



January 2026

Pensions Bulletin

Happy New Year

First things first, a Happy 2026 to you all!! Welcome to the new Year and the first Pensions Bulletin of the year.

State Pension Increase

The triple lock will apply to next April's increases to both the basic and the new State Pension, which will be 4.8%.

Government Consults on CDC schemes

The GMB supports Collective Defined Contribution Schemes (CDCs) over and above Defined Contribution Schemes as they provide a pension, not a pension pot, and they secure far greater returns than an average DC scheme.

We are pleased therefore that legislation which, up to now, has only allowed for single employer CDC schemes, is about to change and allow for multi-employer CDC provision. The legislative framework is expected to be in place by 31 July 2026 and the Government expects around five multi-employer CDC schemes to enter the market over the next ten years.

Key advantages of multi-employer CDC include a larger membership – allowing for more pooling of risk and greater economies of scale – and a lighter administrative burden on individual employers.

Pension Overpayments

Many members contact me expressing concern that they have been notified of a Pension overpayment. The pensions Ombudsman has issued an information factsheet for members in this position. It can be accessed [here](#)

Please feel free to share it

Attendance Allowance

Congress recently adopted a resolution to advertise this allowance which helps with extra costs if you have a disability or health condition severe enough that you need someone to help look after you. It is paid at 2 different rates and how much you get (either £73.90 or £110.40) depends on the level of care that you need because of your disability or health condition.

You can get Attendance Allowance if you have reached State Pension Age and the following apply:

- you have a physical disability (including sensory disability, for example blindness), a mental disability (including learning difficulties), or a health condition
- your disability or health condition is severe enough for you to need help caring for yourself or someone to supervise you, for your own or someone else's safety
- you have needed that help for at least 6 months

It does not cover mobility needs.

You could get extra Pension Credit, Housing Benefit or Council Tax Reduction if you get Attendance Allowance.

You do not have to have someone caring for you in order to claim.

If you live in Scotland you will need to apply for Pension Age Disability Payment instead of Attendance Allowance.

Attendance Allowance rates

Attendance Allowance is not means-tested - what you earn or how much you have in savings will not affect what you get.

Rate	Level of help you need
Lower rate - £73.90	Frequent help or constant supervision during the day, or supervision at night
Higher rate - £110.40	Help or supervision throughout both day and night, or a medical professional has said you are nearing the end of life

Full details can be found [here](#)

Funeral Expenses

Congress also asked us to advertise eligibility for a Funeral Expenses Payment which you can claim if you get certain benefits and need help to pay for a funeral you are arranging.

If you live in Scotland You can [apply for a Funeral Support Payment](#) which has replaced Funeral Expenses Payment in Scotland.

What you will get

Funeral Expenses Payment can help pay for some of the costs of the following:

- burial fees for a particular plot
- cremation fees, including the cost of the doctor's certificate
- travel to arrange or go to the funeral
- the cost of moving the body within the UK, if it is being moved more than 50 miles
- death certificates or other documents

You can also get up to £1,000 for any other funeral expenses, such as funeral director's fees, flowers or the coffin.

The payment will not usually cover all the costs of the funeral.

How much you get depends on your circumstances. This includes any other money that is available to cover the costs, for example from an insurance policy or the deceased person's estate.

If the deceased had a pre-paid funeral plan, you can only get up to £120 to help pay for items not covered by their plan.

The money will be paid directly to the organiser of the funeral (for example, the funeral director) if you have not paid yet.

(If you receive money from the deceased's estate, your Funeral Expenses Payment will be deducted from any money you get from the deceased's estate. The estate includes any money or property they had but not a house or personal things left to a widow, widower or surviving civil partner.)

Full details can be found [here](#)

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