

alpha case studies



The scheme appreciates that you may want to understand how the introduction of alpha will affect your own personal circumstances.

To help you to do this, closer to the introduction of alpha, the scheme will provide online tools that you will be able to use to estimate your alpha benefits.

In the meantime, these case studies provide some examples of how the move into alpha would affect people in a range of different circumstances.

The information in these case studies will apply to most members. But if you have any special terms or conditions some of the information may not apply to you.

These case studies do not cover every aspect of the scheme. Full details of the scheme are set out in the scheme rules, which are the legal basis of the scheme. You should note that nothing in these case studies can override the rules, and in the event of any difference, the rules will apply.

Contents



Moving into alpha

Joining alpha as a new entrant	page 03
classic member moving into alpha	page 04
premium member who leaves the scheme and comes back within 5 years	page 05
nuvos member who has a previous public service pension	page 06

Taking your pension benefits at different ages

nuvos member who moves into alpha and works until his alpha NPA	page 07
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Early retirement

premium member who moves into alpha then takes her pension before her NPA	page 08
nuvos member who moves into alpha then takes his pension at his nuvos NPA	page 09

Ill-health

nuvos member with an ill-health retirement application in progress on 01 April 2015	page 10
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Partial retirement

premium member who moves into alpha and takes partial retirement	page 11
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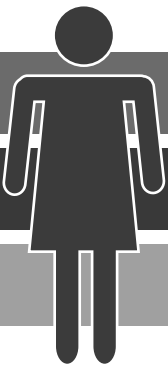
Re-employment

premium member who leaves the scheme and comes back within 5 years	page 12
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Leaving

nuvos member who moves into alpha and leaves the scheme with over two years' service	page 13
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Moving into alpha



nuvos

alpha

new entrant

Alice

Joining alpha as a new entrant

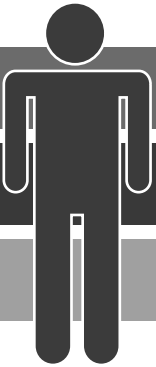
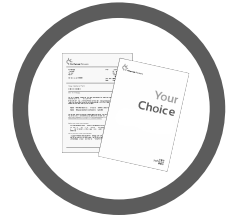
- Alice is aged 21 at 01 April 2012.
- She joined the Civil Service and nuvos for the first time on 01 September 2014.

Alice was not a member of any public service pension scheme on 31 March 2012.

Alice's employer will move her into alpha on 01 April 2015. Her Normal Pension Age (NPA) is the same as her State Pension age, which is currently 68.

The nuvos pension she has earned between 01 September 2014 and 31 March 2015 (7 months service) will be 'banked' and will continue to be adjusted each year in line with inflation.





classic

alpha

Options Exercise

Ashley

classic member taking part
in the Options Exercise
then moving into alpha

- Ashley is a classic member, aged 47 years 05 months at 01 April 2012.
- He has been a member of classic since September 1988.

Ashley was a classic member on 31 March 2012. On 01 April 2012 he was 12 years and 07 months away from his classic Normal Pension Age (NPA) of 60. Due to his age, he will take part in the Options Exercise.

Ashley will receive an Options Pack and he can choose whether to stay in classic until his alpha enrolment date of 01 February 2017 or move into alpha on the day it is introduced, 01 April 2015.

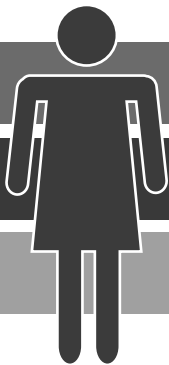
If Ashley does not return his Options reply slip he will be moved into alpha on his alpha enrolment date.

Information on the Options Exercise and alpha enrolment dates can be found here:
www.civilservicepensionscheme.org.uk/members/the-new-pension-scheme-alpha



Agnes

premium member
who leaves the scheme and
comes back within 5 years



premium

resigns

under 5 yr break

rejoins

alpha

- Agnes is a premium member, aged 48 years 07 months at 01 April 2012.
- She has been a premium member since 01 September 2003.
- She resigns and leaves the scheme on 01 November 2014 with a preserved pension; She is re-employed by an employer covered by the Civil Service Pension arrangements on 01 April 2018.

Agnes was a premium member on 31 March 2012. On 01 April 2012 she was 11 years and 05 months away from her premium Normal Pension Age (NPA) of 60. Due to her age, she will take part in the Options Exercise and decide whether to move into alpha on 01 April 2015.

Agnes chooses to stay in premium until her alpha enrolment date of 01 June 2019.

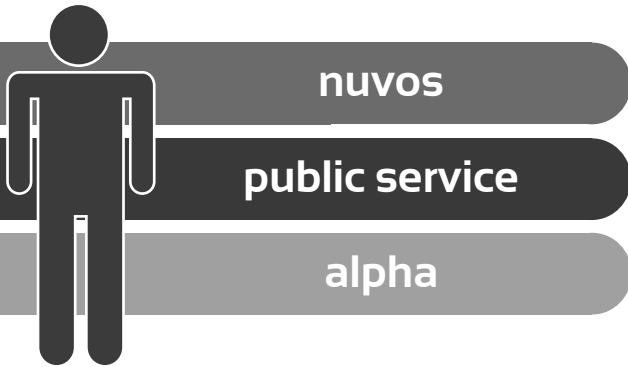
After making this decision, she resigns on 01 November 2014, and then is re-employed on 01 April 2018.

Agnes's break in service is less than five years. As she has not reached her alpha enrolment date of 01 June 2019, her employer re-enrols her into premium.

Agnes's employer moves her into alpha on her alpha enrolment date of 01 June 2019.

If she transfers her premium benefits to another scheme outside of the public service when she leaves in November 2014, she loses the right to rejoin premium and Agnes would be moved into alpha immediately when she is re-employed.





Albert

nuvos member who has a
previous public service pension

- Albert is a nuvos member, aged 53 at 01 April 2012.
- He has been a nuvos member since May 2012.
- He was a member of the NHS Pension Scheme (2008 section) until May 2012, qualifying for 'tapered enrolment'.

Albert qualified for 'tapered enrolment' in the NHS scheme and did not claim this pension, or transfer it to another pension scheme.

Albert would have also qualified for the Options Exercise if he had been a member of the Principal Civil Service Pension Scheme (PCSPS) on 31 March 2012 as he was 12 years away from the nuvos Normal Pension Age (NPA) of 65.

As Albert qualified for 'tapered enrolment' in both schemes on 01 April 2012 and he has not taken his NHS pension, he keeps his 'tapered enrolment' and joins nuvos. He will join alpha on his alpha enrolment date, 01 April 2018.





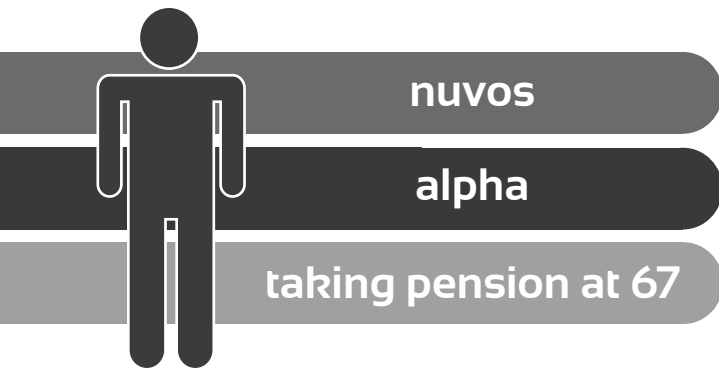
Taking your pension benefits at different ages



Aif

nuvos member who moves into alpha and works until his alpha NPA

- Alf is a nuvos member, aged 45 at 01 April 2012.
- He has been a member of nuvos since 2009.
- Alf moves into alpha on 01 April 2015.



When he joins alpha the pension benefits he built up in nuvos are 'banked'. These benefits will be adjusted each year in line with inflation.

From 01 April 2015, Alf starts building up alpha pension at 2.32% of his actual pensionable earnings. He continues in alpha until he chooses to retire and take his pension benefits at his alpha Normal Pension Age (NPA), which is the same as his State Pension age which is currently 67.

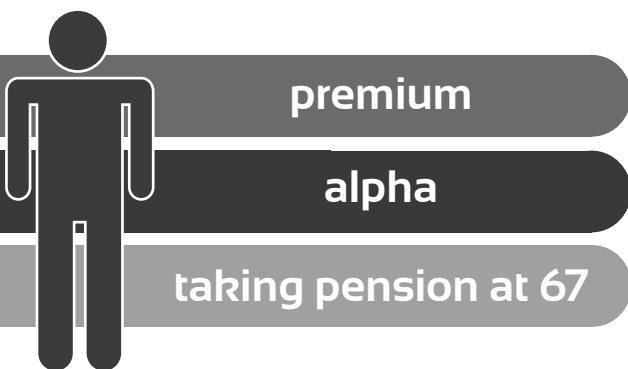
Alf's pension is made up of two parts, a portion from nuvos, and a portion from alpha. Both portions are paid in full, without any reduction, as he has reached the NPA in both schemes (65 in nuvos and 67 in alpha).

Under the nuvos rules, Alf's nuvos pension will be increased by a 'late payment addition' as it is being paid two years after the nuvos NPA.

Alf may have the option to exchange some of his pension for a lump sum, within limits set by HM Revenue and Customs.



Early retirement



Abigail

premium member who moves into alpha then takes her pension before her NPA

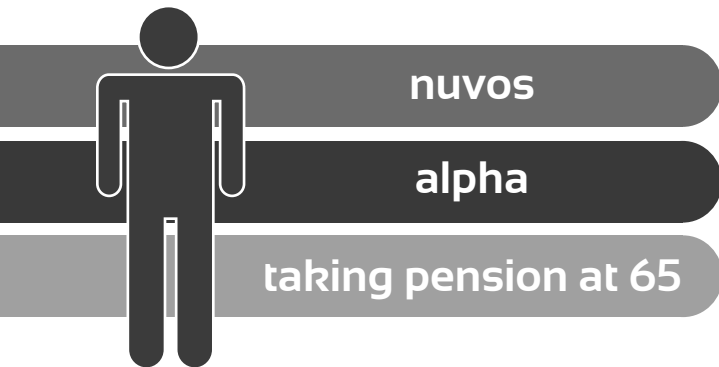
- Abigail is a premium member, aged 48.
- She has been a premium member since 2005.
- As part of the Options Exercise, Abigail chooses to move into alpha on 01 April 2015.

Abigail chooses to retire and take her pension benefits at age 58, before reaching her alpha Normal Pension Age (NPA). She is entitled to a pension made up of two parts, a portion from premium, and a portion from alpha.

Abigail's premium pension is worked out using the service she built up while she was in premium and her final pensionable earnings when she leaves alpha (her last day of service). This portion of her pension will be reduced because it is being paid two years before her premium NPA of 60.

Abigail's alpha pension is the amount built up from 01 April 2015 to the date of leaving. This portion of her pension will also be reduced because it is being paid nine years before her alpha NPA, which is the same as her State Pension age, which is currently 67.





Pete

nuvos member who moves into alpha then takes his pension at his nuvos NPA

- Pete is a nuvos member, aged 25 at 01 April 2012.
- He has been a member of nuvos since 2009.
- Pete moves into alpha on 01 April 2015.

The pension benefits he built up in nuvos are banked. These benefits will be adjusted each year in line with inflation.

From 01 April 2015, Pete starts building up alpha pension at 2.32% of his actual pensionable earnings each year. He continues in alpha until he chooses to retire and take his pension benefits at his nuvos Normal Pension Age (NPA) of 65.

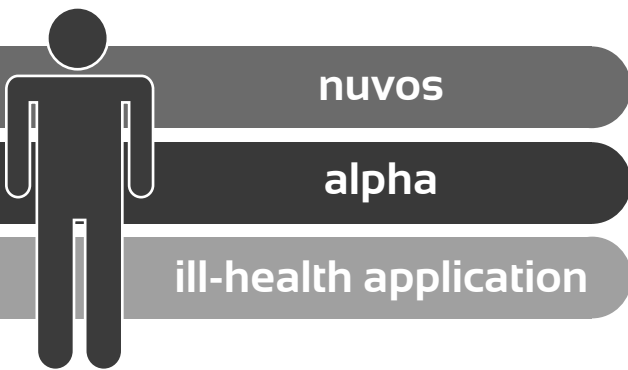
Pete's pension is made up of two parts, a portion from nuvos, and a portion from alpha. The nuvos portion is paid in full, as Pete has reached the NPA for that scheme. The alpha portion is reduced, as Pete is taking this portion three years before his alpha NPA, which is the same as his State Pension age, which is currently 68.

Pete may have the option to exchange some of his pension for a lump sum, within limits set by HM Revenue and Customs.





Ill-health



Andy nuvos member with an ill-health retirement application in progress on 01 April 2015

- Andy is a nuvos member, aged 43.
- Andy starts an application for ill-health retirement on 01 November 2014.

Andy joined nuvos on 01 November 2009.

Andy's application is turned down by the scheme medical adviser.

Andy decides to appeal, and his appeal is ongoing at 01 April 2015.

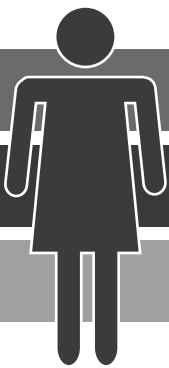
He remains in nuvos while he has an ongoing appeal and does not join alpha on 01 April 2015. If his appeal is successful, Andy will retire from nuvos on the grounds of ill-health.

If his appeal is rejected, Andy will move into alpha from the day of his final appeal decision. His nuvos pension built up to that date is banked and will continue to be adjusted each year in line with inflation.





Partial retirement



premium

alpha

partial retirement

Adele

premium member who moves into alpha and takes partial retirement

- Adele is a premium member, aged 48 at 01 April 2012.
- She has been a premium member since 2003.
- Adele takes part in the Options Exercise and chooses to move into alpha on her alpha enrolment date of 01 April 2018.

Adele can apply to take partial retirement as long she has reached her alpha Minimum Pension Age, which is currently age 55, she meets the required conditions, and her employer agrees.

These conditions are the same in both the Principal Civil Service Pension Scheme (PCSPS) and alpha, a reduction in earnings of at least 20% by changing to a lower paid job or position, or reducing working hours.

Adele can opt to take some or all of the benefits she has built up to her partial retirement date and continue working and building up pension benefits in alpha.

She can partially retire using:

- her premium pension benefits only
- her alpha pension benefits only
- a combination of the two.

The pension payable from each part will be reduced for early payment if it is taken before the Normal Pension Age (NPA) of each scheme.

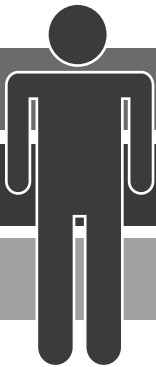
She may have the option to exchange part of the premium and alpha benefits that she takes for a lump sum, subject to limits set by HM Revenue and Customs.

If Adele earns more in salary and premium pension than she earned before she took partial retirement, her premium pension could be reduced (this is called abatement).

Abatement does not apply to alpha pensions.



Re-employment



premium

alpha

resignation

under 5 yr break

rejoins

Arthur
premium member
who leaves the scheme and
comes back within 5 years

- Arthur is a premium member, aged 48 at 01 April 2012.
- He has been a premium member since 2003.
- Arthur takes part in the Options Exercise. He chooses to move into alpha on his alpha enrolment date of 01 April 2018.

Arthur leaves employment in February 2019 and is entitled to a preserved premium pension and a preserved alpha pension. After a break he is re-employed by a Civil Service employer and is eligible to rejoin alpha.

His re-employment date is within five years of the date of leaving, and automatically rejoins alpha.

His premium preserved pension and alpha preserved pension are cancelled.

Arthur's premium service is 'banked' again and will be used to calculate a pension the next time he leaves, using his final pensionable earnings at or close to his next leaving date.

Arthur's alpha pension becomes active again and includes annual inflation adjustments for the time between leaving and rejoining. He starts to earn pension again from the date he rejoined alpha and the annual inflation adjustments will apply to all of the alpha pension he has earned for both periods of service.





Leaving



nuvos

alpha

resignation

over 2 years

Phil

nuvos member who moves into alpha and leaves the scheme with over two years' service

- Phil is a nuvos member, aged 38 at 01 April 2012.
- He has been a nuvos member since 2007.

Phil moves into alpha on 01 April 2015 and his nuvos benefits are 'banked'.

Phil leaves employment on 31 March 2020 and has completed 13 years qualifying service. He is entitled to a preserved nuvos pension and a preserved alpha pension which he can claim once he has reached his Minimum Pension Age.

He will receive an annual statement showing the value of his preserved pensions in nuvos and alpha.



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