UKAEA Pensions

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UKAEA Combined Pension Scheme (CPS)

Newsletter for Active and Active Deferred Members

This version of the newsletter is intended for active members of the scheme (i.e. those still paying a contribution) and active deferred members (who aren't building up any more service in the CPS, but who maintain a final salary link).

Do you know what alpha means for you?

The CPS final salary defined benefit scheme needs to close as a result of the 2013 Public Service Pensions Act. Active CPS members will be enrolled into the Civil Service alpha scheme instead, unless their employer decides to use an alternative scheme. Deferred and pensioner members are unaffected by the alpha changes.

The scheme manager of the Civil Service alpha scheme is the Cabinet Office, and the scheme administrator is Capita.

We are still waiting on detailed planning requirements from the Cabinet Office and Capita. This is critical to allow us to assess what is needed to join alpha and set feasible timescales. As such, we do not have a fixed date to move to alpha, which creates continued uncertainty.

Based on existing discussions, we are aiming to be able to confirm a new date in early 2027. The changeover date is likely to be during the 2027/2028 tax year.

We have previously run engagement sessions for interested employees and once we have a revised date we will be launching more engagement sessions and materials.

In the meantime, here are five things to know about alpha:

Final Salary Link - Although service will stop building up in the CPS after it closes, your pension and lump sum will still be calculated on the final salary that applies at your date of retirement or leaving employment with your CPS employer, whichever happens first - provided you contribute to alpha continuously in the meantime.

Alpha is a Career Average scheme - A portion of alpha pension is calculated for each scheme year or part year that you are in alpha, based on the pensionable pay received in that scheme year or part year. Each portion of pension is revalued by CPI inflation between the end of that year and your date of retirement. All the portions from all the scheme years are added together to form your alpha pension. The pension built up in alpha therefore broadly reflects your average pensionable salary from the date of joining alpha onwards.

Partial Retirements - The same rules as now will apply to the CPS - you can bring the CPS pension and lump sum into payment without leaving your job, by agreeing a reduction in pensionable pay of at least 20%. This will also affect the alpha pension you build up, because your ongoing pensionable pay will be lower. Abatement of your CPS pension can still apply if your new reduced salary and CPS pension added together are higher than the pensionable salary you were earning before the partial retirement.

Transfers from CPS to alpha - If you are a contributing CPS member you will be moved to the alpha scheme for future contributions automatically by your employer. If you want to move your existing CPS entitlement into the alpha scheme, this will need to be investigated separately, via the Civil Service Pension Scheme administrator. You can only do this once you have become an alpha member.

Alpha Normal Retirement Age is your State Pension Age - but you can ask to receive your pension early, with reductions applied for early retirement. The reductions are broadly 4-5% for each year early you are taking it. The minimum age at which you can take an alpha pension is currently 55, but this will change to 57 from 6 April 2028. This change also applies to the minimum age at which you can take benefits from the CPS.

Pension Website and Member Self Service (MSS)

The scheme website can be found here: myukaeapension.equiniti.com

On the website you will find information on the scheme benefits, useful resources and contacts. In addition, you can set up an account on the site and login to view details of your membership. This is known as Member Self Service (MSS). This currently allows you to check your service record and obtain general Scheme information, including benefit estimates.

Annual Benefit Statements have been added for active and active deferred members. It is now possible to provide a nomination for lump sums payable upon death via this portal. We would encourage you to make use of this site.

You should have received a letter with your access codes to the site to log in, either in 2019 when EQ set up the site, or when you joined the scheme if after this. If you wish to get a new set of codes, please contact the administrators EQ at the following contact details: Telephone 0345 408 2991 or email member.web@equiniti.com

GMP

Guaranteed Minimum Pension (GMP) is only relevant for those members who contributed to the scheme prior to 1997. It is the minimum amount of pension that we must provide for CPS members who were contributing between 6th April 1978 and 5th April 1997. It is paid as part of your CPS pension.

There is ongoing GMP work across the industry to ensure that records are correct and if you are affected you will be contacted.



Divorce, Dissolution or Annulment

If you are currently going through a divorce, dissolution or annulment, then please contact the administrators EQ at the earliest opportunity so that they can make suitable arrangements regarding your scheme benefits.

Normal Minimum Pension Age (NMPA) is changing

The UK Government has confirmed that the Normal Minimum Pension Age (NMPA)—the earliest age at which most people can access their pension—will increase from age 55 to age 57, effective from 6 April 2028.

This change applies to most pension schemes, including the UKAEA Combined Pension Scheme (CPS) and the Civil Service alpha scheme. There are some exceptions to this change. If you joined either the AVC scheme or the Shift Pay Pension Savings Plan (SPPSP) prior to 4 November 2021, you may still be able to ask to receive benefits from those parts of the scheme from age 55. Special rules also apply for Ill Health Retirement.

These changes do not affect pensions already in payment.

If you ask to receive pension benefits from the UKAEA Combined Pension Scheme before the Normal Pension Age (60 for most members), you will receive a reduced pension and lump sum, to reflect the fact it is being paid early and that you will be receiving it for a longer period of time.

Annual Benefit Statements

Annual Benefit Statements were uploaded onto the Member Self-Service (MSS) for the main scheme benefits for active and active deferred members in August or sent by post to your home address for those members who requested this. To access these statements if you have not already done so, please log in to the site (see section above) and go to the menu at the top right, click on ‘More’ and then ‘Your Documents’ and browse documents at the bottom of the screen.

Annual Benefit Statements for the Prudential AVCs and SPPSP are also available on the MSS.



Pension Dashboards

Pensions dashboards will enable individuals to access their pensions information online in respect of all the pension schemes to which they have contributed, securely and all in one place, thereby supporting better planning for retirement and growing financial wellbeing.

Dashboards will provide clear and simple information about an individual's multiple pension savings, including their State Pension. They will also help them to reconnect with any lost pension pots.

A programme of work across the UK pensions industry to deliver dashboards is nearly complete. The government will decide when Pension dashboards will become available to the public. This may be in late 2027. The Pension dashboards will initially be introduced on behalf of the Money and Pensions Service (MaPS).

It is important that the data that we hold on all members is as up to date as possible. If you move, change name or get married or enter into a civil partnership, then please inform your employer as soon as possible, so that they can report this to EQ.



Scheme Rules

The latest rules of the CPS are as of March 2024 and are available on the scheme website.



Annual Accounts

Please note that the scheme produces an Annual Report and Accounts, which are laid before Parliament each year. The 2025/2026 accounts have been laid and are now on gov.uk.

Pensions and Inheritance tax changes

New legislation which takes effect from 6 April 2027 will increase the scope of inheritance tax (IHT) to cover certain pension payments. This will potentially impact CPS main scheme benefits, the CPS AVC and the Shift Pay Pension Savings Plan (SPPSP) benefits.

If the value of the estate exceeds a certain threshold, inheritance tax may then be payable, so executors and beneficiaries should consider the impact of the new legislation. The above does not constitute financial or tax advice.

One of the impacts in the CPS main scheme will be on lump sums payable upon the death of members. This includes some death in service lump sums and lump sum payments made where a member dies with a deferred benefit or as a pensioner. Where that sum is paid to someone who is not the spouse or civil partner of the member, it may need to be included in the calculation of the value of the member's estate.

The impact in the CPS AVC and SPPSP will be similar to the above, where the value of an unused pension pot is passed to a beneficiary who is not the member's spouse or civil partner.

Pension Savings Statement and Lifetime Allowance

The Annual Allowance limits the amount of tax relief that is received on an individual's pension savings within a tax year to all registered pension schemes (£60k increase in savings for most members over the 2025/26 tax year).

Those members who have breached the Annual Allowance in the CPS scheme have received a separate letter from the administrators outlining what they should do. These letters have also been uploaded onto MSS.

The Lifetime Allowance charge was abolished for the 2024/25 tax year, impacting those retiring or those approaching the limit. The Lifetime Allowance was replaced with the Lump Sum Allowance (LSA).

More detail on the LTA and LSA can be found on
https://www.gov.uk/tax-on-your-private-pension/lump-sum-allowance



Contact Details for Equiniti (EQ)

Telephone: +44(0) 333 207 5961
Email: ukaeapensions@equiniti.com

If you need to send information by post, the address is:
UKAEA Pensions, PO BOX 5130, LANCING BN99 9AP

For EQ Website Queries
Telephone : 0345 408 2991
or Email : member.web@equiniti.com

When contacting EQ, you should always quote your membership number as identification. If you are sending personal information by email then we recommend this is put into a password protected file.

Active members of the scheme should record details of changes in personal details such as name, address or marital status using the systems agreed with their employer, to pass on to EQ.

Pension Scams

Pensions are a tempting target for fraudsters and due to most people having pensions, fraudsters may contact you on the basis you are likely to have a pension. The main risk is around any funds you may have in the SPPSP or AVCs, which fraudsters may try to get you to move to their scheme. If something sounds too good, it probably is!

AVC and SPPSP Members

The Additional Voluntary Contribution (AVC) and Shift Pay Pension Savings Plan (SPPSP) schemes are insured with Prudential (a trading name of Prudential Distribution Limited, which is a subsidiary of M&G plc).

Annual Benefit Statements (AVC and SPPSP)
Members should now be able to view their AVC and/or SPPSP Annual Benefit Statements as of March 2026 on the EQ Member Self-Service (MSS). If you do not currently have access to the MSS, please contact the administrators EQ by telephone on 0345 408 2991 or via member.web@equiniti.com in order to have access codes sent to you.

Online Accounts (AVC only)
AVC members can register on the Prudential website to get an up-to-date valuation of their current plans. You will need your plan number, post code and date of birth. Please see here: https://www.pru.co.uk/existing-customers/mypru/

You will need the **Group AVC policy number A087,** and personal details. This option is not available to SPPSP members.

Please also note that communications regarding any changes you wish to make to your plans, or to withdraw funds should be through either your employer (for changes to contribution rates) or EQ, as Prudential do not deal with members directly on these matters. As a guide:

Prospective new members – contact your employer to obtain joining packs and information.

Changes to contribution rates – contact your employer to arrange this through your payroll.

Changes to fund allocation – contact the administrators EQ, who will pass the information on to Prudential.

Releasing Funds – Contact the administrators EQ, who will obtain an option pack from Prudential and forward it to you.