582 6543 Website: www.reachskills.org.uk

STUDENT GRANTS AND LOANS
In England and Wales contact local authorities for information; in Northern Ireland contact the Education and Library Board in whose area you normally live. In Scotland contact: The Student Awards Agency for Scotland (SAAS), Gyleview House, 3 Redheughs Rigg, South Gyle, Edinburgh EH12 9HH.
Tel: 0845 111 1711; E-mail: saas.geu@scotland.gsi.gov.uk; Website: www.saas.gov.uk
General source of information:
www.direct.gov.uk/en/EducationAndLearning/UniversityAndHigherEducation/StudentFinance/index.htm
(see also: Department for Innovation, Universities and Skills: www.dius.gov.uk)

THE OPEN UNIVERSITY:
Walton Hall, Walton, Milton Keynes, MK7 6AA
Tel: 01908 274 066 website: www.open.ac.uk

VSO (Main UK Office)
27a Carlton Drive
Putney, London, SW15 2BS
Tel: 020 8780 7200
Website: www.vso.org.uk

These notes are issued for guidance only. All advice in this area depends upon individual circumstances and needs. If you have any doubts as to its relevance to your own position you should seek professional advice. The Executive Committee cannot accept responsibility for the accuracy of the information, or the validity or otherwise of any recommendation in this document. The Executive Committee welcomes any suggestions for additions and improvements.

All enquiries to: The Secretary, BAFUNCS, Hayward House, 18 Pelhams Walk, Esher, Surrey KT10 8QD (e-mail: secretary@bafuncs.org) who will forward them to the appropriate Executive Committee officer.