

Pension news

Welcome to the Civil Service Pension Newsletter!

Welcome to the Spring 2025 edition for pensioner members of the Civil Service Pension Scheme.

With the promise of better weather and longer days, we kick-start Spring with our largest member communication of the year: the **Pensions Increase and P60 mailing**.

This year's Pensions Increase takes effect from **Monday 7 April** — full details are provided below, including reasons why some members may not receive the full increase. You'll also receive a **P60 certificate** alongside your pension increase letter.

This year marks the **60th anniversary of the Civil Service Retirement Fellowship**, a partner charity dedicated to supporting retired civil servants and their families. If you'd like to get involved, visit their website at www.csrf.org.uk or call **020 8691 7411**.

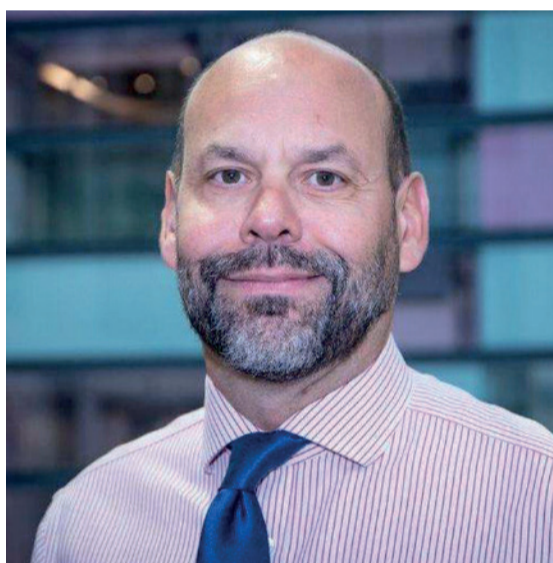
Many members ask how their Civil Service pension impacts their **State Pension**. We've included an article to explain how the two work together.

From **April 2027**, new **Inheritance Tax** rules are expected. Details are still emerging, but we've provided a summary to help you stay informed.

Finally, please take a moment to let us know what you think of this newsletter — your feedback helps us improve future editions.

Simon Claydon

Director of Civil Service Pay, Policy & Pensions



How much will your pension increase in 2025?

Every April, pensions in payment are reviewed in line with Treasury Orders — this is known as the **annual Pensions Increase (PI)**. The PI takes effect on the first Monday after 6 April. This year, it will apply from **Monday 7 April 2025**.

The increase is 1.7%.

Because pensions are paid in arrears, you may not see the full increase until your **May 2025** payment.

Note: The increase is pro-rated based on your retirement date within the previous tax year. For example, if you retired five months ago, you'd receive 5/12ths of the full annual increase.



Why haven't I received the full 1.7%?

Several reasons may apply:

- **Your tax code has changed** – check your payslip or contact **HM Revenue & Customs (HMRC)** on **0300 200 3300**.
- **Pension pay dates** – payments are made in arrears, so timing affects when increases are reflected.
- **State Pension interaction** – if you reached State Pension age before 6 April 2016 and were in service before 6 April 1997, part of your increase may be paid through your State Pension rather than your Civil Service pension.

My pension decreased after the increase – why?

This is likely due to a **change in your tax code**. You can confirm by checking your payslip or by contacting **HMRC** directly.

Share your views and win £100!

We'd love to know your thoughts about this newsletter.

To share your feedback, and to be entered into a prize draw to win a £100 Love2Shop voucher, complete the survey online. Please note: the competition is available online only. To take part, visit the Pensioner Newsletter page at: www.civilservicepensionscheme.org.uk/newsletters The winner will be contacted by 30 June 2025.



Make friends over lunch

The **Civil Service Retirement Fellowship (CSRF)** runs over 50 local community groups to help former civil servants enjoy a fulfilling retirement.



They are looking for volunteers to coordinate lunch groups in these areas: **South Bank (London), Orpington, Kettering, Basingstoke, Andover, Folkestone, Cambridge, Kilmarnock, Abergele.**

Interested in joining or helping?

Call: **020 8691 7411**

Email: enquiries@csrf.org.uk

Find group listings at www.csrf.org.uk and search for "Find a Group"

Stay healthy and happy in retirement – 6 tips

1 Keep Active



Follow NHS physical activity guidelines for older adults. Visit www.nhs.uk and search “physical activity guidelines”.

2 Check Your Finances



Use the **MoneyHelper** budget planner. Go to www.moneyhelper.org.uk and search for “budget planner”.

3 Stay Socially Connected



Explore these organisations:

- Age UK: www.ageuk.org.uk
- MeetUp: www.meetup.com
- The Silver Line: Call **0800 470 8090** or visit www.thesilverline.org.uk

4 Volunteer



Find opportunities at these national bodies:

- England: www.ncvo.org.uk
- Scotland: www.scvo.scot
- Wales: www.wcva.cymru
- Northern Ireland: www.nicva.org

5 Get Health Check-Ups



Contact your **GP** for NHS Health Checks or visit www.nhs.uk and search “NHS Health Check”.

6 Keep Learning



Explore:

- University of the Third Age (U3A): www.u3a.org.uk
- Open University Free Courses: Visit www.open.edu and search “free courses”
- Your Local Library

Your State Pension – what you need to know

Check your forecast: Go to www.gov.uk and search 'check State Pension forecast'.

If you were in service before **6 April 2016**, you may have been **contracted out** of the Additional State Pension. This may affect your entitlement.

You may also have a **Guaranteed Minimum Pension (GMP)** if you worked **between 1978 and 1997**.

To learn more, visit www.gov.uk and search for 'contracted out pension'.



Charity for Civil Servants (CFCS)

The **CFCS** supports retired civil servants with:

- Money and debt advice
- Health & wellbeing
- Caring responsibilities
- Bereavement
- Gambling and addiction support

To apply for support:

- Visit www.cfcs.org.uk
- Email: help@cfcs.org.uk
- Call: **0800 056 2424** (Monday to Friday, 10am–1pm)

Other trusted partners include:

- Civil Service Pensioners Alliance (CSPA): www.cspa.co.uk
- Civil Service Insurance Society (CSIS): www.csis.co.uk

Inheritance Tax changes – what you should know

From **April 2027**, some **Defined Contribution** and **Defined Benefit** pensions may be subject to **Inheritance Tax (IHT)**.

Public sector pensions, like the Civil Service Defined Benefit scheme, are expected to remain **exempt**.

For the latest information, visit www.gov.uk and search 'inheritance tax and pensions'.