



THE CHURCH
OF ENGLAND

CHURCH ADMINISTRATORS PENSION FUND

Defined Benefits Section

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1. Introduction

The Church Administrators Pension Fund ("CAPF") was established on 1 January 1985 and provides benefits similar to those found in the Principal Civil Service Pension Scheme.

This booklet summarises the benefits available to staff of the National Church Institutions (NCIs) from the Defined Benefit (DB) Section of CAPF. Every effort has been made to ensure that this booklet is an accurate summary of benefits, but the formal legal documents will always prevail if there is any difference between them. Copies of the full trust deed and rules are available on request. This booklet is not an entitlement to benefits.

With effect from 1 January 2000, active members of the Church Commissioners' Superannuation Scheme (CCSS) were included in CAPF for future service. Any differences in the benefits provided to previous members of the CCSS are highlighted throughout the booklet. Benefits in respect of service from 1 January 2008 onwards are provided on the same basis for all members, including former CCSS members.

In this booklet, those who were previously members of the CCSS are referred to as "former CCSS members".

The DB Section of CAPF has been closed to new entrants since 1 July 2006, and new staff joining the NCIs join the Defined Contribution (DC) Section.

The DB Section changed with effect from 1 July 2010 so that benefits in respect of service from that date are calculated on a Career Average Revalued Earnings (CARE) basis.

In this booklet, the phrase "final salary benefits" is used to describe benefits (pension and lump sum) arising from service prior to 1 July 2010 and "CARE pension" is used to describe pension arising from service on and after 1 July 2010.

2. Glossary of Terms

Certain words and phrases are used in this booklet that have special meanings. These are defined below:

Actuary	An adviser on financial questions involving probabilities relating to mortality, investments and other issues. The actuary to the CAPF advises on the scheme's financial progress and the setting of contribution rates.
CARE pension	Pension arising from service on and after 1 July 2010
CCSS	The Church Commissioners Superannuation Scheme. The scheme that applied to employees of the Church Commissioners and Church of England Pensions Board prior to 2000. It provided benefits on the same basis as the Principal Civil Service Pension Scheme (PCSPS "Classic"). Benefits from service between 1 January 2000 and 31 December 2007 are provided from the CAPF, but on the same basis as applied in the PCSPS Classic.
Final pensionable salary	Gross pensionable salary for whichever year in the last three years of membership gives the highest figure. It is usually the salary received in the last 365 days of service.
Final salary benefits	Pension and lump sum benefits arising from service before 1 July 2010
Normal Pension Age (NPA)	The age assumed by the scheme as the usual age at which members will retire. Benefits will be reduced to take account of early payment if paid prior to NPA. NPA is 65, but benefits earned on service prior to 2008 are based on an NPA of 60.
Pensionable salary	Your annual salary, including any allowances notified as being pensionable
Pensionable service	Your service after joining CCSS / CAPF
S2P	State Second Pension, introduced in 2002.
Scheme year	The 12 month period over which earnings are counted to calculate the basic CARE pension. The first scheme year was the year commencing 1 July 2010. The scheme year has changed to the year commencing 1 January as a result of the July 2010 pay settlement.
SERPS	State Earnings Related Pension Scheme, replaced by S2P in 2002
Trustee	The Church of England Pensions Board

Any reference to “spouse” applies equally to registered civil partners except where specifically qualified. Similarly, references to marriage and divorce apply equally to registered civil partnerships.

3. Contributions

3.1. Your contributions

All members admitted on or after 1 January 1988 (and former CCSS members) pay 1.5% of pensionable salary. This is deducted before tax, so you receive immediate tax relief.

Contributions provide a pension for a surviving spouse or civil partner or any dependant children following your death. At retirement, members who are not married or in a civil partnership may apply for a refund of their contributions with interest.

CCSS Service

You will receive a refund of contributions (with interest) less a reduction to allow for the possibility that you marry after retirement. The reduction is currently 30%. The net refund is in addition to your tax-free lump sum at retirement but is subject to HM Revenue & Customs limits – see section 8. If you marry in retirement, you will not be required to repay the refund and CAPF will provide a spouse or civil partner's pension if you are married at the date of your death.

CAPF Service

You will receive a refund of contributions (with interest) with no reduction. This will be paid in addition to your tax-free lump sum at retirement subject to HM Revenue & Customs limits – see section 8. However, if you marry in retirement, the amount refunded must be returned with interest, otherwise no spouse or civil partner's pension will be payable.

If you are married for part of your service and subsequently divorce, the refund will be based contributions after the decree absolute.

The contributions will also be refunded if you die and no spouse or civil partner's or other dependant's pension is payable.

3.2. Contributions by the employers

The employers contribute the balance of the cost, calculated by the actuary. The position is re-assessed at least once every three years (through an actuarial valuation), and a higher or lower rate of employer's contribution may be recommended from time to time as financial conditions and circumstances change.

3.3. Additional voluntary contributions (AVCs)

Paying AVCs is an attractive and tax efficient way of building up additional benefits at retirement. You get full tax relief on the contributions you pay, and it is possible to take some or all the fund you build up as an additional lump sum when you retire.

AVCs are paid into the Pension Builder Classic section of the Church Workers Pension Fund. More information is online at www.churchofengland.org/pbclassic

3.4. Paying AVCs to buy additional service

Before 1 July 2008, it was possible to buy additional pensionable service (sometimes referred to as “added years”). Any existing arrangements before that date continue on the same basis as originally agreed.

The additional service provides benefits payable with effect from age 60 and contributions are payable until that date. If you decide to retire after age 60, an increase for late payment will be made.

If you leave the CAPF before age 60, or stop paying contributions before then, the additional service provided will be less. The amount provided will be calculated on a pro-rata basis to take account of the actual period over which the AVCs were paid.

If you wish to make further AVC payments after age 60, these must be paid to the Pension Builder Classic section of the Church Workers Pension Fund as described in section 3.3 above. You can also pay additional AVCs before age 60 on the same basis.

4. Benefits

4.1. Normal Pension Age (NPA)

Normal Pension Age is the earliest age at which benefits can be paid without any reduction for early payment. NPA for both men and women is 65.

Before 1 January 2008, NPA was 60. This means that if you retire between age 60 and 65, the benefits arising from service before 1 January 2008 will not be reduced for early payment. If you retire before age 60, then the reduction on those benefits will be calculated by reference to the period between retirement and age 60. (See section 4.4 - Early Retirement - for more details).

4.2. Pension at Normal Pension Age

The calculation of your pension is split into two parts following the scheme changes introduced from 1 July 2010. The two pensions are added together to give your total pension.

Final salary benefits (service prior to 1 July 2010)

The benefits are paid in the form of pension and automatic tax-free lump sum:

- (a) a pension at an annual rate of $\frac{1}{80\text{th}}$ of final pensionable salary for each year of service, with proportionate amounts for part-years

AND

- (b) a retirement lump sum of three times the annual rate of pension.

Example

Your pension is calculated as:

$$\frac{1}{80\text{th}} \times \text{final pensionable salary} \times \text{pensionable service}$$

If you retire at age 65 after 20 years and 175 days pensionable service and your final pensionable salary is £30,000, your pension is:

$$\frac{1}{80} \times £30,000 \times 20 \frac{175}{365} = £7,679 \text{ pa}$$

and the retirement lump sum is:

$$3 \times £7,679 = £23,037$$

CARE pension (service from 1 July 2010)

From 1 July 2010 the benefits are payable on a Career Average Revalued Earnings (CARE) basis. The calculation of the benefits is described below:

- a) for each scheme year (after 1 July 2010) you will be entitled to a basic pension calculated as $\frac{1}{125}$ th of pensionable salary.
- b) on the anniversary of each scheme year you will be credited with additional pension. The annual additional pension is calculated by increasing the combined total of the basic pension and any previous additional pensions by the Retail Price Index (RPI)¹, capped at 5%².

There is no automatic retirement lump sum. However, you can give up part of your CARE pension to provide a retirement lump sum. A worked example of CARE benefits is in Appendix 1.

Notes

- a) For members who joined the CAPF on or after 1 June 1989, final pensionable salary is subject to an Earnings Cap, which is the maximum level of salary that may count in determining benefits and contributions.
- b) You can give up part of your lump sum to provide additional pension.

4.3. Additional lump sum at retirement

When you retire, you will usually be able to exchange part of your pension for an additional tax-free lump sum, subject to HM Revenue and Customs limits. You do not have to take the maximum, you can take a lesser amount and keep a higher pension.

The amount of pension you need to exchange will depend on the amount of cash you want to take and the age at which you retire. The way that pension is exchanged for cash is as follows:

- i. The automatic lump sums from pre-July 2010 service and added years AVCs is taken away from the total amount of cash you want to take.
- ii. Your pension is then exchanged in the following order until the remaining cash sum has been provided:
 - o AVCs invested in the Church of England Defined Contributions Scheme of the Church Workers Pension Fund; then
 - o CARE pension; then

¹ RPI was to be measured over the year to the preceding March but, as a result of the July 2010 pay settlement, the scheme year changed to commence 1 January. The RPI reference month for calculating additional pension has been changed to September.

² The NCIs and the Board as Trustee have discretion to increase benefits by more than 5% if RPI is greater, but there is no guarantee or commitment to do so.

- pension from your final salary benefits.

4.4. Early retirement

You can retire early and take a reduced pension at any time after age 55. Your pension will be less as you have less pensionable service and because of the expectation that it will be paid for a longer period. The reduction applies to both final salary benefits and CARE pension.

Note: The reduction is applied to benefits based on the period between the date of retirement and NPA (60 or 65) appropriate to the period of service.

See Appendix 2 for an example of the calculation.

4.5. DB Section Retirement at Age 60

Subject to the agreement of the employer, it may be possible for you to take your benefits at age 60, remain in the employment and join another pension scheme in respect of your future service.

NCI staff can join the DC section of CAPF. Bishops staff or those on a non-central NCI contract can join PB 2014 section of the Church Workers Pension Fund.

4.6. Ill-health retirement

If you are unable to continue to work due to ill-health, you may be entitled to an enhanced early retirement pension.

If the Pensions Board is satisfied that early retirement is necessary on the grounds of ill-health, immediate benefits would become payable.

The ill-health pension is calculated based on the pension earned (both final salary benefits and CARE pension) with no reduction for early payment, plus an allowance for some of the years which could have been served to NPA. The extra pension will be calculated as CARE pension.

The service enhancement is calculated as follows:

(a) If you have completed less than 10 years' pensionable service

The pension will be based on the shorter of:

(i) twice your pensionable service; or

(ii) the pensionable service you could have completed if you had stayed in pensionable service until 5 years after NPA.

(b) if you have completed at least 10 years' pensionable service

The pension will be based on the longer of:

(i) 20 years' pensionable service or (if shorter) the pensionable service which you could have completed if you had remained in pensionable service until 5 years after NPA; or

(ii) your actual pensionable service increased by 6 years and 243 days, or (if shorter) the pensionable service you could have completed if you had remained in pensionable service until NPA.

In either case, your pensionable service cannot exceed 45 years.

4.7. Late retirement

If you work after age 65 any additional service will count towards your final pension. Alternatively, you may choose to take your benefits from the DB section of the CAPF. In that case you would be able to join the DC section of the CAPF, or PB 2014 section of CWPF, depending on your contractual terms.

4.8. Part-time service

Final salary benefits

In the case of part-time employees, both pensionable service and final pensionable salary are converted to their full-time equivalents.

Example –

A member works half-time for 10 years, followed by 8 years of three-quarters time, and retires with a final (part-time) salary of £18,000. The calculation will be:

$$\text{Full-time equivalent service} = 10 \times \frac{1}{2} + 8 \times \frac{3}{4} = 11 \text{ years}$$

$$\text{Full-time equivalent final pensionable salary} = £18,000 \times \frac{4}{3} = £24,000$$

$$\text{Pension} = \frac{1}{80} \times £24,000 \times 11 = £3,300 \text{ pa}$$

$$\text{Lump sum} = 3 \times £3,300 = £9,900$$

CARE pension

CARE pension is accumulated as an amount of pension earned based on your actual earnings. Therefore, no adjustment is needed for changes in hours.

4.9. Absence from work

If you are absent due to sickness or an accident and still employed, you will remain a member for such a period and on such terms as your employer and the Pensions Board decide.

In the case of paid maternity, paternity or adoption leave, the period of paid absence will be treated as pensionable service. Your contributions will be based on your actual pay whilst your employer will make contributions based on your pensionable salary immediately prior to you becoming entitled to maternity/paternity/adoption pay.

4.10. Payment of pension and lump sum

Pensions are paid in monthly instalments at the end of each month and are subject to deduction of income tax under the PAYE system.

The lump sum benefit on retirement is usually paid immediately after your retirement date.

4.11. Increases to pensions in payment

Pensions are reviewed each year to take account of increases in prices. The provisions are different depending on whether you were formerly a member of the Church Commissioners Superannuation Scheme (CCSS).

Pension is made up of one or more of the following elements:

1. a “guaranteed minimum pension” (“GMP”). This arises where you were contracted out of the State Earnings Related Pension Scheme in respect of service between 6 April 1978 and 5 April 1997. It is divided into two parts:
 - (a) that relating to contracted out service prior to 6 April 1988 (“pre-88 GMP”);
 - (b) that relating to contracted out service from 6 April 1988 to 5 April 1997 (“post-88 GMP”);
2. the balance of pension above the GMP (“scheme pension”).

The level of guaranteed increase also depends on when the pension was earned and whether or not you are a former CCSS member.

The provisions in the scheme rules for guaranteed increases are as follows:

	Former CCSS Members	Other Members
Pre-88 GMP	The government pays the whole of the increase to this element of pension along with your state pension; increases are not given by the scheme. Increases are in line with the Consumer Prices Index (CPI)	
Post-88 GMP	Increases are in line with the CPI. The scheme pays increases up to a maximum of 3% pa; the government is responsible for increases above 3% if CPI is greater than 3%.	
Scheme pension earned prior to 6 April 1997	Increases are in line with prices, as determined by the government. The index currently used is the CPI	There are no guaranteed increases
Scheme pension earned between 6 April 1997 and 31 December 2007		Increases are guaranteed to be in line with the Retail Prices Index (RPI), to a maximum of 5% pa
Scheme pension earned from 1 January 2008 onwards (including CARE)	Increases are guaranteed to be in line with the RPI, to a maximum of 5% pa	

pension)	
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However, the employers have decided that, as far as possible, increases should be the same for former CCSS and other members. The intention is therefore that all scheme pensions (ie pension excluding the GMP elements described above) will in future be increased as follows:

Scheme pension earned prior to 6 April 1997	Increases in line with CPI
Scheme pension earned from 6 April 1997 onwards	Increases in line with RPI to a maximum of 5% pa (though subject to a discretion to match full RPI if that is affordable)

Increases over and above those guaranteed by the rules are at the discretion of the employers and of the Pensions Board as Trustee and depend on the increases remaining affordable.

Pension increase dates are as follows:

Former CCSS Members

Pension in respect of service prior to 1 January 2008	April
Pension in respect of service from 1 January 2008	January

Other Members

January

Notes:

- (a) Pensions provided in respect of 'added years' or through transfers which have purchased additional service, are increased according to the scheme to which they were paid (i.e. CCSS or CAPF), the type of pension being provided (e.g. GMP) and the timing of the payments. They are increased as explained above.
- (b) Pensions in respect of Additional Voluntary Contributions (AVCs) paid to the Pension Builder Classic section of the Church Workers Pension Fund. Find out how this increases at www.churchofengland.org/pbclassic

5. Death Benefits

5.1. Lump sum benefit

The lump sum payable would depend on whether your death occurs whilst an active member (in service), after you have left the scheme but before retirement (deferred) or in retirement. The calculations for each are summarised below:

- **Death in service**

If you die whilst in active service as a member of the CAPF, a lump sum equal to twice the amount of your final pensionable salary at the date of death is payable.

- **Death in deferment**

If you die after leaving service with entitlement to preserved benefits (see Section 6) a lump sum equal to the preserved lump sum due at NPA is payable.

- **Death in retirement**

If you die during the first five years of retirement, a lump sum may be payable equal to twice your Final Pensionable Salary less an amount equal to the retirement lump sum and instalments of pension already paid. However, the benefit cannot exceed five times the initial yearly rate of your pension less an amount equal to the instalments of pension already paid.

Example – Death in Retirement

If the member illustrated in the example in Section 4 had died

- (a) on the day before retirement, the lump sum death benefit would have been:

$$2 \times \text{£}30,000 = \underline{\text{£}60,000}$$

- (b) one year after retirement, having received a lump sum on retirement of £23,037 and one full year's pension amounting to £7,679, the lump sum death benefit would have been:

$$\text{£}60,000 - (\text{£}23,037 + \text{£}7,679) = \underline{\text{£}29,284}$$

5.2. Pension for your spouse or civil partner³

The amount of any pension will again depend on whether your death is in service, in deferment or in retirement. The calculations for each are summarised below:

³ The pension payable to a civil partner may be restricted. A civil partner's pension is only payable in respect of pensionable service completed after 5th April 1988.

- **Death in Service**

If you die whilst in active service as a member of CAPF, your spouse or civil partner will receive a short-term income for three months from the date of death. The short-term income benefit is followed by a pension of 50% of the pension that would have been payable if you had retired because of ill-health (see section 4.6).

- **Death in Deferment**

If you die after leaving service with entitlement to preserved benefits (see Section 6), a pension of one-half of your preserved pension is payable for life.

- **Death in Retirement**

If you die after retirement, a short-term income benefit is paid for three months at the rate of your own pension. This is followed by payment of a pension to your spouse or civil partner, amounting to one-half of your own pension.

CCSS Members

If you are a male former CCSS member who joined before 1 June 1972 or a female former CCSS member who joined before 1 July 1987, and you have not chosen to provide a full spouse or civil partner's pension, no spouse or civil partner's pension is payable in respect of service before these dates, unless you have paid additional contributions.

5.3. Children's pensions

Pensions may be payable to your dependant children. A child is considered a dependant up to their 17th birthday. For those in full-time education, this may be extended to the earlier of the date full-time education ceases or their 23rd birthday.

Children's pensions are payable as a proportion of your entitlement. For one child, the relevant proportion is one-quarter when a pension to a spouse or civil partner is also payable, or one-third where no spouse or civil partner's pension is payable.

For two or more children, the proportion of the member's pension payable is increased, and that proportion of the member's pension is divided equally between the eligible children. The total proportion payable will be one-half where a pension is paid to a surviving spouse or civil partner or two-thirds where no spouse or civil partner's pension is paid.

5.4. Pensions for adult dependants

A pension for a spouse or civil partner is provided as part of the CAPF (as explained in Section 5.2). If you wish to increase that pension or to provide for another adult dependant to receive a pension following your death after retirement, you can arrange this by giving up part of your own pension. An application to this effect must be made at least one month before retirement.

Details are available on request. The main requirements are that:

- (a) the person nominated to receive a pension must be financially dependent on you;

- (b) your pension may not be reduced by more than one-third as a result of the allocation in favour of a dependant;
- (c) the pension payable to the dependant may not exceed the reduced pension payable to you.

An application cannot be made whilst you are absent from work by reason of sickness or following application for retirement on ill-health grounds.

5.5. To whom are lump sum death benefits payable?

How a payment is made depends on whether you have nominated someone to receive the benefits.

If you have not made a nomination, the lump sum is paid to your personal representatives in which case it forms part of your estate and may be liable for Inheritance Tax.

However, it is possible to nominate a beneficiary or beneficiaries to whom you wish any lump sum benefits to be paid in the event of your death. The advantages of making such a nomination are:

- the lump sum does not form part of your estate and so is not liable to inheritance tax;
- payment can usually be made quickly as it is not necessary for probate to be granted;
- if you have made a nomination which is out of date because of a change in your circumstances, the trustees can pay the lump sum to a more suitable beneficiary;
- it is possible to nominate several people to receive specified proportions of the lump sum.

The Trustee retains the discretion to decide who the recipients should be and what proportion of the total lump sum each should receive.

6. Leaving Employment

6.1. Benefits on leaving service

You may choose between

- (a) a deferred pension and retirement lump sum payable at the Normal Retirement Date; *or*
- (b) a transfer payment to a new employer's pension scheme, equivalent to the value of the preserved benefits described in (a) above; *or*
- (c) a transfer payment to a personal pension or annuity policy.

Your deferred pension on leaving is calculated in the same way as the retirement pension (see section 4.2), but based on your service up to the date of leaving.

The pension will increase between leaving employment and your retiring age in the following ways:

Final Salary Benefits

Former CCSS Members

Benefits from service prior to 1 January 2008

Your deferred pension will increase between the date of leaving employment and NPA in line with price increases⁴.

Benefits from service between 1 January 2008 and 30 June 2010

The deferred pension will increase by the lesser of the increase in prices and 5% p.a. in respect of benefits earned before 6 April 2009 or the lesser of the increase in prices and 2.5% p.a. in respect of benefits earned from 6 April 2009 to 30 June 2010

Other Members

Deferred pensions are increased by the same percentage as pensions in payment. This is subject to an underpin as follows:

- the Guaranteed Minimum Pension element (if any - see Section 7.3 on Contracting Out) will increase in line with Orders laid down by the Government (roughly in line with increases in national average earnings);
- the remainder will increase by the lesser of the increase in prices and 5% p.a. in respect of benefits earned before 6 April 2009 or the lesser of the increase in prices and 2.5% p.a. in respect of benefits earned from 6 April 2009 to 30 June 2010

⁴ The index used to measure price increases was the Retail Price Index before 6 April 2010 but is now the Consumer Price Index.

CARE Pension

CARE pension continues to be revalued in deferment in the same way as for active members, i.e. in line with increases in the Retail Prices Index to a maximum of 5% pa.

6.2. Transferring out

If you wish to consider a transfer out you should request a Cash Equivalent Transfer Value (CETV) from the Pensions Board. The CETV is guaranteed for three months from the date on which it is calculated. Your new employer's scheme and / or your financial adviser will be able to use the CETV to tell you what benefits can be provided in your new scheme.

The CETV is calculated using advice provided by the actuary. The CETV complies with legislative requirements and represents the value of the benefits that would be paid to you in retirement from the CAPF. The calculation includes allowance for increases to your deferred pension, including the guaranteed increases which are given when the pension commences. No allowance is made for discretionary increases to pensions in payment which could become payable in future.

You should not feel hurried into deciding. You can leave your benefits in CAPF if you wish, and you still have the right to ask for a transfer to be made at any time up to one year before NPA.

You should note that you are not allowed to transfer your CCSS benefits to a defined contribution arrangement. You can transfer your CCSS benefits to another defined benefit scheme.

If you are in any doubt as to whether to transfer your benefits, we would always recommend that you seek independent financial advice.

6.3. Keeping us informed

Please remember to advise the Board of any future change of address as this will enable us to keep you informed about your pension. To help us protect your confidentiality and to protect you against identity theft, all address changes must be advised in writing. We are not able to update your details or provide information about your benefits to a third party without your signed authorisation.

7. State Pensions and National Insurance

7.1. Basic State Pension

The Basic State Pension is usually payable from State Pension Age (see section 7.5) in addition to your CAPF pension.

Details of eligibility, amounts, options and how to obtain forecasts are available from the Department for Work and Pensions or online from the *Working, Jobs and Pensions* section of the www.gov.uk website.

7.2. State Second Pension and State Earnings Related Pension Scheme

The government set up an additional pension scheme for employees in April 1978, but it was possible for employers which provided an occupational pension scheme to “contract out” of that arrangement. This meant that members did not earn entitlement to the additional State pension because their employer’s pension scheme provided greater benefits. The additional State scheme was originally called the State Earnings Related Pension Scheme (SERPS) and was replaced by the State Second Pension (S2P) from 6 April 2002.

7.3. Contracting out of SERPS

The CAPF was contracted out until 30 June 2010. The way in which your contracted-out service is treated depends on the period to which it relates:

- For contracted out service from 6 April 1978 to 5 April 1997 (if any) you will become entitled to “Guaranteed Minimum Pension” (GMP) as part of your pension from the CAPF. Your GMP will be approximately the same as the SERPS pension you would have received if you had not been contracted out. Your spouse or civil partner will also be provided with a pension in place of SERPS after your death. It may not be possible to take an early retirement pension if that pension is less than your GMP.
- In respect of contracted out service from 6 April 1997, a scheme must meet a statutory standard, and provide benefits which are broadly equivalent to or better than that standard. Benefits from the CAPF were more than enough to meet the test.

With effect from 1 July 2010 the CAPF ceased to contract out. Active members and the NCIs pay full rate National Insurance contributions and are included in S2P. S2P earned in respect of service from 1 July 2010 is payable in addition to the Basic State Pension at State Pension Age.

7.4. State Pension Forecasts

It is possible to obtain a State pension forecast by contacting:

Newcastle Pension Centre, Futures Group
The Pension Service 9
Mail Handling Site A
Wolverhampton
Great Britain
WV98 1LU

Tel. No: 0800 731 0175 (Monday to Friday from 8am to 8pm)

You can also apply for a forecast online in the State Pension Section of www.gov.uk. The website has a lot of useful additional information.

7.5. State Pension Age

A State retirement pension cannot be paid before State Pension Age and you can confirm your State Pension Age by visiting the www.gov.uk website and using the State Pension Age calculator.

If you request a forecast of State pension benefits, the forecast will confirm your State Pension Age.

Your State pensions can be paid from your State Pension Age even if you are still in work. If you choose to delay payment of your State pension because you are still working, your State pension will be increased to reflect the late payment, or it may be possible for you to take the amount of deferred State pension as a lump sum.

State Pension Ages may be amended again, and details of any future changes will be outlined on the www.gov.uk website when they become law.

8. Benefit Limits

8.1. Introduction

The benefits you earn in the CAPF are subject to limits that are set out in tax legislation and in regulations and guidance issued by HM Revenue and Customs (HMRC).

8.2. Lifetime Allowance

Until 6 April 2024, the Lifetime Allowance was the maximum value of retirement benefits that you can build up tax-efficiently during your working lifetime.

HMRC used to require the Pensions Board to test whether the value of your Scheme benefits and any other pensions in payment exceeded the Lifetime Allowance when you retired..

If the value of your pension benefits exceeded the Lifetime Allowance, tax was paid on the excess.

8.3. Annual Allowance

The Annual Allowance is an extra control that applies to the amount by which the value of your pension increases each year – this is known as the ‘pension input amount’. The Annual Allowance is currently £60,000 over the tax year, unless you are a “high earner”⁵.

The pension input amount that applies to your Fund benefits is the increase in value of your benefits during the “pension input period”. If you pay AVCs, the amount of your contribution is added to the increase in the value of your benefits. The pension input period that applies to the CAPF is the same as the tax year.

A tax charge may apply if the pension input amount exceeds the Annual Allowance, although it may be possible for unused Annual Allowance from the previous three years to be used to reduce or eliminate the charge. The Board will inform affected members if the pension input amount from the CAPF exceeds the Annual Allowance.

Members are now able to pay contributions to more than one approved pension scheme and if you are a member of more than one scheme, the combined value of the pension input amounts to each scheme is subject to the Annual Allowance. It is your responsibility to report to HMRC if you think you have exceeded the Annual Allowance.

⁵ If your income from all sources is £240,000 p.a. or more your Annual Allowance may be less.

9. Complaints and Disputes

9.1. Making a complaint

This section sets out the arrangements if you feel that you want to make a complaint about some aspect of the Board's administration and what to do if you want to take the matter further.

Your first point of contact should be the staff at the Board who are always available to help. It is hoped that no problems will arise which cannot be resolved in discussion with the staff but, in accordance with the requirements of the 1995 Pensions Act, a formal dispute procedure is available.

9.2. Dispute Procedure

If you are dissatisfied with anything to do with the pension arrangements, you should contact:

The Chief Executive
The Church of England Pensions Board
PO Box 2026
Pershore
WR10 9BW

If the matter is not resolved to your satisfaction you should ask for a 'formal complaint form', which will be sent to you within seven days of your request. You will receive a response within two months of receipt of your complaint form, or a letter explaining the delay. If you are not satisfied with the response you have the right to ask for the matter to be considered by the Board itself.

9.3. The Pensions Ombudsman

In the event of a dispute which cannot be resolved with the Board you may contact the Pensions Ombudsman at:

11 Belgrave Road
London
SW1V 1RB

Website: www.pensions-ombudsman.org.uk

You can also find help and guidance at MoneyHelper at www.moneyhelper.org.uk/en/pensions-and-retirement/pension-problems

10. Further Information

10.1. Personal Illustrations and Specific Information

The Board will forward a benefit statement to you each year that provides an indication of the benefits payable at Pension Age or in the event of your death.

If you require more specific information, e.g. an illustration of the benefits payable on early or late retirement, please contact the Board.

10.2. Report and Accounts

The Board presents a report on its work to General Synod each year and copies are available online to download, or on request. The report includes:

- a progress report on the pensions schemes it administers, and,
- the audited accounts of the schemes

10.3. Actuarial Information

The financial position of the CAPF is examined periodically to ensure that it will be able to provide the promised benefits when they become due.

The Board will send you a Summary Funding Statement each year. This is a summary of the actuarial position of the CAPF at the end of the previous scheme year.

A full actuarial valuation of the CAPF is carried out by the Scheme Actuary every three years. Copies of the valuation report and the Statement of Funding Principles are available on request.

10.4. Investment Information

The Board is responsible for the investment of the contributions received each year and the existing funds under management. A description of the investment strategy followed by the Board (the Statement of Investment Principles) is available on request.

10.5. Fund Rules and Regulations

Copies of the rules of the CAPF are available on request.

Every effort has been made to ensure that this booklet has included details of the benefits provided by the CAPF in as simple a style as possible. However, the booklet does not override the Rules – the legal document governing the administration of the CAPF.

The Trust Deed and Rules provide that the Principal Employer has the power, with the consent of the Trustee, to amend the CAPF at any time. If this happens you will be notified of any changes which affect you.

10.6. Other Information

The Board also provides other information such as a detailed description of the facility to pay Additional Voluntary Contributions (AVCs). Leaflets covering issues such as pensions on divorce are also available on request.

10.7. Pension Tracing Service

The Department for Work and Pensions operates a tracing service which can help former members contact pension schemes with which they have lost touch. Their address is:

Pension Tracing Service
The Pension Service 9
Mail Handling Site A
Wolverhampton
WV98 1LU

Tel: 0800 731 0193

Website: www.gov.uk/find-pension-contact-details

10.8. Data Protection

The Board has to keep information about you and your dependants for the purposes of managing the CAPF. The Board may have to disclose this information to other people (such as their professional advisers) from time to time. Your information will only be used to administer CAPF and will not be used for any other purposes.

10.9. Regulation

CAPF is regulated by The Pensions Regulator (TPR) which is empowered to intervene in the running of schemes where trustees, employers or professional advisers have failed in their duties. TPR's contact details are:

The Pensions Regulator
Napier House
Trafalgar Place
Brighton
East Sussex
BN1 4DW

Tel: 0870 6063636

Email: customersupport@thepensionsregulator.gov.uk

Website: www.thepensionsregulator.gov.uk/

10.10. Finance Act 2004

The CAPF is a registered scheme for the purposes of the Finance Act 2004.

10.11. Divorce

A spouse or civil partner's pension is paid to the person to whom a scheme member was married at the time of death; separation does not of itself affect this entitlement. However, in the event of divorce your former spouse or civil partner would no longer have any entitlement under the CAPF to a pension on your death. A leaflet, "*Pensions and Divorce*", outlining the ways in which benefits may be treated on divorce, is available on request from the Pensions Board.