

Civil Service Pensions Scheme On Your Radar

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Pension Dashboard

- DWP Regulations will be laid later in 2022
- The scheme is due to stage in September 2024, subject to legislation
- The scheme is currently undertaking assessment of data required to match member data to Dashboard queries, and of data that will need to be returned to the Dashboard



Employee Contributions, 2020 Valuation and Cost Cap

- The Scheme is consulting on an uplift to the contribution bands from 1 April 2023, and a mechanism for future uplifts
- HM Treasury have consulted on the methodology relating to the discount rate used in the Valuation (known as “SCAPE”) and a consultation response is awaited
- This and the valuation will inform on employer contribution rates from 1 April 2024
- Change to employee contribution rates, if any, will also be informed by the results of the valuation and cost cap



alpha scheme indexation and Annual Allowance

- The NHS Pension Scheme is amending their career average scheme indexation date from 1 April to 6 April
- This will remove the unintended consequence of indexation increasing members' Annual Allowance tax charges
- It will be from 6 April 2023 and reduce the pension input amount for the 2022-2023 tax year pension savings statement
- CS Pensions, along with other major public service pension schemes, are considering options



Changes to the Civil Service Compensation Scheme (CSCS)

- Government published a supplementary consultation document on proposed reforms to the CSCS on 15 August as part of further engagement with trade unions
- Employers will be given at least 3 months notice of change of terms
- A reminder that now that all scheme members are in alpha, the tapering of CSCS benefits for older members will relate to their normal pension age in alpha (66 or higher)



Other things on the horizon

- Survivor benefits – we continue to consult with the unions about the equalisation of adult survivor benefits under Classic and Classic Plus, subject to the necessary member contributions having been paid to, and retained by, the scheme
- Net Pay Arrangements – Government will pay top-up to low earners making pension contributions under net pay arrangements from 2024/25
- Minimum Pension Age – will increase to 57 in 2028 for Alpha members (will stay at 50 or 55 for Classic benefits)



2015 Remedy Programme (McCloud)

Stella Humphreys
Cabinet Office

Programme Overview

- Phase 1 successfully delivered in April 2022, when 45,000 members were transitioned into alpha and legacy schemes were closed to any future accrual of pension benefits.
- Members were advised of this change and supported through the process.
- The vast majority of employers have played their part too, transitioning members into alpha via the interface.

44,450

alpha transition letters sent

4,441

alpha YouTube video hits

8,312

Live@Lunch registrations

13,910

Lifestage page website hits

Forward Look

- The Programme is now focused on Phase 2 that will begin from October 2023, once the legislation is in place.
- This will see the introduction of the Deferred Choice Underpin (DCU) and also the commencement of the retrospective choice exercise for those currently in receipt of benefits.

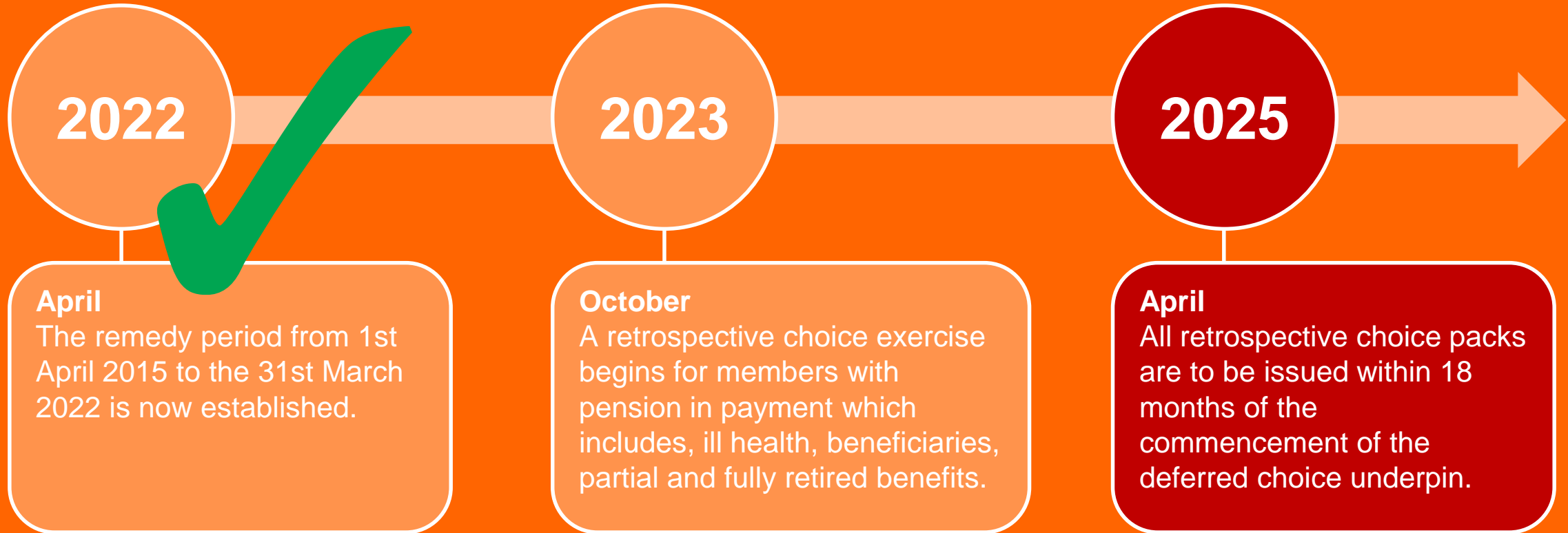
- Phase 2 begins

October 2023						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
01	02	03	04	05	06	07
08	09	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

Remedy key dates – DCU



Remedy key dates – Retrospective choice



Scheme consultation and legislation

- In late 2022/early 2023 we will launch a 12 week public consultation on the Statutory Instrument needed to legally implement the remedy for our scheme. Around the same time HM Treasury and HMRC will publish further directions and regulations on the remedy.
- As with the previous consultation, there will be significant engagement with unions. The planned consultation will be substantially longer than the previous one, given the complexity involved in the policy areas.
- The regulations will need to be in place by early September 2023 to implement the 1 October 2023 start.

Employers support

- We are working with employers and shared service providers to complete a significant data collection exercise.
- We may require assistance from some employers to help locate key ill health assessment documentation.
- We welcome employers support in helping to share and amplify our communications, and to tackle any disinformation.



Programme update: Data/Data Collection

- 870K data items are required to enable the creation of the alternate remedy calculation.
- Phase 1 (for those in receipt of benefits) concluded in August 2022 with 260K data items successfully returned.
- Phase 2 (for active and deferred members) is now underway, with 610K data items requested by the end of 2022.



Programme update: Data/Data Collection

- To help ensure the data collection exercise ran smoothly, 8 support sessions were provided to 309 employer representatives.
- To help lessen the burden on employers, MyCSP derived 90% of WPS contributions.
- The programme is offering financial support to employers to assist with data collection impacts.



Programme update: Ill health

Ill Health applications (for the period 01 July 2017 – 31 March 2022)

- We have completed the reassessments of those members who are impacted by the Remedy and were originally refused ill health. We are in a position to inform those who have remained refused.
- Group 1. Reassessed-remain refused members have been reassessed by HML and are able to appeal this decision if they wish. We have created a one stage appeals process.
- Group 2. No reassessment required-remain refused members are not able to appeal as there has been no reassessment by HML. They will follow a complaints process if they wish to query the decision.



Programme update: Ill health

Ill Health applications (for the period 01 April 2015 – 30 June 2017)

- We will be writing to members for consent to reassess their original application.
- The current Scheme Medical Advisor (HML) require the original outcome report from the previous SMA (Health Assured) in order to complete the reassessment.
- We are currently exploring alternative options to obtain the original outcome report.
- We may reach out to impacted Employers to support us in obtaining the original outcome report and offer reimbursement to enable this.



Programme update: Remedial Service Statements

- The current focus is members in receipt of benefits, with the aim of issuing the first batch of retrospective RSS outputs at the end of 2023.
- Planning to pilot the statement and choice pack with members and employers can help in identifying volunteers.
- Behavioural scientists, continue to support this work.

Your personal details

Name: John Smith National Insurance number: XY123456Z
 Date of birth: 24 June 1961 You retired on: 24 June 2021
 Scheme: classic legacy scheme

On retirement, your annual pre-tax pension was £12,522.27 and you took the classic standard lump sum of 3 x this amount.

Benefit choices as at [statement date]

	YOUR CURRENT BENEFITS	Option 2	Option 3
Annual pre-tax pension	Option 1 Choose your current benefits for the Remedy period £12,846	Choose alpha benefits for the Remedy period with [comparable/nearest comparable] lump sum £12,752	Choose alpha benefits for the Remedy period: minimum lump sum £13,421
Lump sum	£37,567	£37,567*	£29,745
Annual benefits for your dependents	£6,423	£6,859	£6,859
We would owe you+ (including interest)	£0	£0 pension £0 lump sum	£561 pension £0 lump sum
You would owe us+ (including interest)	£0	£92 pension £0 lump sum	£0 pension £7,822 lump sum

* Figures will be adjusted for interest each month until you make your choice. See the supporting information for more details.

About alternative lump sums

Making a different lump sum choice impacts your annual pre-tax pension. In Option 2, we've compared your current pension benefits to alpha benefits with the same lump sum. Option 3 still includes standard classic lump sum for service outside the Remedy period.

You may also choose to give up ('commute') more of your annual pre-tax pension for a higher lump sum. You get £12 of lump sum for every £1 of pension you give up.

If you would like a quote for a different lump sum amount, please contact us.

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Benefit choices with different lump sum options as at [statement date]

	YOUR CURRENT BENEFITS	Option 2	Option 3	Option 4
Annual pre-tax pension	Option 1 Choose your current benefits for the Remedy period £12,845.55	Choose alpha benefits for the Remedy period with [comparable/nearest comparable] lump sum £12,751.92	Choose alpha benefits for the Remedy period: minimum lump sum £13,430.61	Choose alpha benefits for the Remedy period: maximum lump sum £10,262.13
The lump sum you took on retirement	£37,567.41	£37,567.41*	£29,745.06	£66,693.54
Annual benefits for your dependents	£6,422.78	£6,589.32	£6,589.32	£6,589.32
Difference owed+ (including interest)	£0.00	You would owe us: £92.00	You would owe us: £7,261.00	We would owe you: £26,608.00

* Figures will be adjusted for interest each month until you make your choice. See the supporting information for more details.

About alternative lump sums

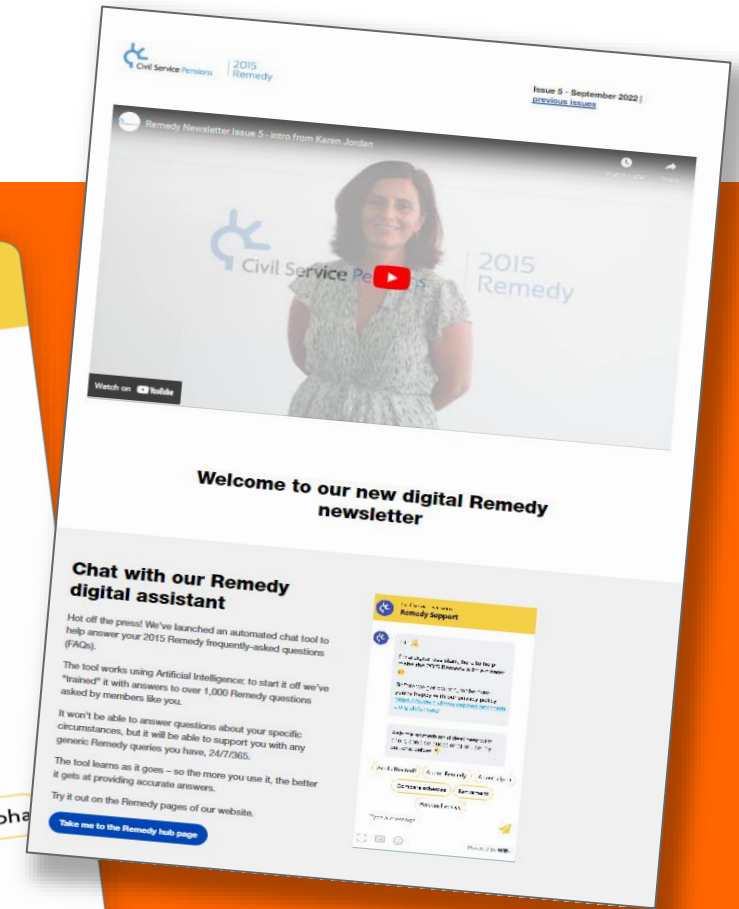
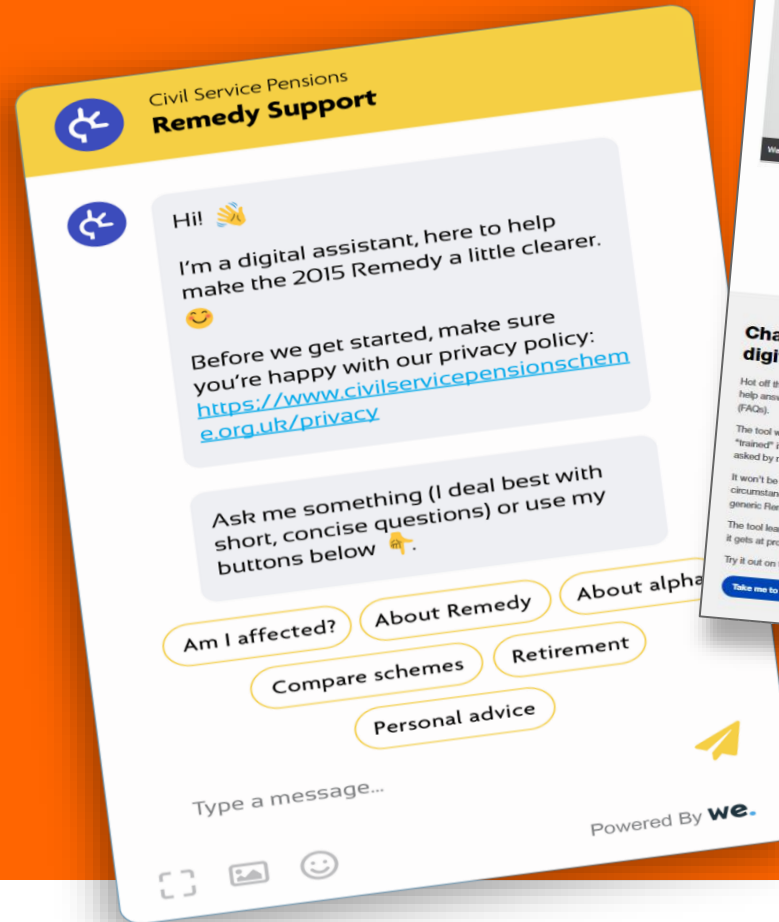
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Programme update: Member support

- We launched the ‘Am I Affected?’ tool in January and are using the feedback to improve the tool going forward. Members have found it quick and easy to use.
- The **Chatbot** went live in September and can be found on the website. The tool is constantly learning and improving, with any questions it can't answer banked for future iterations.
- Our first **Remedy ‘Digital’ newsletter** launched in August. This is an interactive format that not only signposts members to key information but allows them to provide us with real time feedback.



Challenges – added pension

- Added Pension – We are currently planning what communication will be needed on added pension once policy is finalised.



Challenges – complex choices

- We are starting to consider likely scenarios where members took or didn't take a decision as a result of the (actual or perceived) implications of the introduction of the reformed schemes.
- We are considering the evidential requirements, the potential outcomes and strategies to provide a positive member journey.

7 High Level Scenarios

Opt-out

Opt out & join alternative scheme

Change scheme as part of voluntary contract change

Ill-health retirement

Transfers (including Bulk Transfers)

Voluntary Member Contributions

Pension benefits put into payment & continue working

Challenges – tax

- Remedy impacts will feature on the 2024 Pension Saving Statements.
- A feasibility study is underway, supported by MyCSP and their tax partner Isio.
- HMRC are developing an online tax calculator that will support members. We plan to speak to the delivery team to align our approach.
- A pension tax communication plan is being developed.



Programme summary

- We are on plan for October 2023, but there's a lot to do. We will share our detailed delivery plan and timescales with you in Spring 2023.
- We need your continued support with the data collection and also with ill health retirements and will reach out to you as necessary.
- You have a valuable role to play in socialising our communications and messages and to help combat any misinformation.



Communications & Engagement

Andrew Jones

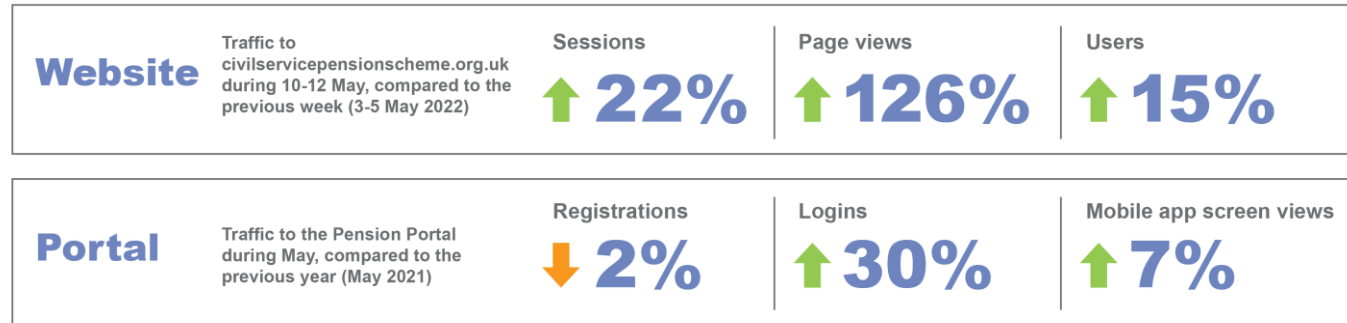
Engagement Manager,
Civil Service & Royal Mail Pensions,
Government Business Services

Members: Live@Lunch & PAW

May 2022

- 17,745 attendances
- 89% said the events helped them better understand their CSP benefits
- 93% would recommend to a colleague

Impact on Website and portal



November 2022

- 46,555 currently registered
- 3 out of 5 days fully booked
- 3 extra sessions covering 2015 Remedy, getting ready for retirement and boosting your benefits.



Members: Civil Service Live

Civil Service Pensions

Your Civil Service pension is a passport to your passions in retirement. Put your future in safe hands... *your hands.*

Rafi's passion
Football
Rafi, 25
Project Support Officer

Wes's passion
Acting
Wes, 43
Reward Manager

Charlotte's passion
Travel
Charlotte, 23
Policy and Strategy Advisor

#pensionpassion



Members: BAU



Civil Service Pensions Podcast

- Launched in September with first two episodes
- Fourth episode now live
- XXXX listens to date
- SLIDO QUESTION What topics would you like to hear discussed in future episodes?

Newsletter

- First ever fully digital active member newsletter – distributed via gov.uk notify
- Video content, polls, surveys and upcoming improvements to digital services – some brand new website functionality we've since deployed across the site
- Over 51k unique users visit the page between 11 March – 9 May
- 77% positive feedback and over 1,100 members opted in to get updates directly from the scheme

Pension Power

- Over 100K attended
- New Joiner Pension Power Launched in April – 1.4k attendees
- SLIDO QUESTION Does the current pension power format meet members wants and needs?

Members: CX Improvements July to 2023

Portal Security Enhancements

- Simplified portal registration
- Multi factor authentication
- Target for Launch – October 2022

Online Bank Account

- Members receiving a pension able to change their bank account details
- Target for Launch – November 2022

Track MyCase

- Members kept up to date with progress of their case
- Target for Launch – Quarter one 2023 – pilot with HMRC member October 2022

Voice of the Customer Forum – MyVoice

- Member forum
- Gain direct member insight into future comms/initiatives, etc.
- Target for Launch – October/November 2022



Members: CX Improvements July to 2023

Deferred Portal

Phase 1

- Active members who become deferred allowing the member to retain access to there
- Access online ABS's
- Ability to update contact details and
- Update Death Benefit Nominations
- Delivered in July 2022

Phase 2

- Value of benefits at the time of leaving.
- Target for Launch – October 2022

Phase 3

- View the current value of their deferred benefits.
- Expansion to all deferred members.
- Target for Launch – March 2023



Members: CX Improvements July to 2023

Retirement Transformation

- Digital retirement self service
- Target for Launch Quarter 2 2023

Digital Queries Phase one – ABS Queries

- Ability for members to raise queries on their ABS through portal
- Target for Launch – December 2022

Phase 2 – Queries

- Ability to raise queries through the portal
- Target for Launch – March 2023



Members: CX Improvements July to 2023

Modelling Capability

Phase 1

- Enhancement of current modeller
- Enable 'real time' data
- Target for launch – January 2023

Phase 2

- Ability to save & download models
- Support deferred members
- Ability to make assumptions
- Integration into wider member journeys
- Target for Launch – April 2023

Phase 3

- Integration with 2015 Remedy modelling capability
- Target for Launch – October 2023



Members: CX Improvements November to 2023

Employer Hub

- Review and update of Employer Webpages
- Target for Launch – November 2022

Data Requests

- Review of current process
- Use of technology to support members, i.e. portal
- Target for Launch – 2023

Interface

- Secure provision of interface file
- Reduce employer time
- Target for Launch – 2023

