

Combined Nuclear Pension Plan

DEFINED BENEFITS PENSIONS BULLETIN
NOVEMBER 2012

Chairman's Introduction

Welcome to the 2012 issue of the Pensions Bulletin of the Combined Nuclear Pension Plan.

The scheme merger between the CNPP, The GPS Pension Scheme and Nirex Pension Scheme went ahead on 1 April 2012 and I would like to welcome those members from the GPS Pension Scheme and Nirex Pension Scheme to the CNPP. The CNPP now has over 17,000 members with over £1 billion funds under management and this makes the Plan one of the major players in the pensions industry.

I am extremely grateful to the Trustee directors of all the schemes involved, their advisers and participating employers for their co-operation and support in successfully completing the merger. Everyone involved worked extremely hard to ensure that the merger did not prejudice members' benefits and that the necessary documentation was completed in time for the smooth transition of assets and liabilities.

Before the merger, the CNPP Trustee agreed to put in place transitional arrangements to allow the Member Nominated Directors of the GPS Pension Scheme to become Trustee Directors of the CNPP for up to a year after the merger.

The Trustee is about to run a nomination and selection process to fill the arising Member Nominated Director vacancies.

You do not need formal qualifications or specialist knowledge to become a Trustee Director. What is required is common sense, fairness, an understanding of the need for confidentiality, a willingness to learn and an enthusiasm for the role.

The active support of the membership is very important for the continued success of the Plan and even if you do not wish to stand for election as a Trustee Director, I encourage you to participate in the forthcoming election.

Financial markets over the past year have been volatile as the political leaders in the European Union take measures which they believe will stabilise the Eurozone. Nonetheless, the Plan's assets have continued to grow in these turbulent times and £10 million is being invested each month. Investments are being made for the long term as the Plan steadily builds up assets to pay the benefits due for the members. Further information about market performance can be found in the Investment Report.

You will see the impact of recent market turbulence in the summary of the funding position of the Plan included in this newsletter. Please remember that building a pension is a long term business and it is expected that there will be ups and downs

over the short term. Given the inherent market volatility, the Trustee has been considering how to further improve overall levels of diversification and therefore reduce risk in such a way as not to materially impact the overall levels of expected return. This has led to the appointment of two new Investment Managers this year; the Plan has appointed Baring Asset Management to manage a diversified multi-asset mandate and Babson Capital to manage a secured loans fund.

The Trustee and your employer together with NDA are committed to fund the Plan to meet the benefits as they fall due to members. A full actuarial valuation of the Plan is due on 31 March 2013 and any adjustment to employer contribution rates will be made following that review.

I hope that you will find this bulletin interesting and if you want to know more about your benefits under the CNPP please contact the Plan Administrator or go to www.cnpp.org.uk

Tony Cooper
Chair of CNPP Trustee

Membership of the CNPP

The entire membership of the CNPP as at 31 March 2011, 31 March 2012 and 1 April 2012 following the merger, is shown to the right.

The Trustee's Annual Report and Accounts for the year ended 31 March 2012 contains further information about the CNPP and this is available on the CNPP website.

* includes members joining from GPS Pension Scheme and Nirex Pension Scheme.

Category	31 March 2011	31 March 2012	1 April 2012*
Defined Benefit Structures	11,034	10,725	11,630
Defined Contribution Structures	1,244	1,492	1,568
Deferred pensioners	1,785	1,881	2,514
Pensioners and dependants	691	929	1,321
Total Membership	14,754	15,027	17,033



Investment Report

The global economic background was, at best, uncertain over the year to 31 March 2012. The European debt crisis was the dominant theme affecting investor sentiment worldwide for much of the 12 months. Politicians struggled to agree a suitable policy response to the Euro problems as political priorities and allegiances clashed with the needs of monetary union.

Although the Greek debt crisis dominated the headlines, concerns over growth in Government debt extended to other countries, including, Spain, Italy and even the US. Nevertheless, there were signs of economic recovery in the US, for example growth in employment in the latter half of the period; however, the recovery is patchy.

Equity markets were broadly flat over the year to 31 March 2012 (although volatile during the period), where weaker European performance was offset by stronger performance in the US.

Government bonds of countries spared the worst of the debt crisis (e.g. UK, US, Germany) fared particularly well, reflecting investors' preference for safety in 'troubled' times. Long dated UK bond yields fell to levels not seen for 60 years, whereas in contrast, bond yields in the weaker Eurozone countries moved sharply higher.

The legacy of the financial crisis remains a legitimate concern and still has the capacity to deliver 'shocks' to the system in the short to medium term. However, members should remember that, for most cases, investing for a pension requires a long term perspective and short term reactions to the ups and downs of the markets are not necessarily in their best interests. Members of the Shift Pay Pension Plan and those who are making Additional Voluntary Contributions who are closer to retirement, should consider their objectives and seek advice where required.

How the assets are invested

All investments are managed by investment managers authorised to undertake investment business and are specifically appointed and monitored by the Trustee. Details can be found in the Trustee's Statement of Investment Principles, which is available on request.

The Plan's investment strategy takes account of the profile of the Plan and is agreed by the Trustee after taking appropriate advice. The Trustee's Statement of Investment Principles describes how the Trustee invests the money paid into the CNPP. It is the responsibility of the Investment Managers to manage the Plan's assets and to invest within the confines of the agreed strategy.

The Plan invests in a variety of asset classes which includes equities, bonds and property; described as follows:

Equities. These are also known as shares or stocks and represent a share of the ownership of a company. Shares give two potential benefits – the share prices increase as the value of the company increases and dividend payments which are regular payments made to shareholders based on how well the company is performing.

Over the longer-term, equities are considered to offer greater growth potential than many other asset types. But over the short term, the value of equities can be volatile. Funds investing in equities tend to carry a higher risk of capital loss than funds investing in bonds or cash. The financial results of other companies and general stock market and economic conditions can all affect a company's share price, and consequently the value of any fund investing in that company.

Bonds. These are loans issued by companies or by governments in order to raise money. Bonds issued by companies are called Corporate Bonds, those issued by the UK government are often called Gilts or UK Government Bonds. In effect all bonds are IOUs that promise to pay you a sum on a specified date and pay a fixed rate of interest along the way. Index-linked securities are similar but the payments out are normally increased by a price index e.g. for UK government index-linked securities, payments out are increased in line with the UK Retail Price Index.

On the whole, investing in bonds is seen as lower-risk than investing in equities and as a result returns from bonds are expected to be lower than returns from equities over the long term. Gilts are very low-risk. To date, no UK government has ever failed to pay back money owed to investors. But with corporate bonds there is a risk that the company may not be able to repay its loan or that it may default on its interest payments.

Property. Property investment generally means the fund is sharing in the returns from the ownership of buildings (for example, offices and shopping centres) and/or land. The value of the property may increase and tenants may pay rent to the owners of the building.

However, commercial properties can be difficult to buy and sell quickly. Fund managers may have to delay withdrawal of money by customers from a property fund until they can sell some of the buildings the fund invests in. The actual value of a property is what someone is prepared to pay for it – an actual sale value. As sales are infrequent, interim valuations are based on a valuer's opinion and may be revised up or down from time to time. This can affect the value of a fund invested in property, with the value possibly fluctuating significantly.

Investment Report cont'd

CNPP Defined Contribution Performance (12 months to 31 March 2012)

Fund	Performance
BlackRock 50/50 Global Equity	-0.6%
BlackRock UK Equity	0.8%
BlackRock World ex UK Equity	0.3%
Prudential Index-Linked Bond Fund	20.5%
Prudential Cash Fund	-0.2%
Prudential Retirement Protection Fund	22.0%

Nirex AVC Performance (12 months to 31 March 2012)

Fund	Performance
Prudential Discretionary Fund	1.5%
Prudential Deposit Fund	0.5%

GPS Defined Contribution Performance (12 months to 31 March 2012)

Fund	Performance
Prudential Deposit Fund	0.5%
Prudential Cash Fund	-0.3%
Prudential Corporate Bond Fund	9.5%
Prudential Discretionary Fund	1.5%
Prudential Fixed Interest Fund	15.0%
Prudential Global Equity Fund	0.5%
Prudential Index-Linked Fund	22.7%
Prudential International Equity Fund	-3.0%
Prudential Long-term Growth Fund	-1.5%
Prudential Overseas Equity (Passive) Fund	-3.8%
Prudential Pre-Retirement Fund	17.1%
Prudential Property Fund	5.6%
Prudential Retirement Protection Fund	21.9%
Prudential Socially Responsible Fund	-1.8%
Prudential UK Equity (Active) Fund	3.3%
Prudential UK Equity (Passive) Fund	0.8%
Prudential UK Specialist Equity Fund	3.1%

Fund reports

Members who contribute to the Shift Pay Pension Plan, or who make Additional Voluntary Contributions can contribute to a range of investment funds in order to save for their retirement. These are shown in the tables which set out the performance of the funds available over the 12 months to 31 March 2012 (prior to the merger of the CNPP, GPS Pension Scheme and Nirex Pension Scheme).

The fund performance shown is net of annual management and administration charges and is derived from aggregated returns over the year. Individual member returns will be dependent on the timing of investment.

For details of the Funds available for you to invest in please see your member booklet and investment guide, which also set out the objectives and underlying investments in these funds to help you make a selection relevant to your personal circumstances. The Trustee reviews these funds on a regular basis.

For a more up-to-date performance of the funds, see the Quarterly Prudential Bulletins on the CNPP website.

Please note the value of all investments may fall as well as rise. Further, investments in developing or emerging markets may be more volatile than in mature markets. Exchange rates may also affect the value of an overseas investment. As a result, an investor may not get back the amount originally invested. Past performance is not necessarily a guide to future performance.

Prudential With-Profits Pension Fund

With Profits funds aims to maximise growth over the medium to long term by investing in equities, bonds, property, and other investments. The funds aim to protect investors against some of the ups and downs of investment performance by "smoothing" returns.

Due to the distinct nature of these products it is not possible to provide an overall annual return for all members. The actual return achieved by an individual depends on the bonuses received and therefore a true investment return cannot be calculated until the individual member's plan matures. Two types of bonuses are paid:

Regular bonus. This is added during the term of a member's plan. The regular bonus rate is partly determined by what the fund manager expects the investments to earn in the future. The manager will also hold back some of this return with the aim of paying a proportion of the proceeds as final bonuses. Regular bonuses may vary and are not guaranteed.

Final bonus. This is an additional bonus, which is expected to be paid once a member's plan expires. Final bonuses may vary and again are not guaranteed.

Funding of the Plan



Formal actuarial valuations of all the existing sections were carried out as at 31 March 2010 and the actuarial valuation of the Springfields Fuels 2 Section was carried out on its inception date of 1 April 2010.

On 1 April 2012 the GPS Pension Scheme (GPS) and the Nirex Pension Scheme were merged into the Plan. The formal actuarial valuations for the GPS and Nirex Scheme were also carried out as at 31 March 2010.

An update of the funding position has been carried out as at 31 March 2012, taking account of the value of the assets and liabilities at this date. The next full funding valuation for all sections will be carried out as at 31 March 2013.

The funding valuations are used to compare the value of the assets with the benefits earned up to date and to set the future rate of employer contributions. As part of the valuation, an estimate of the 'solvency' position is made. This considers the cost of buying all the benefits with an insurance company if the Plan was to wind up. This information has to by law be notified to members; although there is no expectation that the Plan will be wound up in this way.

A summary of the results is given in the table on the next page. At the 2010 valuation date, the Magnox North and South Sections were separate and they have subsequently merged. The schemes' assets have performed broadly in line with expectations since March 2010 but the fall in UK Government bond yields has inflated the way that the value of benefits is measured and this has resulted in deficits in all sections as at 31 March 2012.

For ease of comparison, the results of the valuations for these Sections have been combined in the results table. The Closed Section is the new name for Springfields Fuels Section, used to

provide member's benefits earned between 16 October 2006 and 31 March 2010. Active members of Springfields Fuels Limited joined the Springfields Fuels 2 Section on 1 April 2010 for benefits earned after this date.

Security of your benefits

Each Section of the Plan is set up as a shared fund of money, which the Trustee uses to pay for all the defined benefits due from that Section of the Plan. The Trustee invests the fund of money with the aim of meeting the benefit payments. The Trustee regularly checks on the money available to support the Plan. If there is a funding shortfall in any of the Sections of the Plan, then that Section's sponsoring employer is required to make extra contributions.

Payments to the Employer

It is a requirement of the Pensions Act 2004 that from time-to-time the Trustee informs members of any payments made from the Plan to the employer. There have been no payments out of the Plan to the employer since its inception and none are envisaged.

Additional employer contributions made by DSRL, Magnox Ltd and EnergySolutions EU Ltd

The Actuarial Valuation as at 31 March 2010 for the Magnox and DSRL Sections revealed small funding shortfalls which meant that each employer would be required to make additional annual employer contributions from 1 April 2012 of £236,000 for Magnox Ltd and £79,000 for DSRL. The Actuarial Valuation as at 31 March 2010 for the GPS EnergySolutions Section also revealed a small funding shortfall, and EnergySolutions EU Ltd paid £68,000 in April 2011 to correct the shortfall.

Magnox Ltd and DSRL each made advance payments in March 2011 of two year's worth of these payments of £472,000 and £158,000 respectively. This meets the additional contributions required up to the next valuation in 2013.

Funding of the Plan cont'd

Combined Nuclear Pension Plan - Funding Summary

Section	Closed	Spring- fields 2	GPS WEC/ UAM	Sellafield	GPS SLC	GPS Nexia	LLWR	Magnox	GPS Energy Solutions	DSRL	RSRL	GPS DRS	Nirex
Valuation at 31 March 2010													
Assets (£000s)	56,869	0	22,100	145,977	338,400	2,174	1,984	15,708	11,427	5,393	1,611	26,500	22,900
Value of benefits earned (£000s)	53,902	0	20,800	128,627	291,000	2,159	1,794	16,509	11,490	5,529	1,610	24,900	22,900
Surplus (shortfall) (£000s)	2,967	0	1,300	17,350	47,400	15	190	(801)	(63)	(136)	1	1,600	0
Funding Level	106%	-	106%	113%	116%	101%	111%	95%	99%	98%	100%	106%	100%
Total Contribution rate													
2010/11	-	30.5%	27.5%	27.0%	25%	25.5%	26.3%	24.4%	30.3%	27.0%	27.8%	29.1%	-
2011/12	-	28.5%	27.5%	27.0%	25%	32.6%	26.3%	24.4%	34.9%	27.0%	27.8%	29.1%	-
2012/13	-	28.5%	27.5%	27.0%	25%	32.6%	25.5%	27.1%	34.9%	27.5%	27.8%	29.1%	-
Deficit funding contributions													
From 2012 (£000s)	0	0	0	0	0	0	0	236	0	79	0	0	0
Update on valuation at 31 March 2012													
Assets (£000s)	62,867	26,129	27,858	348,710	387,170	2,681	4,510	26,493	14,501	24,469	9,621	36,852	23,553
Value of Benefits earned (£000s)	70,220	29,382	28,865	424,219	426,373	3,020	5,020	32,836	15,945	31,800	12,418	40,598	27,219
Surplus (shortfall) (£000s)	(7,353)	(3,253)	(1,007)	(75,509)	(39,203)	(339)	(510)	(6,343)	(1,444)	(7,331)	(2,797)	(3,746)	(3,666)
Funding level	90%	89%	97%	82%	91%	89%	90%	81%	91%	77%	77%	90%	87%
Solvency Position at 31 March 2010													
Assets (£000s)	56,869	0	22,100	145,977	338,400	2,174	1,984	15,708	11,427	5,393	1,611	26,500	22,900
Value of benefits earned (£000s)	85,610	0	28,000	231,703	413,200	2,941	3,295	24,505	14,817	8,408	2,802	34,600	31,700
Surplus (shortfall) (£000s)	(28,741)	0	(5,900)	(85,726)	(74,800)	(767)	(1,311)	(8,797)	(3,390)	(3,015)	(1,191)	(8,100)	(8,800)
Funding level	66%	n/a	79%	63%	82%	74%	60%	64%	77%	64%	57%	76%	72%

Annual Report summary for the Defined Benefits Structure

2012	Closed £000s	Spring- fields 2 £000s	GPS WEC/ UAM* £000s	Sellafield £000s	GPS SLC* £000s	GPS Nexia* £000s	LLWR £000s	Magnox £000s	GPS Energy Solutions* £000s	DSRL £000s	RSRL £000s	GPS DRS* £000s	Nirex* £000s
Member related income	0	12,638	1,038	91,533	10,116	86	1,187	4,210	606	8,936	4,003	2,944	4
Member related payments	(1,046)	(214)	(147)	(4,641)	(7,638)	0	(13)	(600)	(55)	(340)	(58)	(247)	(1,112)
Net additions from dealing with members	(1,046)	12,424	891	86,892	2,478	86	1,174	3,610	551	8,596	3,945	2,697	(1,108)
Net returns on investments	3,260	1,244	2,066	18,803	20,122	199	219	1,477	1,211	1,232	464	2,649	1,816
Net increase in fund	2,214	13,668	2,957	105,695	22,600	285	1,393	5,087	1,762	9,828	4,409	5,346	708
Net assets at start of year	63,651	14,383	25,489	269,654	371,323	2,464	3,142	23,687	13,303	15,757	5,806	32,929	23,456
Net assets at end of year	65,865	28,051	28,446	375,349	393,923	2,749	4,535	28,774	15,065	25,585	10,215	38,275	24,164

* The summary shows the position for the GPS and Nirex Pension Schemes before the transfer of assets and liabilities to the CNPP on 1 April 2012.

Contributing members	0	1,091	60	7,988	586	4	87	360	12	828	371	243	0
Deferred pensioners	1,191	27	10	477	490	1	2	40	1	84	23	28	97
Pensioners and dependants	179	26	3	593	303	0	4	53	0	59	15	19	67
Total	1,370	1,144	73	9,058	1,379	5	93	453	13	971	409	290	164

Advisers to the scheme

The Trustee appoints professional advisers to provide specialist guidance and regularly reviews its arrangements and assesses the advice it receives.

The Trustee obtains advice on a wide range of pensions-related matters including the law governing pensions, the expected costs of funding benefits and investment of the Plan's assets. The Annual Report and Accounts must be audited by qualified Scheme Auditors.

Listed below are the current advisers:

Scheme Actuary

Mark McClintock of Deloitte Total Reward and Benefits Limited advises the Trustee on scheme funding and carries out actuarial valuations of the Plan.

Legal Adviser

Squire Sanders (UK) LLP provides legal advice to the Trustee on pension law.

Investment Adviser

Hymans Robertson LLP advises the Trustee on investment strategy and the selection of Investment Managers.

Auditor

KPMG LLP audits the Annual Report and Accounts and provides a statement as to whether or not the required contributions have been paid to the Plan.

Medical Adviser

Medigold Health Consultancy Limited provides impartial professional medical assessments of applicants for ill-health early retirements on behalf of the Trustee.

Plan Administrator

Babcock International Group - Pensions (formerly UKAEA Pensions Administration Office) is responsible for collecting contributions, maintaining member records, calculating and paying benefits.

Pension increases

On 1 April each year, the pension you or your dependants receive from the Plan is increased in line with inflation (RPI). For members of the CNPP (former CPS Benefit Structure) Sections and GPS Sections, the annual increase as at 1 April 2012, based upon the rate of inflation measured in the previous September, was 5.6%.

Pensions in payment for Nirex Section members comprise of two elements, namely the Guaranteed Minimum Pension (GMP) and the pension in excess of GMP. In accordance with statutory legislation, the GMP earned after 5 April 1988 increases by 3% for men over age 65 and women over age 60 on 1 April 2012. Pensions in payment for pensioner members under these ages and any excess above GMP increased on 1 April 2012 at the annual rate of inflation measured in the previous December and this was 4.8%.

Trustee Directors

The Combined Nuclear Pension Plan Trustees Limited (CNPPTL) is the Trustee company responsible for the running of the Plan.

In recognition of the merger with the GPS Pension Scheme, CNPPTL agreed transitional arrangements which allowed the two Member Nominated Directors of the GPS Pension Scheme to be Directors of CNPPTL for a period of up to a year, or until the next election if earlier, following the scheme merger.

The Trustee Directors of CNPPTL are:



Tony Cooper
(Chairman)



John Bamforth



Ian Driver



Jon Ford



George Greenhalgh



David Gregory



Bernie McDonald



Jim McLaughlin



Andrew Oldham



Peter Vaughan

Amendment to Scheme Rules

The Trustee has amended the rules of the GPS Benefit Structure to allow members one further opportunity to rejoin the Structure without discretion. This is an improvement to the Scheme and brings the GPS Benefit Structure in line with the CNPP.

Election of Trustee Directors

The Trustee's role in the stewardship of the Plan is extremely important and the Trustee remains strong from the active support of the membership of the Plan who can stand for election to become Trustee Directors.

Member Nominated Directors are selected for up to four years from the date of their appointment and if they so wish, may stand for re-nomination and selection when their period of office comes to an end.

An election will be run before 31 March 2013 to appoint two Trustee Directors to fill the vacancies arising on the board. Active and pensioner members of the Plan will receive an invitation to participate in nominations for election as a Member Nominated Director. Ballot slips will be issued shortly afterwards for active and pensioner members to cast their vote.

A further election will take place before 31 March 2014.

Topping up your pension

You can make Additional Voluntary Contributions (AVCs) to increase your retirement savings. Your AVCs can be used to invest in a selection of funds. You can also buy Added Years of service in the Plan by making additional contributions before you reach Normal Pension Age.

Your AVCs are deducted from your pay before tax and your investments attract tax relief.

If you receive shift pay, you can also pay more than the minimum employee contribution of 5% of your pensionable shift pay.

Your members' booklet and the AVC Investment Guide will provide more information about AVCs and these can be found on the CNPP website www.cnpp.org.uk

Also, you can contact the Plan Administrator for details but please remember, the Plan Administrator cannot give you financial advice.

For more information

The CNPP website is a useful source of information about the Plan. Please visit www.cnpp.org.uk

Retirement annuity choices for members with Shift Pay Pension Plan (SPPP) or Additional Voluntary Contributions (AVCs) Investment Accounts

If you make Shift Pay Pension Plan (SPPP) or Additional Voluntary Contributions (AVCs), your investment funds are used to buy an annuity (after taking any tax-free cash) on retirement.

You have a choice of who provides your retirement income and you can shop around so that you can choose the annuity that best suits you. Choosing an annuity can be complicated and the Trustee has made arrangements to assist you. The Plan Administrator will explain what is available to assist you at the time you retire and have to use your investment funds to buy an annuity.

Impaired Life Annuities

An 'impaired life' annuity can pay higher income to you if you have a health problem that could potentially shorten your lifespan. If you feel that you may qualify for an impaired life annuity at retirement, you should ask about impaired life annuities when shopping around or before you use your investment funds to buy an annuity.

Notice to CPS Benefit Structure members who commenced AVCs or (SPPP) contributions after 14 May 2010

This notice applies only to members of the CNPP (former CPS Benefit Structure) Sections; if you are a member of the GPS or Nirex Sections, please disregard this notice.

If you commenced AVCs or SPPP contributions after 14 May 2010 and do not hold funds in the Prudential's With Profits Fund, you are unable to use Prudential's preferential annuity service at retirement. This means that you will not be able to purchase a temporary annuity to be paid until State Pension Age (known as a State Scheme Spreading Option).

Future annuity choices

The choice of annuity at retirement for all members (including members of the GPS and Nirex Sections) is dependent on what is available in the marketplace and it may change over time. The Trustee cannot guarantee that any particular annuity option that is currently available (including the State Scheme Spreading Option) will continue to be available in the future.

The Plan Administrator will inform members what is available at the time you retire and how to use your investment funds to buy an annuity.

Expression of Wish Form

You can name the person or people you would like to receive any lump sum payment on your death by completing an Expression of Wish form. This form tells the Trustee of your wishes and helps the Trustee with its decision when making a discretionary payment on death.

If you haven't already done so, please complete a form and return it to the Plan Administrator and keep it up to date. Forms are available from the Plan Administrator, your Employer Representative and the CNPP website.

The Trustee holds a copy of a nomination of beneficiary form you may have completed previously from your membership of the GPS or Nirex Pension Schemes, but the Trustee does not have access to the nomination of beneficiary form you may have completed for your employer or another pension scheme.

Address for the Plan Administrator

The Plan Administrator can be contacted at **Babcock International Group, Pensions, Brims House, Forss Business & Technology Park, by Thurso, Caithness, KW14 7UZ**. You can also send an email to the Plan Administrator at benefits@ukaea.co.uk or by phone on 01847 804414.

Changes to the Annual Allowance

The Finance Act 2004 introduced the 'Annual Allowance' to limit the amount of pension you can build up in any one tax year before a tax charge arises. This is based on the total amount of your pension savings over all of your pension schemes.

With effect from 6 April 2011, the Annual Allowance reduced to £50,000 and you will be expected to notify your tax office if the total increase in the value of all your benefits (including any employee and employer SPPP contributions and/or AVCs) exceeds the Annual Allowance.

From next year, your annual benefits statement will show the increase in the value of your CNPP pension benefits for the period 1 April 2012 to 31 March 2013.

If the increase in the value of your aggregated pension benefits exceeds £50,000, you may have to pay a tax charge and you can ask the Plan to pay that part of the tax charge applicable to your benefits under the CNPP from your benefit entitlement. This will of course, have the effect of reducing your benefits payable under the Plan.

If you are in any doubt about your tax arrangements, you should consider obtaining advice.

Changes of address

If you have moved house or are about to move house, please inform your Employer Representative. If you are a deferred or pensioner member you should contact the Plan Administrator.

2012 Annual Benefits Statements

Please check that the information shown on your benefits statement is correct. If you have any queries, please contact the Plan Administrator.

Annual Benefits Statements in 2013

The Trustee intends to streamline the production of next year's annual benefits statements and expects to issue your statement in August 2013.