Environment Agency
Pension Fund

October 2025

Your pension savings statement explained

Your statement explained

EAPF Pension Savings Statement for the tax year ending 5 April 2025

We have set out below details to help explain your statement for the tax year ending 5 April 2025.

If you've exceeded the annual allowance in both 2024/25 **and** in one of the last 3 tax years, you will have received a special statement. This is because you'll have less carry forward and, therefore, you're more likely to be subject to a tax charge - although this may not be the case if you've still got enough carry forward to offset against the excess savings. If you think this applies to you and you have a question concerning your statement, please contact our Capita Technical consultants at **eapfconsult@capita.co.uk**

1

The year in which we've measured the growth in your EAPF pension.

2

The amount your pension savings can grow 'tax free' in the year.

The annual allowance for 2024/25 is £60,000.

This is reduced if you earn over £260,000 in a tax year (in practice, this may affect you if your pensionable income is above £200,000). This is called 'tapered annual allowance'.

Under tapered annual allowance, the annual allowance is reduced by £1 for every £2 of 'adjusted income' that exceeds the £260,000 level, subject to a minimum annual allowance of £10,000.

'Adjusted income' starts by adding up all of your income (subject to tax) such as income from employment, property and dividends, etc. Other specified items (such as member contributions and the 'value' of employer contributions), are added in to check if the adjusted income exceeds £260,000, and so subject to the tapered annual allowance.

3

The 'growth' in your EAPF pension during 2024/25.

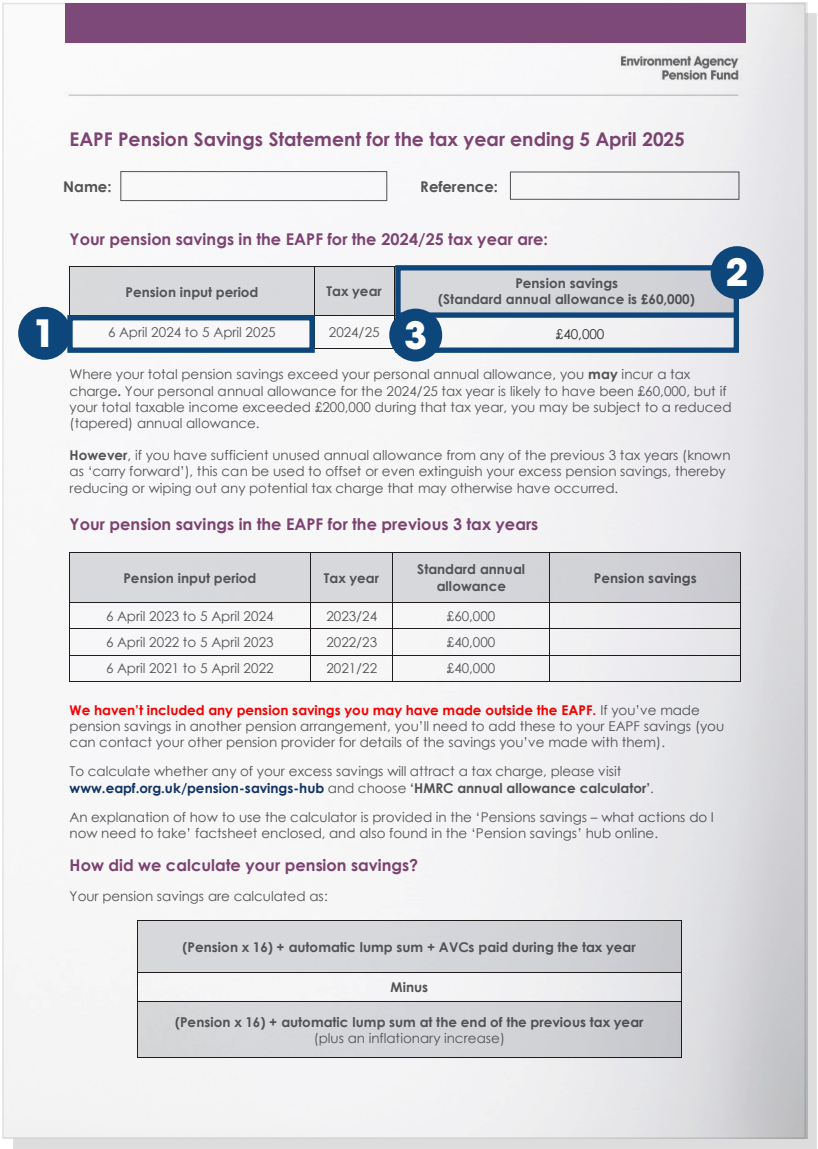
We've calculated it by looking at the difference in your pension at 6 April 2024 and 5 April 2025 and multiplying this figure by 16 (this is a factor set by HMRC for all schemes).

We've also added any tax free lump sum built up (for service before April 2008) to this total.

We've calculated your pension using your 'highest' pay in the last 3 years.

We've included added years, additional regular contributions, additional pension contributions (APCs) or EAPF additional voluntary contributions (AVCs) that you've paid, though any AVCs you've paid towards a life assurance policy are not included.

You can find further information on annual allowance charges in the 'Tax Controls on Pension Savings' factsheet under Publications at **www.eapf.org.uk/resources/publications**



Environment Agency Pension Fund

EAPF Pension Savings Statement for the tax year ending 5 April 2025

Name: Reference:

Your pension savings in the EAPF for the 2024/25 tax year are:

Pension input period	Tax year	Pension savings (Standard annual allowance is £60,000)
6 April 2024 to 5 April 2025	2024/25	£40,000

1 2 3

Where your total pension savings exceed your personal annual allowance, you **may** incur a tax charge. Your personal annual allowance for the 2024/25 tax year is likely to have been £60,000, but if your total taxable income exceeded £200,000 during that tax year, you may be subject to a reduced (tapered) annual allowance.

However, if you have sufficient unused annual allowance from any of the previous 3 tax years (known as 'carry forward'), this can be used to offset or even extinguish your excess pension savings, thereby reducing or wiping out any potential tax charge that may otherwise have occurred.

Your pension savings in the EAPF for the previous 3 tax years

Pension input period	Tax year	Standard annual allowance	Pension savings
6 April 2023 to 5 April 2024	2023/24	£60,000	
6 April 2022 to 5 April 2023	2022/23	£40,000	
6 April 2021 to 5 April 2022	2021/22	£40,000	

We haven't included any pension savings you may have made outside the EAPF. If you've made pension savings in another pension arrangement, you'll need to add these to your EAPF savings (you can contact your other pension provider for details of the savings you've made with them).

To calculate whether any of your excess savings will attract a tax charge, please visit **www.eapf.org.uk/pension-savings-hub** and choose **'HMRC annual allowance calculator'**.

An explanation of how to use the calculator is provided in the 'Pensions savings – what actions do I now need to take' factsheet enclosed, and also found in the 'Pension savings' hub online.

How did we calculate your pension savings?

Your pension savings are calculated as:

(Pension x 16) + automatic lump sum + AVCs paid during the tax year
Minus
(Pension x 16) + automatic lump sum at the end of the previous tax year (plus an inflationary increase)

Your statement explained

EAPF Pension Savings Statement for the tax year ending 5 April 2025

We have set out below details to help explain your statement for the tax year ending 5 April 2025.

4

The amount your pension savings can grow 'tax free' in the relevant pension input period.

If you're subject to a tapered annual allowance your pension savings growth will be lower.

5

You can offset your excess savings with any unused annual allowance from the previous 3 years that are shown on your statement.

In this section, you'll find a link for the HMRC online tool that'll help you work out if your excess savings can be fully offset, or if you'll have to pay a tax charge.

6

The 'growth' in your EAPF pension during the periods stated.

We've calculated it by looking at the difference in your pension during the periods stated and multiplying this figure by 16.

An allowance for inflation using Consumer Price Index (CPI) has also been added to these figures.

We've also added any tax free lump sum built up (for service before April 2008) to these amounts.

We've calculated your pension for each pension input period using your 'highest' pay in the last 3 years. We've only used the pay that was known on the last day of the period to calculate benefits for that period.

We've also included added years, additional regular contributions (ARCs), additional pension contributions (APCs) or EAPF additional voluntary contributions (AVCs) that you've paid, though any AVCs you've paid towards a life assurance policy are not included.

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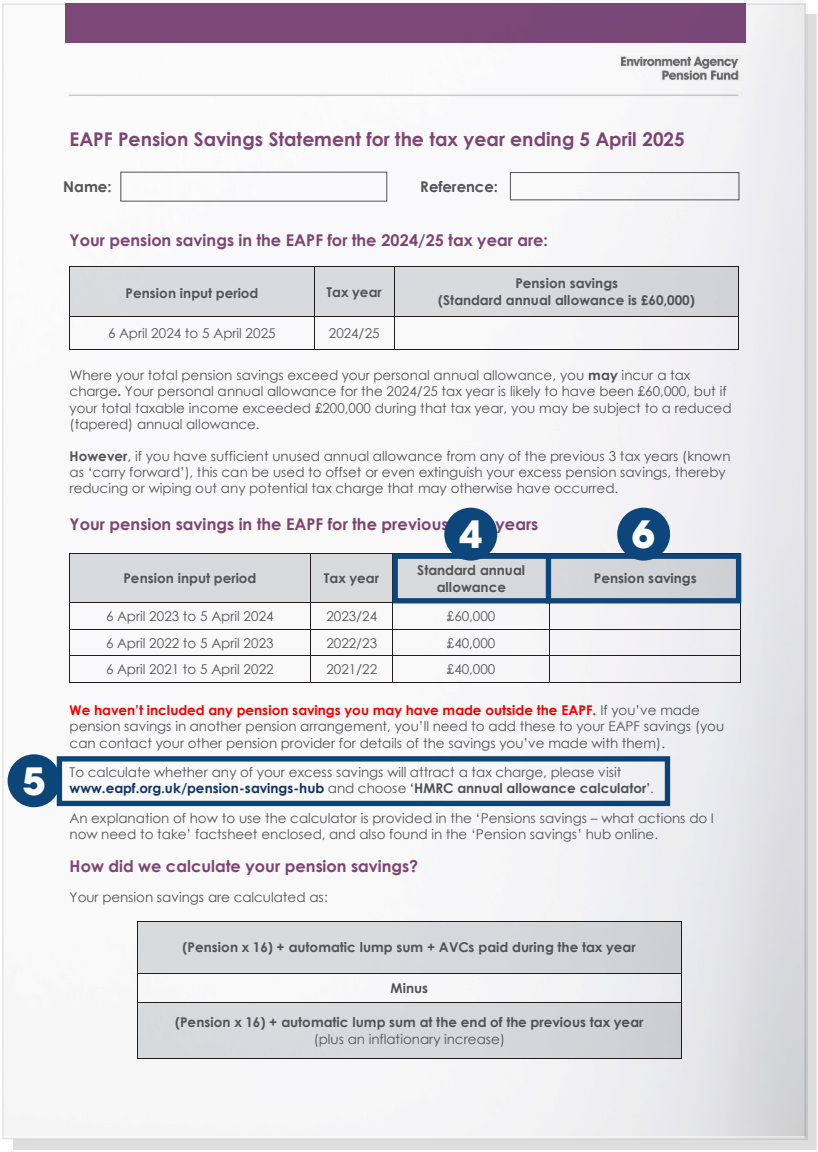

Environment Agency Pension Fund

EAPF Pension Savings Statement for the tax year ending 5 April 2025

Name: Reference:

Your pension savings in the EAPF for the 2024/25 tax year are:

Pension input period	Tax year	Pension savings (Standard annual allowance is £60,000)
6 April 2024 to 5 April 2025	2024/25	

Where your total pension savings exceed your personal annual allowance, you **may** incur a tax charge. Your personal annual allowance for the 2024/25 tax year is likely to have been £60,000, but if your total taxable income exceeded £200,000 during that tax year, you may be subject to a reduced (tapered) annual allowance.

However, if you have sufficient unused annual allowance from any of the previous 3 tax years (known as 'carry forward'), this can be used to offset or even extinguish your excess pension savings, thereby reducing or wiping out any potential tax charge that may otherwise have occurred.

Your pension savings in the EAPF for the previous 3 years

4 6

Pension input period	Tax year	Standard annual allowance	Pension savings
6 April 2023 to 5 April 2024	2023/24	£60,000	
6 April 2022 to 5 April 2023	2022/23	£40,000	
6 April 2021 to 5 April 2022	2021/22	£40,000	

We haven't included any pension savings you may have made outside the EAPF. If you've made pension savings in another pension arrangement, you'll need to add these to your EAPF savings (you can contact your other pension provider for details of the savings you've made with them).

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An explanation of how to use the calculator is provided in the 'Pensions savings – what actions do I now need to take' factsheet enclosed, and also found in the 'Pension savings' hub online.

How did we calculate your pension savings?

Your pension savings are calculated as:

(Pension x 16) + automatic lump sum + AVCs paid during the tax year
Minus
(Pension x 16) + automatic lump sum at the end of the previous tax year (plus an inflationary increase)

The amounts shown exclude any pension savings you may have made outside the EAPF. If you have made pension savings in another pension arrangement, you need to request details of your pension savings from the administrator of that arrangement to assess your overall annual allowance position.

Pension savings hub

We've created a hub on our website at www.eapf.org.uk/pension-savings-hub

Here you'll find all the information and resources you need to help you understand what to do if your pension savings in the EAPF have exceeded the standard annual allowance (AA) of £60,000.