

GROUP CIRCULAR 979

To: Branches, Groups and Executive Council

December 2025

Dear Colleague

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1. STATE PENSIONS – TRIPLE LOCK

The **State Pension**, currently payable from age 66, will rise by **4.8%** from 6 April next year under the 'Triple-Lock' that gives the higher of: CPI inflation; Average Earnings growth; or 2.5%.

Average earnings rose by 4.8% (adjusted to include bonuses) in the past year (averaged out over May to July). The State Pension increase was formally confirmed by the Chancellor, Rachel Reeves, in her Autumn Budget Statement on 26 November.

The State Pension age will increase next year to **67**, on a phased basis over a two-year period from April 2026, along with the Civil Service pension age (under the Alpha scheme), which now follows State Pension age.

2. CIVIL SERVICE PENSIONS

Civil Service Pensions will rise by **3.8%** from 6 April next year (2026), following the ONS announcement of the September increase in the Consumers Prices Index (CPI).

Although this is better than last year's disappointing 1.7% increase, CPI had been expected to rise to 4% in September 2025, before dropping to around 2% by the Spring of 2026.

Civil Service pension increases are determined each year by the preceding September CPI figure (which is customarily announced in mid-October),

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underpinned by legislation in the Social Security Act 1975 that links the increase to Social Security benefit increases, which are linked to the CPI measurement of inflation. Prior to 2011, the link was with the higher Retail Prices Index, which is no longer recognised as “an appropriate measure of inflation”.

The 3.8% increase will only apply to Civil Service pensions that have been in payment for at least 12 months, otherwise pro-rata increases will be applied.

3. CAPITA PENSION ADMINISTRATION TAKE OVER FROM 1 DECEMBER

The Cabinet Office confirmed to CSPA on 12 November that Capita Was to take over administration of the Civil Service Pension Scheme on Monday 1 December 2025. The confirmation followed a critical report from the Public Accounts Committee, published in late October, to which CSPA had submitted written evidence based on member’s concerns about the administration of the Scheme. The transfer has given Capita responsibility for the pensions of 1.7 million scheme members, with future pension benefits of £189 billion.

On 1 December, Capita launched a new website and pension portals for both scheme members and employers, on the same URL as before, www.civilservicepensions.org.uk. A new app is to be made available in 2026, which will be suitable for all Android and iOS devices.

The Cabinet Office has advised CSPA that *“additional commercial measures have been built into the contract so that the Cabinet Office can maintain the strongest levers and controls and prioritisation of core service delivery (Exits, Payroll and Retirements) to ensure members and service users will see improvements”*.

Prior to the start of the Capita contract, MyCSP’s services were severely disrupted by over 2 months of rolling industrial action by members of the PCS union, followed by a fortnight’s “black out” prior to the switchover, which has left the new administrators with quite a backlog and many members feeling frustrated as they have struggled to get in touch by phone and email.

There were further issues over the course of the first week under Capita, with many CSPA members and others reporting glitches and incomplete information on the portal and difficulties in making contact with the administrators by telephone. Capita have not provided an email address and have told us that this is because they are relying on queries being made via the online contact form on the website.

I attach a copy of the e-newsletter we sent to CSPA members we have an address for, based on information shared with us by the Cabinet Office and

Capita at the point of transfer, which contains useful information about the new arrangements. *I also attach, for your reference, articles from Civil Service World (dated the 4th and 5th December respectively) on the “teething problems” Capita have experienced and on the Gender Pensions Gap in the Civil Service scheme.*

We are monitoring the situation and reporting back to the Cabinet Office and Capita as necessary, and we remain ready to escalate any ongoing issues reported by members accordingly.

4. UPDATE ON LLA ‘BUDGET FOR LATER LIFE’

In the run-up to the Chancellor’s Budget on 26 November, CSPA joined forces with our partners in NARPO and NFOP, on 28th October, to launch the LLA “Budget for Later Life” in the House of Commons. At its heart, the Budget aims to ensure that no one in later life faces poverty, insecurity, or exclusion and that the Government takes account of the value gained by providing access to the transport, housing and health and social care that people need to keep them active and contributing to our economy in various ways, for longer.

The ‘Budget for Later Life’ sets out eight key priorities: protecting the state pension and maintaining the triple lock; introducing a minimum income guarantee; closing the gender pension gap; improving opportunities for older workers; ending unfair taxation on pensions; widening access to affordable and accessible public transport; ensuring safe, secure and adaptable housing; and creating a sustainable, integrated system of health and social care.

The overarching goal is simple but powerful: to guarantee dignity, independence, and financial stability for all older people. The Budget calls on policymakers to act with foresight, address inequality, and lay the foundations for every person to live well, confidently, and securely in later life.

As CSPA General Secretary, Sally Tsoukaris said. “We were encouraged by a positive response from cross-party peers and MPs to our Later Life Ambitions’ Budget for Later Life, which emphasises the importance of addressing pensioner poverty, inequality and the challenges of an ageing population, whilst highlighting the positive contributions older adults make to society. CSPA and the other partner organisation in LLA call for urgent action to ensure a fair and sustainable future for those in later life, which will in turn benefit society at large.”

The event was the **front page headline on Wednesday 29th's Daily Express**, as well as a double page article inside, read in full [here](#). The story was also picked up by the **Daily Record** in Scotland, and the story on the front page itself was covered by several outlets in their roundups of the day's headlines; see [here](#) for the **BBC** and **Sky News** summaries.

Sue Cook's 'Budget for Later Life' opinion piece is also on the LBC website on the link [here](#): "**Older workers hold the key to rebuilding Britain's economy.**"

For more information visit cspa.co.uk/late-life-ambitions

5. THE PENSIONER - IN AUDIO FORMAT

The Pensioner is now available on the members' area of the website in audio format. For any member that have previously requested an audio version you will receive an email with links to listen to all the articles.

However, any member can listen at any time via
www.members.cspa.co.uk/pensioner-audio/

If you'd like to sign up to receive the audio version via email each quarter please send an email to enquiries@cspa.co.uk or call HQ on 020 8688 8418 and ask to be added to the list.

6. GROUP NEWSLETTER DISTRIBUTION

Since the start of 2025, members have been receiving Group newsletters by both email and post, while we tested a new digital delivery system. We're happy to let you know the test has been a success! Newsletters are now arriving faster, more reliably, and at a much lower cost — which helps us put more resources into the things that matter most to our members.

Because of this, we'll be gradually moving towards sending all Group newsletters by email in the future to those members we have an email address for.

We do know that some people prefer a printed copy. That's no problem at all — members can just email us at enquiries@cspa.co.uk with their **name, Group, and Region**, or give us a call on **020 8688 8418** and we'll make sure they keep receiving copies of their Group newsletters by post.

Also, for anyone that would prefer to receive email newsletters, and they aren't currently getting them, they can simply give call us or drop us an email and we'll register them to receive these.

If you cannot access any of the web links included in this document and would like to be sent additional paper copies in the post, please let us know.

You should receive your copy of *the Pensioner* magazine from towards the end of the second week in December – it went to print a week later than usual to accommodate the date of the Chancellor's Autumn Budget Statement, delivered on the 26th November, as we wanted to ensure it was as current as possible.

In accordance with a motion carried at the 2024 AGM, and following the successful circulation of the Annual Report 2024 under cover of a Group Circular **GC 971/25** earlier this year, rather than as a costly supplement enclosed with the magazine, we are in the process of printing our 2025 AGM Report 'in-house' and it will be issued under cover of **GC 980/25** in the coming days.

If you have any questions or require any further information about the matters covered by this Group Circular, please don't hesitate to contact me, either by email at sally.tsoukaris@cspa.co.uk or by telephone on **020 8688 8418 (Office)**.

Yours sincerely



Sally T.

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General Secretary