

Administration of the UKAEA Combined Pension Schemes (CPS)

Dear member,

Firstly, I have to pass on the sad news if you are not already aware that Richard Stoneham, the previous Head of Pensions at UKAEA died earlier this year. Richard had been Head of Pensions since 1996. He managed the scheme through a large number of changes to membership and organisation and was a highly regarded expert in his field, and is sorely missed by all who knew him.

I have taken over the role, following a period of helping Richard manage the scheme since 2012. I look forward to keeping you informed of future changes and progress in scheme management. In this role, I am supported by the administrator EQ (previously known as Equiniti), the Government Actuary's Department, our sponsoring Government Department of Business, Energy and Industrial Strategy, and our lawyers.

This newsletter is aimed at providing you with an update on latest developments with the scheme, its administration, and wider public sector pension issues. We are sending this to all members, whether active, deferred, or pensioners and dependants. Not all sections are relevant to all members, so we have split the newsletter into sections. As a reminder:

Active members (currently around 3,700) are those who are currently contributing to the pension scheme through their employer.

Deferred members (currently around 14,700) are those that have left employment with a CPS employer but have not yet taken their pension. There is a subset of 'Active Deferred' members who moved to other organisations in the past, but have retained a link to their final salary in their new employer. These are mainly on NDA operated sites, and may also have a separate CNPP (Combined Nuclear Pension Plan) pension.

Pensioners and Dependants (currently around 23,200) are receiving a pension from the scheme.

I hope you find this newsletter helpful, and if there is anything else you would like us to cover in future newsletters, please contact me at the email below.

Andrew Bickley
Head of Pensions and Insurance
Support Division
United Kingdom Atomic Energy Authority
Culham Science Centre
Abingdon
OX14 3DB

pensions@ukaea.uk

ALL MEMBERS

1. COVID-19

The administrator EQ has set up various processes for dealing with the current COVID-19 pandemic, including working from home and revisions to telephone and postal services. These have been agreed with UKAEA, and done in such a way to prioritise key areas of work, whilst ensuring the safety of the staff at all times. As the pandemic moves into new phases, they will be monitored to ensure we maintain both the service and the safety of staff.

2. Pension Website

The scheme website can be found here: <https://myukaeapension.equiniti.com/> The site is set up to work across multi-platforms.

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 log in to view details of your membership. For active and deferred members this currently allows you to check your service record, get benefit quotes, obtain general Scheme information. We are currently planning additional on-line services and will provide details in due course. For pensioners and dependants, you can view copies of your pay slips and personal and Scheme information. 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. If you have not, or wish to get a new set of codes, please contact the administrator EQ (see end of newsletter).

The Scheme is intending to move towards electronic communications in the future and will be in touch in 2021 regarding what this means for you, and what to do if you wish to continue to receive paper correspondence.

3. Pension Scams

We have included the pensions scam guide produced by the Financial Conduct Authority and the Pensions Regulator with this newsletter. Although this information is mainly of interest to those who are members of the AVC or Shift Pay Pension Savings

Plan, all members should be aware of the potential for fraudsters to contact you. Note that you cannot transfer your main CPS defined benefits into a scheme that offers 'flexible retirement benefits'; flexible retirement benefits can generally be described as money purchase or cash balance benefits.

4. GMP

Guaranteed Minimum Pension (GMP) is only relevant for those members who contributed to the scheme prior to 1997, or transferred a pension from elsewhere which had a GMP element. 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.

An exercise is currently under way across the pension industry to reconcile pension information held by all private and public sector pension schemes and Her Majesty's Revenue and Customs (HMRC).

Although the vast majority of our members are not impacted by the exercise, we will be reviewing the pension benefits of a small number of members to see if an adjustment is required to their pension. We will be contacting those members over the coming months.

Separately, an exercise will be undertaken to equalise GMP for male and female members. This is a longer-term project and in the early planning stages at the moment. We will provide further information at a later date.

5. Pension Dashboards

Pensions dashboards will enable individuals to access their pensions information from all pensions online, 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 is in place across the UK pensions industry to deliver dashboards over the coming years. EQ are heavily involved in this work, and we will be providing input and resources to the team overseeing their introduction on behalf of The Money and Pensions Service.

6. Annual Accounts

Please note that the scheme produces Annual Report and Accounts, which are laid before Parliament each year. The 2019/20 accounts can be found at this link:

<https://www.gov.uk/government/publications/ukaea-pension-schemes-combined-annual-accounts-2019-to-2020>

7. Scheme Rules

The rules of the scheme are available on the scheme website. The latest version of the rules are here:

<https://myukaeapension.equiniti.com/media/1238/cps-rules-jan-2020.pdf>

8. The Nuclear Industry Benevolent Fund (formerly The UBA Benevolent Fund)

The Nuclear Industry Benevolent Fund (TNIBF) is a registered charity supporting those working or who have worked in the UK Nuclear Industry through the provision of support, signposting and financial assistance.

The Fund can provide assistance to cover short or long-term problems, where help cannot be obtained from any other source. Assistance is tailored to individual needs and circumstances. All you need to do is provide details of your income and expenditure and the type of assistance you require. You need not be a contributor to the Fund and assistance can include dependant family members.

More information about the Fund is available at www.tnibf.org. If you have any queries, you can get in touch via the 'Contact' section of the website, email us at info@tnibf.org or telephone **01925 633005**. Applications for assistance can be made using the online application form, by post or telephone. All enquiries are treated in the strictest of confidence and with empathy and respect.

ACTIVE MEMBERS

9. Annual Benefit Statements

Annual Benefit Statements were issued to most active members in October by post to your home address. A small number of statements are outstanding where the administrator EQ was awaiting

confirmation of salary data from your employer. We anticipate that all remaining statements will be issued by the end of December. It is important that the administrator is made aware of any change in your home address. Please contact your employer's HR department with any changes, which will be passed on to the administrator.

You will also be able to access your annual benefit statement on the website (see details above).

10. Online Statements

For the 2021 Annual Benefit Statement onwards, we are planning to issue these in electronic form only on the scheme website on your online account. If you wish to continue to receive paper communications from the Scheme then please inform us by contacting the administrator in writing at the address given at the end of this newsletter.

11. Pension Savings Statement

Those members who have breached the Annual Allowance in the CPS scheme will receive a separate letter from the administrator outlining what you should do. 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 (£40k increase in savings over the 2019/20 tax year).

12. Scheme Reform

As you may recall, as a result of the 2013 Public Service Pension Act, we were planning to close the CPS final salary defined benefit scheme to future contributions from April 2017 onwards and move most active members to the Civil Service 'alpha' scheme, which is a career average defined benefit scheme. This move was paused due to an employment tribunal appeal case. This case is now known as the McCloud case, and in December 2018, the Court of Appeal ruled that the 'transitional protection' offered to some members of the judges' and firefighters' schemes as part of the reforms gave rise to unlawful discrimination.

As a result of this judgement, on 15 July 2019 the Chief Secretary to the Treasury made a written ministerial statement confirming that as 'transitional protection' was offered to members of all the main public service pension schemes, the difference in

treatment will need to be removed across all those schemes for members with relevant service.

Government have subsequently run a number of consultations on how to remedy the discrimination, and is currently considering its responses and will set out its next steps in due course.

The consultations did not impact the CPS scheme as we did not move. However, it does mean that the proposed move to alpha has been delayed further, while the other schemes are remedied. Government have advised us that they expect that we might be able to move in 2022 at the earliest. We will be monitoring this closely and will update members as soon as we know more about details of our move and who it will impact.

Pensioners, dependants and deferred members are not affected by this move, and your pension will remain with the CPS.

DEFERRED MEMBERS

13. Benefits at Retirement age

When you approach your retirement age in the scheme (generally 60 for most members) EQ will contact you around 4 months ahead to lay out your options of receiving your pension. These include options on converting lump sum into additional pension or reducing your pension for additional lump sum. If you wish to take your pension early (from age 55) then this is possible, subject to a reduction for taking the pension early.

It is imperative that EQ have your correct address in order to avoid delays in paying your pension. If you move or change name then please inform EQ, either by contacting them (details at end of newsletter) or by updating the online website.

On the website, you can log in and get up to date estimates of your pension and check your address details etc.

PENSIONER AND DEPENDANT MEMBERS

14. Pension Increase

Public service pensions such as those paid by the CPS were increased by 1.7% with effect from 6 April

2020 in line with the September to September increase in the Consumer Prices Index. Any pension which had been in payment for less than a year was increased by a proportionate amount depending on when your pension started during 2019/20. The 2021 increase is not yet confirmed, but will be implemented from April 2021.

Who qualifies for the increase?

This increase is applied to all UK Atomic Energy Authority pensions where the pensioner is aged 55 or over. Additionally, all pensioners (regardless of their age) who are in receipt of widow's, widower's, children's or invalidity pension or who retired on grounds of ill-health will also receive the pensions increase.

Application of Pensions Increase to your UK Atomic Energy Authority Pension

If your pension is based wholly or partly on service between 6 April 1978 and 5 April 1997, it will include a guaranteed minimum amount to cover this period during which the UK Atomic Energy Authority scheme was contracted-out of the State Earnings Related Pension Scheme (SERPS). Pension Increases (including any increases due on the GMP) have been included with your UKAEA scheme pension.

15. Death of a Pensioner

The entitlement to pension ceases on the death of a pensioner. A dependant pension/s will then be paid to an eligible spouse, civil partner and/or child/children under the terms of the scheme rules. A pension does not pass to any other relative or to somebody holding a Power of Attorney. It is therefore essential (to avoid any overpayment of pension which will need to be recovered) that EQ is advised immediately when a pensioner dies. EQ will then be able to ensure that any spouse's or child's pension is brought into payment promptly.

Other bodies, such as Registrars and banks, do not notify EQ when a pensioner dies. Please also note that the CPS scheme does not currently get informed by the 'tell us once' service on the gov.uk website. We are reviewing this with Government.

16. Pension Payments and Payslips

Your pension is paid monthly in arrears directly into

your bank or building society account. The pension is transferred on the 28th day of each month (except during December when payment is made earlier). Payments to overseas accounts take a few extra days to reach the destination account. This is outside of our control.

A pension payslip is sent to you when your pension starts and when there is a change of £1 or more in the monthly amount of net payment due. In addition, you will receive a payslip in April and May detailing the amount of the pension payable. You will also receive a P60 certificate for tax purposes towards the end of May, which will provide details of your gross pay and tax paid in the previous tax year.

Please note that, for security reasons, we will not include your National Insurance number on your payslip, nor print your full bank details. This will not affect the payment of your pension.

Your payslips and P60 are available on the scheme website linked to your online account.

17. Tax Queries

Please note that it is your responsibility to ensure that you are paying the correct amount of tax on your pension. EQ cannot help you with queries about your tax coding.

If you have any queries regarding the tax on your pension, you should contact HMRC at the following address, quoting UK Atomic Energy Authority pension scheme, the PAYE reference number **475/FB90592** and your own personal National Insurance number:-

**Pay As You Earn and Self Assessment
HM Revenue and Customs
BX9 1AS**

Telephone the Call Centre on **0300 200 3300** (outside UK **+441355359022**) from 8am to 6pm Monday to Friday

It is an HMRC requirement that EQ must provide them with your personal data, gross pay and tax details on a monthly basis during the lifetime of your pension.

18. Scottish and Welsh Rate of Income Tax

Scottish taxpayers will have their Tax codes prefixed with the letter 'S', and Welsh taxpayers with 'C'. We are unable to operate a tax code prefixed with the letter 'S' or 'C' unless advised to do so by HMRC. If you believe your code is incorrect you should contact HMRC.

Further information on the subject can be found on the following websites:

<https://www.gov.uk/scottish-income-tax>

or

<https://www.gov.uk/welsh-income-tax>

19. Pension Credit

For any pension credit queries you may have, please contact the Department for Work and Pensions on the number below. The quickest way to apply for Pension Credit is online or by phone. Further details are here: <https://www.gov.uk/pension-credit>

A friend or family member can make the call on your behalf, but you must be with them when they call.

Pension Credit claim line

Telephone: **0800 99 1234**

Textphone: **0800 169 0133**

Monday to Friday **8am to 6pm**

20. Pensions and Divorce

A leaflet on Pensions and Divorce is available. If you would like a copy, please contact the administrators.

CONTACT DETAILS FOR EQ

The administrator of the scheme can be contacted as follows:

Telephone: +44(0) 333 207 5961.

Email: ukaeapensions@equiniti.com

If you need to send information by post service, the address is

UKAEA Pensions

PO Box 5130

LANCING

BN99 9AP

Whenever you contact the administrators whether by phone, email or the postal service you should always quote your National Insurance number or membership number if you know it as identification.

Pensioner and Deferred members will, subject to security checks, be able to make changes to their personal details such as address and bank details using the on-line system.

Active members of the scheme will need to send details of these changes through their HR department who will pass these on to the administrators.



UK Atomic
Energy
Authority

Don't let a scammer enjoy your retirement



Find out how pension scams work, how to avoid them and what to do if you suspect a scam.



Scammers can be articulate and financially knowledgeable, with credible websites, testimonials and materials that are hard to distinguish from the real thing.

Scammers design attractive offers to persuade you to transfer your pension pot to them or to release funds from it. It is then invested in unusual and high-risk investments like overseas property, renewable energy bonds, forestry, storage units, or simply stolen outright.

Scam tactics include:



- contact out of the blue



- promises of high / guaranteed returns



- free pension reviews



- access to your pension before age 55



- pressure to act quickly

If you suspect a scam, report it

- Report to the Financial Conduct Authority (FCA)
by contacting their Consumer Helpline on **0800 111 6768** or using the reporting form at www.fca.org.uk
- Report to Action Fraud
on **0300 123 2040** or at www.actionfraud.police.uk
- If you're in the middle of a transfer, **contact your provider immediately** and then get in touch with The Pensions Advisory Service (TPAS) at www.thepensionsadvisoryservice.org.uk

www.fca.org.uk/scamsmart

Four simple steps to protect yourself from pension scams

1

Reject unexpected offers

If you're contacted out of the blue about your pension, chances are it's high risk or a scam. Be wary of free pension review offers. A free offer out of the blue from a company you have not dealt with before is probably a scam. Fortunately, research shows that 95% of unexpected pension offers are rejected.*

2

Check who you're dealing with

Check the [Financial Services Register \(www.register.fca.org.uk\)](http://www.register.fca.org.uk) to make sure that anyone offering you advice or other financial services is FCA-authorized.

If you don't use an FCA-authorized firm, you also won't have access to the Financial Ombudsman Service or the Financial Services Compensation Scheme. So you're unlikely to get your money back if things go wrong. If the firm is on the FCA Register, you should call the Consumer Helpline on 0800 111 6768 to check the firm is permitted to give pension advice.

Beware of fraudsters pretending to be from a firm authorized by the FCA, as it could be what we call a 'clone firm'. Use the contact details provided on the FCA Register, not the details they give you.

3

Don't be rushed or pressured

Take your time to make all the checks you need – even if this means turning down an 'amazing deal'. Be wary of promised returns that sound too good to be true and don't be rushed or pressured into making a decision.

4

Get impartial information and advice

The [Pensions Advisory Service \(www.thepensionsadvisoryservice.org.uk\)](http://www.thepensionsadvisoryservice.org.uk) – Provides free independent and impartial information and guidance.

[Pension Wise \(www.pensionwise.gov.uk\)](http://www.pensionwise.gov.uk) – If you're over 50 and have a defined contribution (DC) pension, Pension Wise offers pre-booked appointments to talk through your retirement options.

Financial advisers – It's important you make the best decision for your own personal circumstances, so you should seriously consider using the services of a financial adviser. If you do opt for an adviser, be sure to use one that is regulated by the FCA and never take investment advice from the company that contacted you or an adviser they suggest, as this may be part of the scam.

Be ScamSmart with your pension. Check who you are dealing with.

www.fca.org.uk/scamsmart

FCA FINANCIAL
CONDUCT
AUTHORITY

 The
Pensions
Regulator

*FCA Financial Lives