

## **AIACE-UK Annual General Meeting, 11th June 2024**

### *Record of proceedings*

The meeting took place at Europe House and via Zoom video-conference. 78 participants were present and the meeting was presided by AIACE-UK Chairman, Tom Kennedy.

**The morning session** consisted of a stimulating discussion with Baroness Catherine Ashton, first High Representative of the European Union for Foreign Affairs and Security Policy and formerly Trade Commissioner. She discussed with Bob Hull, based on questions from the audience, her career, experiences with setting up the EEAS and her views on the main political issues faced by the EU and by the UK. The meeting was held under Chatham House rules but [a recording was now available on Zoom](#) for AIACE members to listen to. Participants expressed their approval of the lively and informed discussion.

### **Business proceedings**

**1. Committee Report to the AGM** - Tom Kennedy presented the report on behalf of the outgoing Committee, highlighting the work of AIACE-UK volunteers in assisting members as well as ensuring the smooth running of the organisation. The full report had been distributed in advance to all members and was also available on the website. The meeting endorsed the report and thanked the Committee and other volunteers for their efforts.

**2. Financial Report** - Treasurer John Wiggins presented the 2023 accounts, noting the annual surplus of approximately £4000 and the healthy state of our total net assets which were now £53897. He proposed that there was no necessity to increase the annual membership cost which remained at a modest £22 pa. He also emphasised the willingness to use funds for appropriate actions at regional level. This report had also been distributed to members and was endorsed by the meeting with thanks to John for his excellent work.

**3. New National Committee** - There had been 11 nominees, as below. The meeting unanimously approved their appointments to the 2024-25 Committee.

Andersen, Pernille  
Clegg, Martin  
Cornelius, Jane  
Currall, Julian  
Hocken, Michael  
Huyton, Alan  
Kennedy, Tom  
Kent, Gail  
Pyke, Belinda  
Savoia, Emanuela  
Wiggins, John

The Chairman thanked outgoing Committee members, John Claxton and Bob Hull, for their contribution.

**4. Pensions** - Martin Clegg, Pensions Ambassador, outlined the 2024 intermediate adaptation of pensions and salaries. This consisted of a 3% increase in pensions but a reduction in the correction coefficient. The level of increase for each individual would depend

on the percentage of pension rights earned before and after 2004. A detailed explanation is in the Annex below.

**5. JSIS** - The Chairman reminded members of the situation concerning screening, highlighting the agreement made with Circle Healthcare, which offered a programme of tests close to the Commission's recommended list. He emphasised the need for an invitation from the Commission before going ahead (with Circle or any other provider).

In a lively discussion, some members pointed to the difficulties that sometimes arose with reimbursement. The Chairman and our JSIS Ambassador, John Claxton, reminded us that there were various methods to claim reimbursement, including the new 'My PMO' app, which was proving relatively easy to use, the older but still valid 'JSIS online' for PC as well as traditional paper based claims. Most members present agreed that PMO did a very good job despite their ever increasing workload (more pensioners but fewer staff) even if a small minority of those present voiced criticism. The vast majority of those present thanked AIACE-UK volunteers, especially the Ambassador team (Michael Hocken and John Claxton) for their untiring efforts to help members.

## **6. Any Other Business**

- A number of colleagues had enrolled for the Assises in Catania and the Chairman encouraged others to consult the AIACE International website and to consider attending what promised to be a pleasant event.
- David Blackman outlined his experiences with the Belgian tax authorities after the new requests for tax returns by colleagues or their spouses who received a Belgian pension. He kindly offered to advise anyone similarly affected.
- The next General Meeting was scheduled for 22nd October in London and on Zoom. The speaker would be Julie Hill, an environment policy specialist with a broad and impressive track record.
- Finally, as alluded to above, the Chairman noted the retirement of Bob Hull from the National Committee after 17 years of service. The meeting applauded this outstanding contribution to the organisation and wished Bob well for the future.

## **7. National Committee roles and responsibilities**

After the AGM, the new Committee met briefly and agreed the following.

Chairman -	Tom Kennedy
Vice Chairperson -	Gail Kent
Secretary -	Alan Huyton
Treasurer -	John Wiggins
Membership team -	Jane Cornelius, Emanuela Savoia
Connect and Vox -	Belinda Pyke
Webmaster -	Alan Huyton, Emanuela Savoia
JSIS Ambassador -	Michael Hocken, John Claxton
Pensions Ambassador -	Martin Clegg, Pernille Andersen
Survivors Ambassador -	Pernille Andersen
Delegates to Aiace Board -	Tom Kennedy, Gail Kent
Alternates to Aiace Board -	Belinda Pyke, Julian Currall

21 June 2024

**Annex - Intermediate update of EU salaries and pensions 2024– impact for pensioners resident in the UK.**

1. According to a recent report from Eurostat, the increase in the average cost-of-living for EU staff over the 6-month period June-December 2023, as measured by the Joint Index for Belgium and Luxembourg, reached 3.0%, corresponding to the threshold for triggering an intermediate update of all salaries and pensions (including family allowances and EU tax thresholds), according to the rules for the 'Method'.

In contrast to the forecasts at the time of the previous Intermediate updates for 2022 and 2023, the real terms development of average national civil service pay in a representative sample of ten Member States for 2024 (the 12-month period 1 July 2023 to 1 July 2024) is forecast by Eurostat to be positive. This means that when calculating the intermediate update for this year, the percentage increase in the cost-of-living is not offset by any abatement. The amount of this year's general intermediate update is therefore +3.0%.

2. However, for most pensioners resident in the UK, the general intermediate update of +3.0% will be partly offset by the effect of the simultaneous updating to correction coefficients (CCs). There is some lowering in the correction coefficients for pensions for all the nine Member States plus the UK where the CC currently exceeds 100.0, reflecting a somewhat smaller cost-of-living increase for these countries compared to Belgium for the period June-December 2023. For the UK, the CC is reduced from 130.0 to 128.3 (-1.31%). The combined effect of the general increase of 3.0% and of the reduction in the UK correction coefficient will vary according to the individual pensioner's share of overall pension rights acquired before and after 1 May 2004.

For example, in the case of a UK pensioner who acquired all of his/her pension rights before May 2004, the net increase is 1.65%. For those with, say, 75% of pension rights before May 2004, the net increase is 1.93% whilst for 50% of rights before May 2004, the net increase is 2.24%. For those with no or few pre-May 2004 rights, the increase is at or close to the general increase of 3%.

These changes, once confirmed and notified by the Commission in the Official Journal, will all be applied retroactively from January 2024 and implemented with the salary and pension payments for June, including the backlog from January.

3. Towards the end of this year, the Method will be calculated for the whole of the 12-month period from 1 July 2023 to 1 July 2024, determining the residual amount of the update applicable from 1 July 2024 i.e. a combination of the change in the cost-of-living for EU staff and the development in the real pay of national civil service pay over the 12 months, minus the +3.0% intermediate update already paid in June. Although the definitive Eurostat calculations will not be finalised until the autumn, the expectation of a cost-of-living increase for the whole of the period July 2023-June 2024 which is similar to that recorded for June-December 2023 but with the prospect of a positive development in average national civil service real pay for the 12-month period suggests that the residual update will also be positive. If the real development in civil service pay were to exceed +2%, the Method's "Moderation Clause" would be triggered so that the part exceeding 2% would only be applied as from 1.4.2025.

For most pensioners in the UK, the net impact of the residual update will also depend upon the direction and extent of further adjustment to the UK correction coefficient for pensions as well as the new euro/£ fixed exchange rate, applicable from 1 July 2024.

Final