

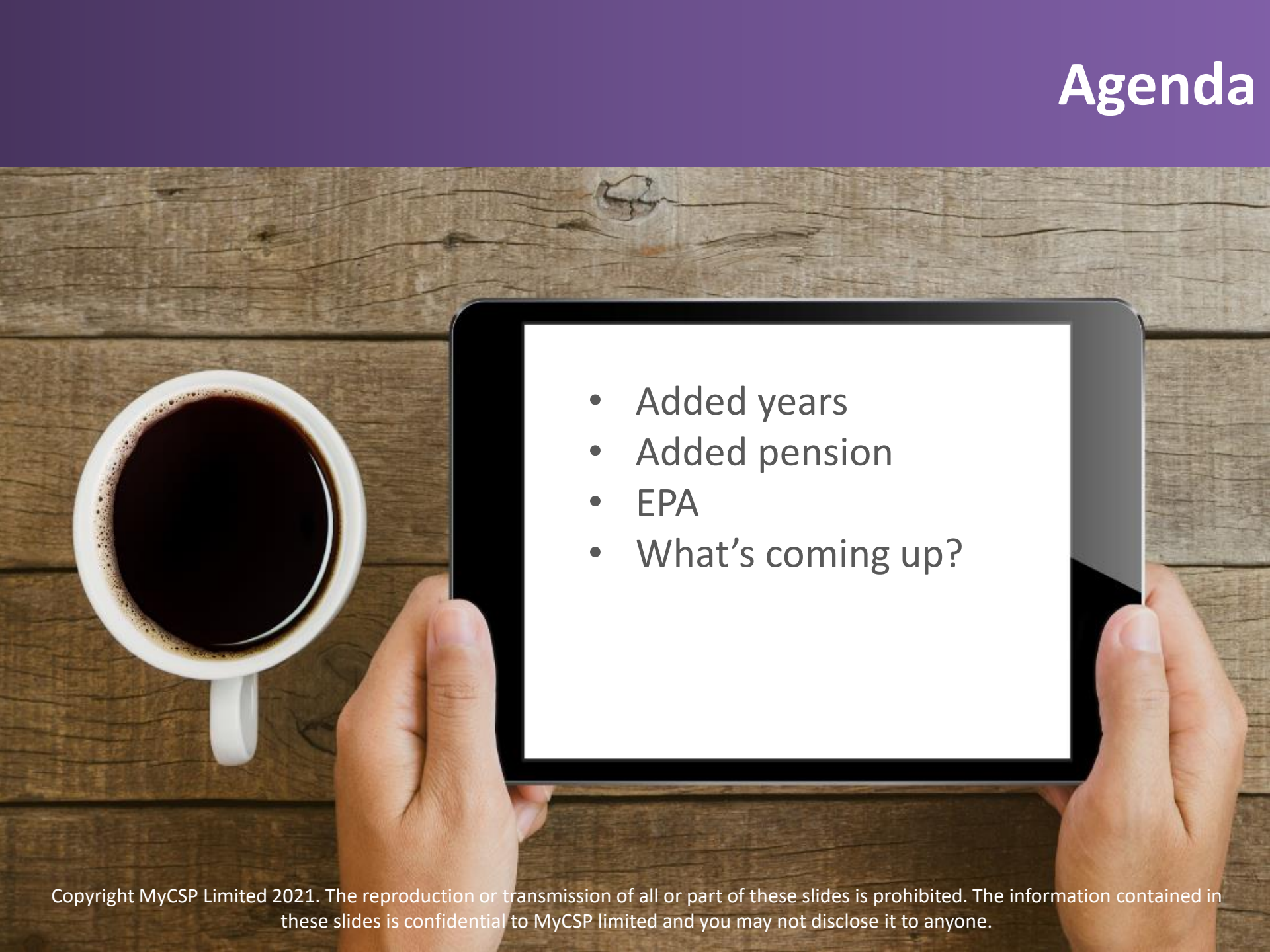
Hot Topics – Autumn Edition



Added Years, Added Pension & EPA

Copyright MyCSP Limited 2021. The reproduction or transmission of all or part of these slides is prohibited. The information contained in these slides is confidential to MyCSP limited and you may not disclose it to anyone.

Agenda

- 
- Added years
 - Added pension
 - EPA
 - What's coming up?

Final salary scheme members once had the option to purchase more years of reckonable service for retirement.

This option ended on 29th February 2008 but existing contracts were allowed to continue.



Added years information

- ✓ Contracts run up to the members 60th birthday **(employers are responsible for ending Added Years on the day before the members 60th birthday and we will not provide an instruction for this)**
- ✓ Added years show on annual benefit statements
- ✓ Subject to maximum reckonable service limit of 45 years
- ✓ Members who change their working hours will have to have their added years recalculated

Added years – Employer Actions

- ✓ Employers must notify the Scheme Administrator of any changes that may impact the Added Years. E.G change in hours, unpaid break etc
- ✓ This must be done separately to providing the data on the interface.
- ✓ This is outlined in section 5.3.12 of the Employer Pension Guide.
- ✓ Changes should be notified by emailing contactcentre@mycsp.co.uk

Added pension

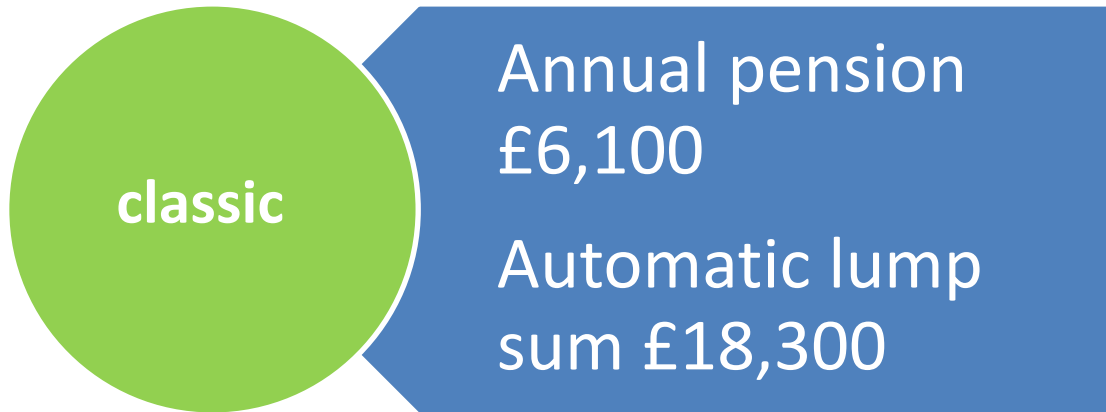
Added pension is just what it says on the tin . . . It is a way of increasing a member's pension benefits for them to claim when retiring

Introduced 1 March 2008



Added pension limits

*EPA purchases count towards usage of this limit

A green circle on the left contains the word "classic". A blue arrow-shaped box points from the circle to the right, containing the text "Annual pension £6,100" and "Automatic lump sum £18,300".

classic

Annual pension
£6,100

Automatic lump
sum £18,300

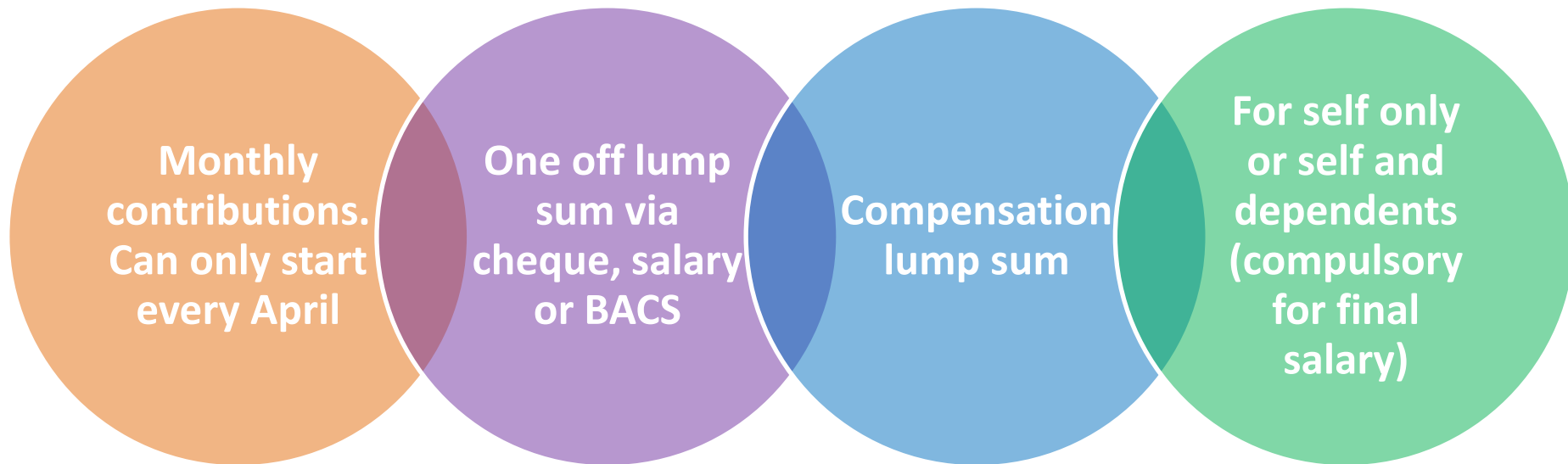
Limits likely to change on 01/04/2023 – EPN will advise

A green circle on the left contains the text "All other DB schemes". A blue arrow-shaped box points from the circle to the right, containing the text "Annual pension £7,600".

All other
DB
schemes

Annual pension
£7,600

Purchase methods



How much does it cost?

The cost varies depending on a members Normal Pension Age (NPA) and the date of purchase.

alpha Added Pension calculator

[Get the calculator →](#)

Members should use the Added Pension calculator on the website.

Added pension calculator

What is your date of birth? 01/05/1960

What is your gender? Male

Do you have at least 12 months' pensionable service in the alpha scheme? Yes

The date you will reach your Normal Pension Age (NPA) is: 01/06/2026

Your Normal Pension Age in the alpha scheme is: 66 Years 1 Months 0 Days

Step 2 - Your added pension options

When would you like your added pension contract to start? 01/04/2023

What sort of pension do you want to buy? Self and dependants

Do you want to calculate a 'pension' amount or monthly 'payments'? Payment

How would you like to pay for your added pension? Monthly

How much would you like to pay each month? £50

For more information about added pension, please refer to the Civil Service Pensions website:

Members can calculate a payment amount or pension amount

Result: Additional pension that would be purchased in alpha

Results / Summary

You have chosen to calculate a monthly payment of £50.00 per month, this will purchase a self and dependants added pension of:

£35.54

Added Pension – Employer Actions

- ✓ Ensure contributions are interfaced over to MyCSP in the correct fields for both scheme and option (i.e. self only, self and deps).
- ✓ Ensure that if an Added Pension contract has an end date (payroll instruction will advise) that the contract is stopped on this end date.
- ✓ If member is making a lump sum purchase via salary, the employer must not interface this and must let MyCSP know from which month the payment will be made.
- ✓ If the member has arrears from previous years and are in a repayment plan, the employer must not interface these to MyCSP and should continue interfacing the current contributions only.

Added Pension – Common Queries/Issues

Members can have PCSPS and alpha AP running at the same time

New alpha AP applications do not over ride existing PCSPS ones

Members cannot cancel part way through a scheme year

Classic/premium AP is ALWAYS for self and dependants

All estimates either via the calculator or via MyCSP provide the amount of Added Pension that the member will receive per year, not per month

Added Pension – Common Queries/Issues

A new application in a certain scheme will over ride any existing contract in that scheme only unless specifically advised otherwise

Example: Member has PCSPS AP £100 p/m, applies for alpha AP £200 p/m, PCSPS contract should remain unchanged and alpha should start at £200 p/m along side PCSPS from next 1 April

AP payroll instructions in alpha will over ride any existing alpha contract unless specifically advised otherwise, but do not affect any PCSPS contracts

Members of the alpha scheme can purchase an earlier pension age by increasing their monthly contributions.



The minimum EPA age is 65. The alpha pension accrues in the way as normal i.e. 2.32% of their pensionable earnings.

EPA important information

EPA purchases count towards usage of the added pension limit

Can only be purchased via monthly contributions, starting every April

It is only the EPA portion of their alpha pension that has the earlier pension age attached to it.

* EPA does not affect Added Pension or Transfers In

How much does it cost?

The cost varies depending on how early you want to claim it, your age and your pensionable earnings.

A 40 year old alpha member with a state pension age of 68, would have to pay an additional 2.4% of their pensionable earnings to purchase a -2 years EPA

EPA estimator

Step 1 - About you

	Clear all fields
What is your name?	emily
What is your date of birth?	15/01/1981
What is your gender?	female
What are your pensionable earnings?	£26,000
The date you will reach your Normal Pension Age is:	15/01/2049
Your Normal Pension Age in the alpha scheme is:	68 Years 0 Months 0 Days

Step 2 - Your EPA option

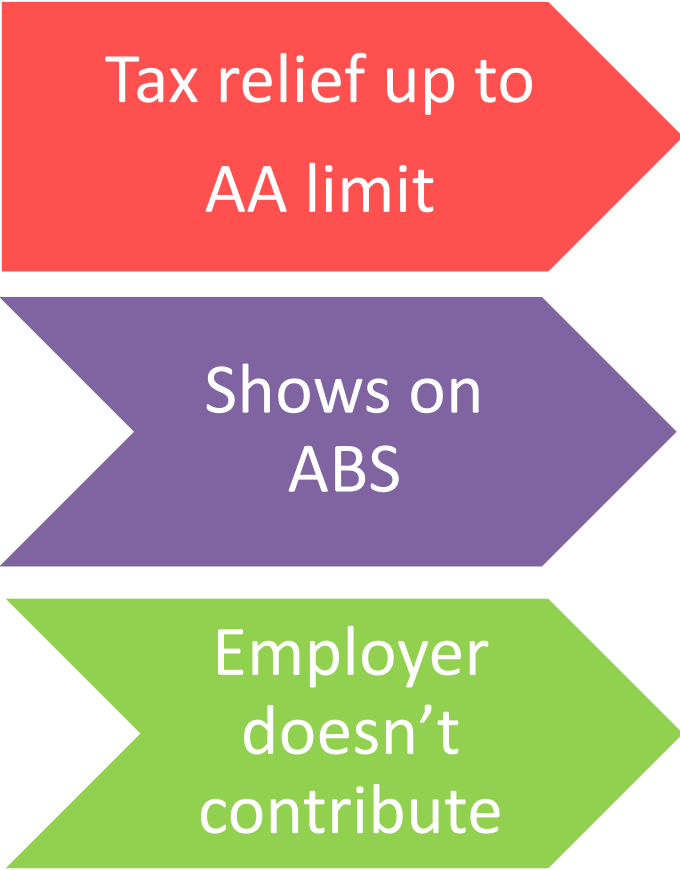
What EPA option do you want?	-2
------------------------------	----

For more information about EPA, please refer to the Civil Service Pensions website: <http://www.civilservicepensionscheme.org.uk>

Results

The additional EPA contribution will be:	2.40%
Your EPA contract value (as a percentage of the added pension limit):	37.04%

Boosting benefits key information



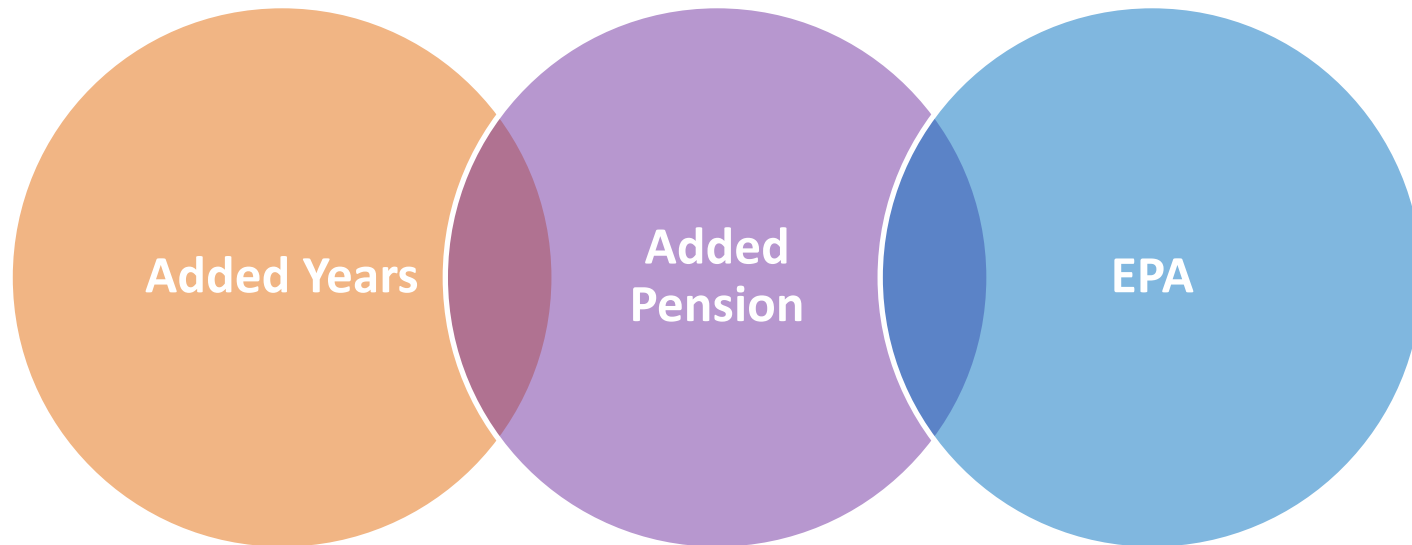
Tax relief up to
AA limit

Shows on
ABS

Employer
doesn't
contribute

OGD Transfers

Employers must notify any new employers of members ongoing contributions during the OGD transfer process



Deadlines for 2023 will be confirmed in the annual EPN.

These should be communicated to members once available.

Hot Topics – What's coming up for Employers?

Remedy Data
Collection Part 2

Track my Case
Pilot

Hot Topics –
Winter Edition

Portal Sign Up
Changes

Data Interface
Transfer Methods

Employer Insight
Survey

Civil Service
Pensions Podcast

Remedy III Health
Retirement Data

Pensions
Awareness Week

Life Time Allowance
Statement –
Member Support

A top-down view of a person's hands holding a tablet. The tablet screen is white and displays the text "Any questions?" in a large, black, sans-serif font. To the left of the tablet is a white ceramic cup filled with dark coffee, topped with a thin layer of foam. The entire scene is set against a background of horizontal wooden planks with a natural, weathered texture.

Any
questions?