

Combined Nuclear Pension Plan (CNPP)
Voluntary individual transfers from other pension schemes

1. Anyone who joins the CNPP defined benefit arrangements because they can no longer remain in the UKAEA Combined Pension Scheme (the "CPS"), as the result of their employer moving into the private sector, will not transfer their defined benefits from the CPS. HM Treasury has decided that all such benefits should remain in the CPS where they will continue to be linked to a person's final pensionable pay for as long as that individual remains an active member of the CNPP.
2. No transfers from third party pension schemes (i.e. schemes other than the CPS) will be permitted, with the following exceptions:
3. Recognising that members of the CPS would have had one year from joining the CPS in which to transfer in past-service benefits to buy defined benefits in the CPS: anyone joining the CNPP from the CPS, as result of their employer moving to the private sector, who has less than one year's membership of the CPS will have the opportunity to ask to use transfer values from other pension schemes to buy additional reckonable service for defined benefits within the CNPP. That opportunity will last for one year from the time they join the CNPP (the time limit of one year, rather than one year less the time already completed in the CPS, is in recognition of the fact that the move to the CNPP represents an additional complexity for the member in deciding on their future pension arrangements). In the case of eligible members at Springfields, the opportunity will be extended to June 2008.
4. For individuals moving within the nuclear decommissioning industry on a voluntary basis, who are not already CNPP members but are in a defined benefit pension scheme, then an employer may request the Lead Company to allow the individual to join the CNPP on a defined benefit basis and to be able to transfer in past service from their last pension scheme to the CNPP to buy additional reckonable service.
5. For any transfers under paragraph 3 or 4 above the following additional conditions apply:
 - 5.1. Only transfers relating to defined benefits built up in other schemes would be permitted. No transfers related to defined contribution benefits in other schemes would be allowed.
 - 5.2. The value of benefits bought shall be calculated on the same basis as used to calculate Cash Equivalent Transfer Values (CETV) out of the CNPP, but including an allowance for future earnings increases. In line with the existing augmentation provisions of the trust deed and rules, it would be possible for an employer to request, subject to the agreement of the Lead Company, that an individual making a transfer should be given year for year service (actuarially adjusted to reflect any differences in benefit structure between the CNPP and the transferring scheme), but the employer would need to pay the cost of any difference between the cost of such benefits as calculated by the CNPP and the value of the CETV from the transferring scheme, and such payment would be required to be made in full at the time the individual joined the CNPP.
 - 5.3. The transferring scheme must provide a suitable equalisation indemnity.
 - 5.4. The Combined Nuclear Pension Plan Trustees Limited (the Trustee) may refuse to accept any transfer in, in whole or in part, or to impose such additional requirements as it sees fit.
 - 5.5. In line with the trust deed and rules, the Lead Company must agree the basis on which benefits are granted in respect of transferred in assets.

6. Transfers of CPS Shift Pay Pension Plan or Additional Voluntary Contributions (AVCs) investments into the CNPP will not be permitted.
7. The CNPP can accept cash lump sums directly from members for investment into CNPP AVCs. Such investments will be subject to HM Revenue & Customs limits and CNPP AVC rules.

The Combined Nuclear Pension Plan Trustees Limited
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