

Pension news

Welcome to your Summer 2024 CS Pensions newsletter!

I'm delighted to share another edition of the Civil Service Pensions newsletter with you.

Hot on the heels of the General Election, there's plenty going on across the Civil Service and lots happening in the scheme. This edition, which comes to you at the start of annual statement season, includes helpful information about your Annual Benefit Statement.



The 2015 Remedy (McCloud) legislation came into effect on 1 October 2023, and as per the requirements, members who are affected have been 'rolled back' into their Legacy scheme (classic, classic plus, premium or nuvos) from 1 April 2015 to 31 March 2022. Approximately 30% of active members are affected by the 2015 Remedy so those statements will look different this year.

Members who aren't affected, and those who only have alpha benefits, haven't been rolled back into any of the above Legacy schemes.

As ever, we encourage your feedback which really does help us shape future communications and how you want to hear from the scheme. We're inviting you to share your views as part of the annual member engagement survey which will influence and inform our planning for 2025.

There's also a preview of what we have coming up in the second half of the year, this includes Pensions Awareness Week and a third season of the now award-winning Civil Service Pensions Podcast.

Thank you for taking the time to read this newsletter!

Simon Claydon
Director of Civil Service Pay, Policy & Pensions

Statement season is here! Time to check in on your pension.

Annual statement season starts in July and runs through to October each year. It's a great opportunity for you to check in on your pension and ensure you're on track to meet your long-term financial goals.

If you're registered for the pension portal, we will let you know when your Annual Benefit Statement (ABS) is ready to view by sending you an email. If you are not registered for the pension portal, you can check the scheme website to find out when your ABS is scheduled to be ready. You'll need to be registered on the pension portal to view your ABS and you can find out how to do that via the guide to registering on the scheme website.

If you've requested a paper ABS you'll get yours the post either at home or via your employer. If you're eligible for a Pension Saving Statement, this will be posted also.

These statements are among the most important pieces of information we send about your pension, so please check them carefully.



Annual Benefit Statements (ABS)

What is an ABS?

Your ABS shows an estimate of your pension benefits up to 31 March 2024 and is based on information provided to the scheme by your employer.

Who is eligible to get an ABS?

Active members of the Civil Service Pension Scheme who have been contributing to the scheme up to 31 March 2024 are eligible to get an ABS this year. If you joined after 1 April 2024, you'll be eligible in 2025.

When will I get my ABS?

Statements will be issued via email or post between 1 July and 31 August 2024. We send email notifications/statements out in batches per employer.

To get an idea of when you're likely to get your ABS you can check the ABS schedule on the scheme website at: www.civilservicepensionscheme.org.uk/abs

If you don't get your ABS by the estimated date, don't worry. Sometimes we need to do some extra checks on a handful of statements, but we'll ensure all statements are issued by 31 August 2024.

How does 2015 Remedy impact ABS this year?

If you are affected by the 2015 Remedy, the figures shown in your statement will differ from previous statements. This is because you have been rolled back into your Legacy scheme (classic, classic plus, premium or nuvos) for any service during the “Remedy period” which spans 1 April 2015 to 31 March 2022.

Your pension benefits in the reformed scheme (alpha) now start from 1 April 2022.

You will be given the choice at retirement to take your benefits for the Remedy period in either the Legacy scheme or alpha.

Read more about the 2015 Remedy on the scheme website:
www.civilservicepensionscheme.org.uk/remedy

Find out if you're affected in the 2015 Remedy Am I Affected tool:
<https://retirementmodeller.civilservicepensionscheme.org.uk/remedy>

Learn more about ABS

Here are some resources about ABS that you might find useful:

Frequently asked questions

We've pulled together the most requested ABS information including FAQs, chatbot, videos and more on the ABS web page. If you have a question, this is the best place to start:

www.civilservicepensionscheme.org.uk/abs

Get help understanding your ABS

Listen to 'A quick guide to your ABS' from Season 2 of the Civil Service Pensions Podcast, this short easy listen will take you through your ABS page-by-page:

www.civilservicepensionscheme.org.uk/knowledge-centre/resources/podcast/s2-minisode-3-abs/

Get to grips with your pension basics

Pension Power aims to provide you with all the facts that you need about your Civil Service Pension and is totally free to sign up - join the webinar to power up your pensions knowledge and retirement planning:

www.civilservicepensionscheme.org.uk/pension-power

Pension Saving Statements (PSS)

What is a Pension Saving Statement?

Some members receive a Pension Saving Statement (PSS). They will be issued between August and 6 October. The PSS shows how much your Civil Service Pension has grown in the last year and helps you decide if you have a tax charge to pay.

It's important to note that the PSS issued by the Scheme only covers your Civil Service Pension. If you have other pensions elsewhere, you'll need to factor these in when deciding whether you need to pay tax.

Who gets a PSS?

Only a small percentage of the scheme membership need a PSS. You'll be sent a PSS if:

1. You've exceeded the current Annual Allowance limit, or
2. You earn over £100,000 per year, or
3. You've requested a PSS.

The current Annual Allowance limit is £60,000. You will receive a PSS for 2023/24 if you have exceeded this amount or met either of the other two criteria in the last financial year.

What's Annual Allowance?

Annual Allowance is the amount your pension can grow by each year before tax is payable. Annual Allowance is *not* the overall *value* of your pensions. It applies to the overall *growth* of all pensions you are actively saving or building up, including your Civil Service Pension. This growth is referred to as your Pension Input Amount.

Pension Input Amounts for your Civil Service pension are based on the benefits you have built up, *not* the contributions you or your employer have made.

This year the Annual Allowance is £60,000. So, if the combined growth of all your pensions was *no more than* £60,000 in the last financial year, you *will not* have a tax charge to pay. You can carry forward any unused Annual Allowance from the last three years. So if your pension savings have increased by more than £60,000 this year and you have enough unused Annual Allowance from the previous three years, you may not have a tax charge to pay this year.

How is the 2015 Remedy impacting PSS in 2024?

This year, some members who are in scope of the 2015 Remedy will receive a Remedy PSS. This will cover the Remedy period, from 1 April 2015 to 31 March 2022 and the 2022/2023 tax year. You will receive a Remedy PSS if, in any year over this period you;

1. Exceeded the Annual Allowance limit (£40,000 at that time); or
2. Earned over £100,000 per year; or
3. Requested to receive a PSS

This means that some members could receive two separate statements by October 2024: a Remedy PSS, followed by a PSS for the 2023/2024 tax year.

If you receive a Remedy PSS, it will include further information about any action that may be needed. Until then, there is nothing you need to do.

You can learn more about 2015 Remedy by visiting the 2015 Remedy pages of the scheme website: www.civilservicepensionscheme.org.uk/remedy

Learn more about PSS

Additional information about PSS

We've pulled together the most requested PSS information including FAQs, videos and more on the PSS web page. If you have a question, this is the best place to start:

www.civilservicepensionscheme.org.uk/pss

Get help understanding pensions tax

Pensions Tax can be complicated and difficult to understand, particularly for members who are also in scope of the 2015 Remedy. The scheme administrator offers tax support sessions for members impacted by pensions tax. Please note, there is a cost associated with this which you or your employer will need to cover to access the sessions:

www.mycsp.co.uk/pension-learning/member-learning/group-pension-tax-awareness/

2024 Member Engagement Survey: Have your say!

Take part to enter the £100 prize draw

This year we're asking you once again to share your views on the scheme. Your feedback and comments help us understand what's important to you and directly influences future activities, communications and events. There's also a chance to win £100 in Love2Shop vouchers in our prize draw, so please spend 10 minutes sharing your views.



Take part here: www.smartsurvey.co.uk/s/MES2024/

What's coming up in 2024

Here's what's on the horizon for our members. You can also check the news and updates page on the scheme website as it happens: www.civilservicepensionscheme.org.uk/news/

Pension Awareness Week 2024: Save the date

It's official...Pension Awareness Week will be back in September 2024!

We'll be running a series of interactive webinars week commencing 16 September 2024, all designed to help you understand your pension benefits.

Look out for communications coming direct from the scheme as well as from your employer over the coming weeks. Register your interest here:

www.civilservicepensionscheme.org.uk/knowledge-centre/resources/pension-awareness-week-2024/

Civil Service Pensions Podcast, SE3

The award-winning Civil Service Pensions Podcast will be back for a third season in September with a run of 12 more episodes. Hosts Emily and Rob will be joined by new and returning guests, experts sharing information and real members telling stories about their lives in the Civil Service and beyond.

If you can't wait, you can listen to all 18 episodes from seasons one and two on Apple Podcasts, Spotify, YouTube or wherever you get your podcasts right now. Subscribe to be notified when the new season drops.



Listen online via the scheme website too: www.civilservicepensionscheme.org.uk/podcast

Beginner Guide videos: coming soon

We'll also be launching the first in a series of beginner guide videos designed to help you understand your pension in simple, bitesize chunks. The first series will focus on helping to demystify the Deferred Choice Underpin (DCU) which is part of the 2015 Remedy.

Pensions support sessions recommended by 97% of attendees, now tailored for the 2015 Remedy

Pension Power is a free, one hour session aimed at helping you get to grips with the basics of your Civil Service Pension. Following the success of our New Joiner version Pension Power introduced in 2023, we're now excited to introduce another new version of Pension Power focussed on the 2015 Remedy.

We're starting with a limited number of sessions in July and August only and we're excited to get your feedback! Learn more and book on the scheme website:

www.civilservicepensionscheme.org.uk/pension-power

Share your feedback online

If you have a minute or two, could you share your views on this newsletter? Your answers will help improve future editions.

Visit the digital version of this newsletter to share your feedback:

www.civilservicepensionscheme.org.uk/active-news-summer-24/#what-did-you-think-of-this-newsletter?