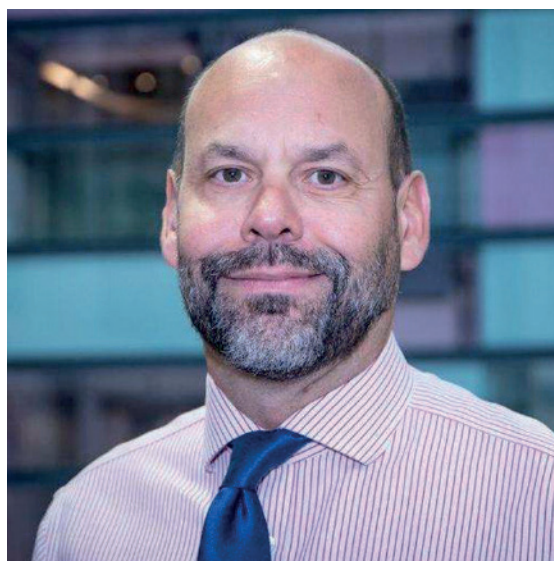


# Pension news

## Welcome to your Spring 2025 CS Pensions newsletter!

Welcome to the Spring active newsletter. I'd like to start by outlining what we're doing in terms of this year's Annual Benefit Statements (ABS). If you are not affected by the 2015 Remedy (McCloud) and eligible for an ABS, you'll be notified either via email or your employer that your 2025 ABS is ready to view or download.

If you are affected by the 2015 Remedy, you'll be issued with two statements, an ABS and an Alternative Scheme Option ABS. These are illustrations of what your pension will look like in the legacy scheme or reformed scheme. There's nothing for you to do until you retire because that's when you'll choose your preferred option under Remedy. Both these statements make up your Remediable Service Statement. The article below gives you more information but I want to assure you that we're working through this complex area as quickly as we can.



Pensions can be confusing, which is why we offer Pension Power sessions – free one-hour webinars delivered by the scheme administrator's expert training team. Regardless of whether you're a new joiner or have been a scheme member for years, you'll come away with sound information about your pension benefits. Pensions tax training is also available for those who may have a Pensions Annual Allowance tax charge to pay, but please read below for more details as this is chargeable.

Our annual Member Engagement Survey is live, and we'd be grateful if you could spare a few minutes to answer the short questionnaire. Your answers will help us understand a little bit about you and your financial priorities, which in turn will inform how we shape and evolve the scheme communications to meet your needs. The survey can be accessed via the Civil Service Pensions website or directly here: [www.smartsurvey.co.uk/s/MES2025/](http://www.smartsurvey.co.uk/s/MES2025/)

There's a lot planned within pensions. Please come and see us at Civil Service Live over the Summer. Whether you attend a presentation or visit us on the stand, we'll have a friendly and knowledgeable team ready to speak to you about your future plans and our future plans. I look forward to seeing you there!

**Simon Claydon**

Director of Civil Service Pay, Policy & Pensions

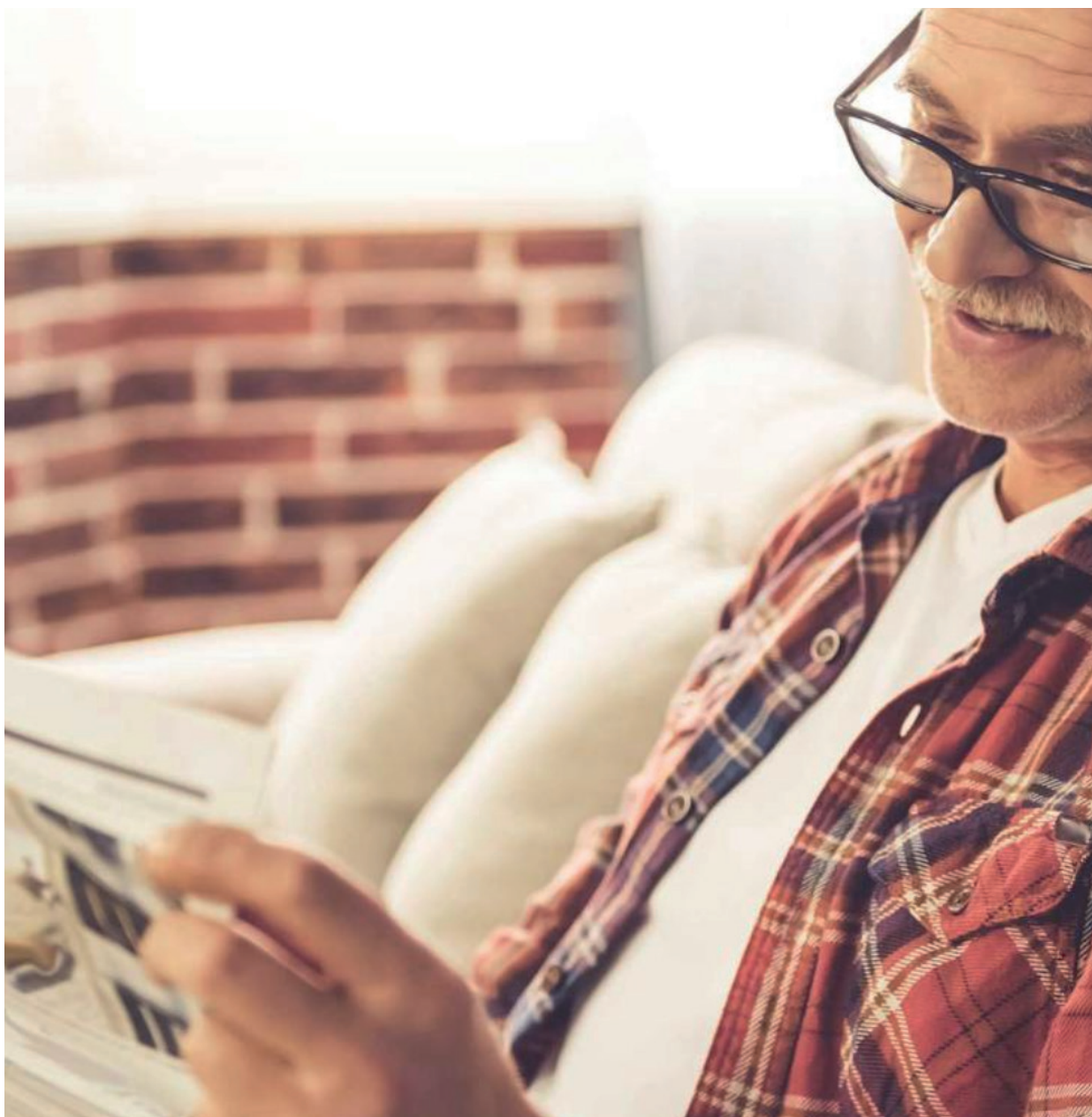
# Statement season is nearly here – time to check in on your pension

Annual Benefit Statements (ABS) give you the opportunity to review your pension and make sure you're on track to meet your long-term financial goals.

If you're registered on the Pension Portal, we'll email you as soon as your ABS is available to view/download. If you're not registered, the Registering for the Pension Portal page on the scheme website includes a step-by-step guide on how to register.

If you've opted to receive a paper copy, your statement will be sent to your home address or delivered via your employer. If you're eligible for a Pension Saving Statement, that too will be sent by post.

These statements are some of the most important documents you'll receive about your pension. We encourage you to review them carefully and contact us or your employer if you have any questions.



## What is an ABS?

Your ABS shows an estimate of your pension benefits up to 31 March 2025 and is based on information provided to the scheme by your employer.

## Who is eligible to get an ABS?

Your ABS shows an estimate of your pension benefits up to 31 March 2025 and is based on information provided to the scheme by your employer.

## When will I get my ABS?

Distribution of ABS will begin in early July. All eligible members will receive their statements by 31 August 2025.

From 7 July, you can check the ABS Distribution Schedule on the **Annual Benefit Statement page** at [www.civilservicepensionscheme.org.uk](http://www.civilservicepensionscheme.org.uk) by entering your employer's name to see when your statement is expected.

The **Annual Benefit Statement page** includes the most requested ABS information. If you have a question, this is the best place to start. Ask the chatbot a question or watch a video.

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. Listen to seasons 1-3 now. Search 'Civil Service Pensions Podcast' at [www.civilservicepensionscheme.org.uk](http://www.civilservicepensionscheme.org.uk).



# The 2015 Remedy (McCloud) and your ABS

As a result of Remedy, we are required to provide impacted members with an illustration of pension benefits for their remediable service (from 1 April 2015 to 31 March 2022).

All affected members, who remain in active service, will receive a Remediable Service Statement (RSS) detailing their benefits in both their Legacy scheme and reformed scheme. The following two statements form your RSS.

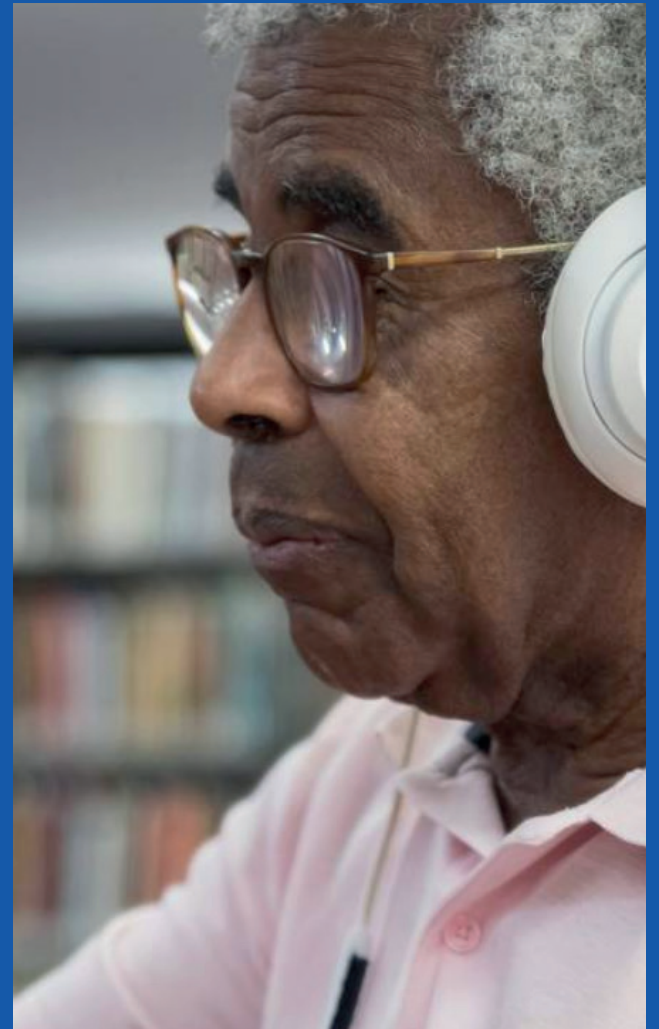
## **ABS:**

- Legacy service (classic, classic plus, premium or nuvos) to 31 March 2022
- alpha from 1 April 2022 until 31 March 2025 (the ABS calculation date)

## **Alternative Scheme Option ABS:**

- Legacy service (classic, classic plus, premium or nuvos) until 31 March 2015
- alpha from 01 April 2015 until 31 March 2025 (the ABS calculation date) \*

*\*During the Remedy period (1 April 2015 to 31 March 2022), your Alternative Scheme Option is calculated using the alpha scheme rules. However, the benefit accrued and paid during this period is legally part of your PCSPS benefits.*



## **What do I need to do?**

There is no action to take until you retire and claim your benefits. Only then will you need to make a choice.

If you are not affected by the 2015 Remedy, you will not be issued with an alternative scheme option statement.

Statements will be available on the portal from 1 July 2025. Find out more about the 2015 Remedy (McCloud) or if you are affected by visiting [www.civilservicepensionscheme.org.uk/remedy](https://www.civilservicepensionscheme.org.uk/remedy)

# Pension Saving Statements

## What is a Pension Saving Statement (PSS)?

A PSS shows how much the value of your Civil Service Pension has grown in the last year and informs you if you have exceeded the Annual Allowance limit. A PSS is issued between August and October.

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?

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.

## 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.

The Annual Allowance for most 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. 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.

## Learn more about PSS

Search 'Pension Savings Statement (PSS)' at [www.civilservicepensionscheme.org.uk](http://www.civilservicepensionscheme.org.uk)

## Get help understanding pensions tax

Pensions tax can be complicated and difficult to understand. 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.

Learn more about tax training at [mycsp.co.uk/pension-learning/member-learning/group-pension-tax-awareness/](http://mycsp.co.uk/pension-learning/member-learning/group-pension-tax-awareness/)



## 2025 Member Engagement Survey: Have your say!

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.

The survey can be found here:  
[www.smartsurvey.co.uk/s/MES2025/](http://www.smartsurvey.co.uk/s/MES2025/)



# Come and see us at Civil Service Live – Attend a presentation or come and talk to us on the CS pensions stand

To book your place, visit <https://civilservicelive.gov.uk/csl>, or search 'Civil Service Live'.

# Your Pension: Having enough money in retirement

1

## Step 1 – Think about how much income you will need.

The Retirement Living Standards are produced every year to give an idea of how much you may need in retirement. Visit [www.retirementlivingstandards.org.uk](https://www.retirementlivingstandards.org.uk) for more information.

2

## Step 2 – Consider all sources of income.

Your Civil Service pension may be one piece of the puzzle. Think about all pensions and income you may have. Use the Find Pension Contact Details to locate any 'lost' pensions schemes. Visit the Find Pension Contact Details page at [www.gov.uk](https://www.gov.uk)

3

## Step 3 – Think money.

Budgeting with MoneyHelper's free online tool helps you keep track of your money. Plus, it suggests ways to improve your finances. It gives you a place to record all your spending so you won't forget anything, and a breakdown of your finances by category and personalised tips to make the most of your money. Visit [www.moneyhelper.org.uk](https://www.moneyhelper.org.uk) for more information.

## The Retirement Modeller

A new Retirement Modeller has recently been released on the pension portal and you can now project your benefits based on live data, giving you the most up-to-date estimations for your benefits.

The modeller includes Options A and B if you are subject to the 2015 Remedy (McCloud) so you can see what your choices may look like at retirement.

There is a how-to video where we walk you through the new tool, and it's features which you can find here:

[www.civilservicepensionscheme.org.uk/modeller](https://www.civilservicepensionscheme.org.uk/modeller)

## Pension Awareness Week 2025: Save the date

You ask and we deliver... Pension Awareness Week will be back in September 2025!

We'll be running another series of interactive webinars over five days from Monday 15 September 2025, all designed to help you understand your pension benefits.

Look out for communications coming directly from the Scheme as well as from your employer.



# Back to Basics: Making Your Pension Easier to Understand

As a Civil Servant, if you have benefits in classic, premium, classic plus, nuvos or alpha you have a **Defined Benefit pension**. This offers a guaranteed annual pension, payable monthly for life.

Unlike other pensions, your benefits are not based on the performance of investments but rather calculations that are centred around your length of service and pay.

In most circumstances you can take a tax-free lump sum when you claim your pension. There are other benefits too, such as an employer contribution of 28.97%, family benefits, and ill-health retirement benefits.

You can find out all about the benefits here:

**[www.civilservicepensionscheme.org.uk/benefits](http://www.civilservicepensionscheme.org.uk/benefits)**

Or attend Pension Power webinar – a free, one hour webinar designed to help you better understand your pension. Visit the ‘Member Learning’ section at **[www.mycsp.co.uk](http://www.mycsp.co.uk)** for more information.

## Lifetime Allowance Has Been Abolished – What Does that Mean?

The Lifetime Allowance (LTA), which previously capped the total amount you could save into your pension pots before facing tax penalties, has been abolished and replaced by a Lump Sum Allowance (LSA).

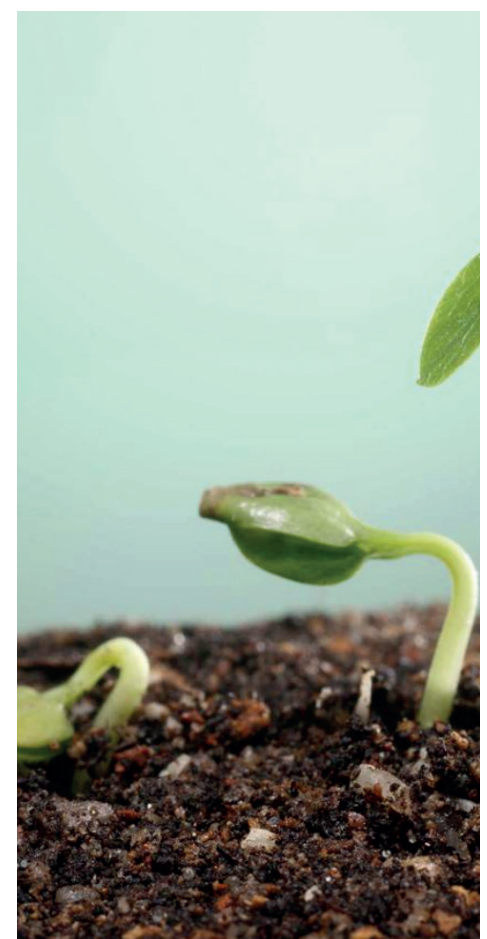
Under the new rules, you can still build a pension pot with no overall cap, but there is now a limit on how much of your pension pot can be accessed as a tax-free lump sum at retirement.

The **LSA** is currently set at **£268,275** (which is 25% of the LTA that was previously in place). You can take up to 25% of your total pension value as a tax-free lump sum, but any amount above £268,275 will be subject to tax. Members with LTA protections may have a different limit.

If your pension pot exceeds the previous LTA (£1,073,100) you won't face the old 55% tax charge, but you'll still need to consider how much you can take, tax-free.

Find out more about LSA/LSDBA by visiting:

**[www.civilservicepensionscheme.org.uk/LTA](http://www.civilservicepensionscheme.org.uk/LTA)**



# What did you think of this newsletter?

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

**1** How easy did you find it to read this newsletter?

- ☐ Very difficult
- ☐ Difficult
- ☐ Neutral
- ☐ Easy
- ☐ Very Easy

**2** How satisfied are you overall with this newsletter?

- ☐ Very dissatisfied
- ☐ Dissatisfied
- ☐ Neutral
- ☐ Satisfied
- ☐ Very satisfied

**3** In just a few words, please let us know why you scored the newsletter this way?