

CARE

# Member Guide and Frequently Asked Questions for the Defined Contribution Scheme



Retirement Solutions

# Welcome to TPT Retirement Solutions

TPT Retirement Solutions (formerly The Pensions Trust) is one of the leading workplace pension providers in the UK. We have no shareholders and are run purely for the benefit of our members. By offering a range of trust-based products with a reliable and comprehensive service, we cater for a variety of customers and their requirements.

Your pension scheme sits within a Master Trust which comprises of 49 separate schemes, serving c.350,000 members. Working in this way, our combined size and strength with c.£12 billion of assets under management, enables us to achieve economies of scale, the benefits of which we pass on to our customers.

Each scheme has its own separate section, ensuring its assets and liabilities are ring-fenced. We have been included in The Pensions Regulator's list of pension schemes that have achieved Master Trust Assurance. We have also been awarded the Pensions Quality Mark 'Ready' status.

You can find out more information on TPT Retirement Solutions at [www.tpt.org.uk](http://www.tpt.org.uk)

The purpose of this guide is to provide general guidance on your pension scheme.

This is not a complete or authoritative statement on the formal Rules of the Scheme and you can download the Scheme Rules by visiting [www.tpt.org.uk/about-us/trust-deed-rules](http://www.tpt.org.uk/about-us/trust-deed-rules)

This guide is for all members who have built up benefits in the Defined Contribution structure of the CARE Scheme, it replaces previous scheme booklets, announcements and leaflets.

**Please note:** The CARE Scheme closed to the build up of benefits on 31 March 2016. As such, no further contributions have been paid into the DC structure of the Scheme since 31 March 2016.

September 2020

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# About your pension

CARE DC is an Occupational Defined Contribution Pension Scheme and is referred to as “the Scheme” throughout this booklet.

A defined contribution scheme is one where the benefits you get when you retire are related to the contributions you and your employer have made to your pension scheme and the value of the pension fund you have built up over your life time.

More information about the CARE DC can be found on our website [www.caredc.org.uk](http://www.caredc.org.uk)

CARE DC is part of TPT and is governed by the Scheme Rules and held in Trust by Verity Trustees Limited.

## How your Defined Contribution Scheme works



### Your options at retirement – choose one option or a combination of options

- 1 | 25% tax free lump sum
- 2 | A guaranteed income for life (Annuity)
- 3 | Take lump sums from your pot as and when you want, leaving the balance invested
- 4 | Take it all as cash in one go (after the tax free lump sum, remainder is subject to income tax)

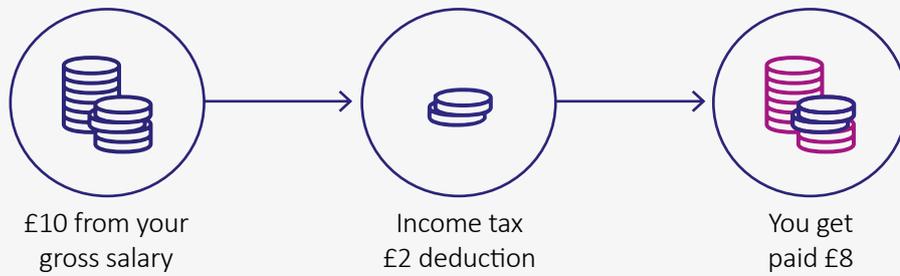
**Please Note:** No contributions have been paid into the Scheme since 31 March 2016. Your contributions remain invested in your selected funds until you either retire or transfer your benefits out to another pension scheme.

# Saving for the future

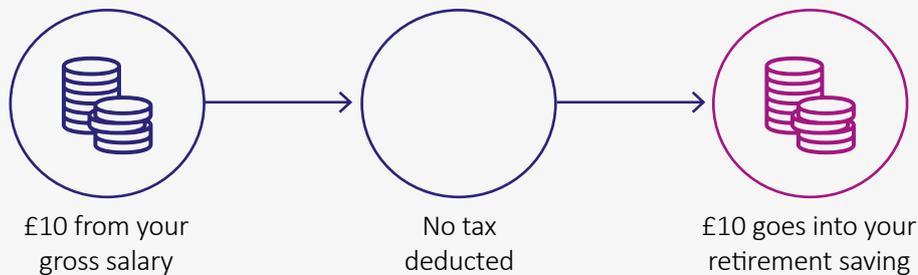
When you contributed to the Scheme, your contributions may have received tax relief. So for a basic rate tax-payer, every **£10** you contributed would have only cost you **£8** as **£2** is tax relief.

Contributions were deducted from your gross pay (before tax was deducted) by your employer. This is known as a Net Pay arrangement. If you did not pay income tax, you would have been unable to benefit from this tax relief.

## Without a pension



## With a pension



## Investing your money

Your pension savings are invested in a fund of your choice until you retire. For more information on the investment choices, please see “Your investments” on page 8.

## Options available at retirement

You now have greater choice over how you access your pension savings because of changes to legislation that came into effect in April 2015. Six months before your Target Retirement Age (TRA), we will contact you with a retirement pack, setting out the retirement options available to you.

You can take the benefits from your Scheme at any time after the age of 55; however we set your default TRA, which currently is 65, but you can change this at any time before your TRA.

You have several options available to you at retirement and can find out more on the options you have by visiting [www.tpt.org.uk/at-retirement](http://www.tpt.org.uk/at-retirement)

You can also use our pension calculator, which will provide you with an estimate of your income at retirement by visiting [www.tpt.org.uk/calculator-dc](http://www.tpt.org.uk/calculator-dc) or log in to your **DC Account** by visiting [www.tpt.org.uk/login](http://www.tpt.org.uk/login)

# About your pension: Other benefits

Planning for your future has other benefits. Some of the Scheme benefits are listed below:

## Death Benefits

If you were to die, your beneficiaries would receive the value of your fund as a lump sum amount.

This means that if you were to die, your dependants would receive a sum of money.

To make sure the money goes to the right people on your death you must complete a Nomination Form. You can complete this in a number of ways:

- Through your DC Account, by visiting [www.tpt.org.uk/login](http://www.tpt.org.uk/login)
- downloading a form from the CARE DC website [www.caredc.org.uk](http://www.caredc.org.uk)
- or by contacting Pensions Administration Enquiries on [TPTenquiries@mercerc.com](mailto:TPTenquiries@mercerc.com) or **0345 072 6780**

## Ill-health

As a member you may also be eligible to have your pension paid early on health grounds. This means that if there were satisfactory medical evidence that you have become too ill to work, you may be able to use your pension fund to retire at any age.

## State Pension

State benefits are payable from your State Pension age which will not necessarily be the same as your retirement age under the Scheme.

State benefits changed on 6 April 2016. To find out more information on your State pension visit [www.gov.uk/state-pension](http://www.gov.uk/state-pension)

# What if your circumstances change?

Your membership may last for a long time and everyone's circumstances change at some point.

You may have an online DC Account where you can update personal information, check your fund value and much more. You can log in or activate your account, (if you haven't done so already) by visiting [www.tpt.org.uk/login](http://www.tpt.org.uk/login)

Each year you'll receive a Benefit Statement from the Scheme that will provide you with the current value of your pension fund.

## Options following the Scheme's closure

There are several options available to you and these options depend on how long you have been a member of the Scheme.

### You joined the Scheme on or after 1 October 2015

- You can leave your savings invested (become a deferred member) – this means your savings remain in the same place until you retire.
- When you have become a deferred member your funds will continue to be invested in the Scheme until you retire, or decide to transfer the value of the whole fund to another registered pension arrangement.

To find out more visit [www.tpt.org.uk/FAQs](http://www.tpt.org.uk/FAQs) and search for "leaving the scheme" or speak to TPT on **0345 072 6780**.

## Nominating your beneficiaries

If you die before taking your scheme benefits, the value of your savings will be paid to one or more of your beneficiaries (normally tax free).

You can nominate who you would like the Trustees to pay your savings to and there is no limit to the number of persons or organisations you can nominate.

You can let us know who your beneficiaries are this in a number of ways:

- Through your DC Account, by visiting [www.tpt.org.uk/login](http://www.tpt.org.uk/login)
- downloading a form from the resource library on our website [www.tpt.org.uk](http://www.tpt.org.uk)
- or by contacting us on [TPTenquiries@mercerc.com](mailto:TPTenquiries@mercerc.com) or **0345 072 6780**

## Do you have further questions?

If you have other questions that have not been covered here then visit [www.tpt.org.uk](http://www.tpt.org.uk) where you can find our frequently asked questions and our 'Pensions Explained' section.

# Your investments

Your pension savings are invested in a fund of your choice until you retire.

## Your default option: Target Date Funds

Target Date Funds (TDFs) are suitable for anyone who does not want to make their own investment decisions. You can be confident that your savings are being looked after by an experienced investment manager with the aim of providing you with the highest possible income on retirement, whilst managing risk.

With a TDF, your pension savings are invested for you in a mix of investment types depending on when you intend to retire. The Fund will gradually move from more 'adventurous' investments, through 'balanced' to more 'cautious' investments as it gets nearer to the planned retirement years.

Adventurous investments mean investments, like company shares, which are expected to make bigger returns over the longer-term than more cautious investments (and consequently their value can fall and rise significantly in the short-term). These adventurous investments can help you achieve the highest possible pension income at a time when there are many years left over in which they can recover any possible losses.

As you approach your planned retirement years, the mix of investments will become more balanced as they move towards a more cautious approach. The cautious investments will be cash and 'gilts' (UK government bonds). The investment returns will probably be less than shares over the long run but may help protect your savings as you get nearer to retirement.

Further details on target date funds visit [www.tpt.org.uk/investments/dc-fund-factsheets](http://www.tpt.org.uk/investments/dc-fund-factsheets)

## Self Select Funds

There are a number of other fund options available, and you can find more details by downloading our Fund Factsheets here:

[www.tpt.org.uk/investments/dc-fund-factsheets](http://www.tpt.org.uk/investments/dc-fund-factsheets)

### Ethical TDF Post 99 – Target Date Funds

Ethical Target Date Funds invest in equity funds, which track the FTSE4Good Indices, and UK government bonds (Gilts).

### Socially Responsible Investment (SRI) Fund

The SRI Fund provides a means for ethically aware members to invest in companies that meet recognised corporate responsibility standards.

### Global Equity Fund

The Global Equity Fund aims to provide a diversified exposure to UK and overseas equity markets by maintaining a fixed 30% / 70% weighting between UK and overseas assets.

### Diversified Growth Fund (DGF)

The DGF aims to achieve a positive total return in all market conditions over a rolling 3 year period.

### Property Fund

The Property Fund invests in UK freehold and leasehold property.

### Bond Fund

The Bond Fund invests in assets that typically reflect a pension annuity which is not index linked.

### Index-Linked Gilts Fund

The Index-Linked Gilts Fund aims to track the performance of the FTSE A Index-Linked (Over 5 Year) Index of UK government bonds (known as Gilts).

## Cash Fund

The Cash Fund has the objective of providing capital stability and liquidity, but the capital value is not guaranteed. It is intended to provide a temporary home for funds over a short term.

Please note all of these funds can go down as well as up and past performance is not a guarantee of future performance.

Before making any investment selections, please carefully read the relevant Fund Fact Sheet, which you can download on our website [www.tpt.org.uk/investments/dc-fund-factsheets](http://www.tpt.org.uk/investments/dc-fund-factsheets)

You can change your Fund selection at any time by logging onto your **DC Account** by visiting [www.tpt.org.uk/login](http://www.tpt.org.uk/login)

# What does it cost me?

## If you are invested in the default option of a Target Date Fund

An Annual Management Charge of **0.5%** will be deducted from your fund while it remains invested in the Scheme. Other fund expenses may also apply up to a maximum of **0.03%** a year.

The total charges deducted from your fund may be up to **0.53%** each year. Transaction costs may also apply.

This means for every **£100** in your account up to **53p** from your savings pot will be payable to the scheme each year.

## If you decide to invest in one of the following self select funds

- Socially Responsible Investment Fund
- Global Equity Fund
- Bond Fund
- Index Linked Gilts Fund

The Annual Management Charge and other fund expenses are **0.45% (45p)** in every **£100**

### If you are invested in:

Ethical TDF the total charges, including the Annual Management Charge and other fund expenses, are up to **0.75% (75p)** in every **£100**

Property Fund the total charges, including the Annual Management Charge and other fund expenses, are up to **1.02% (£1.02)** in every **£100**

In addition there is a Property Expense Ratio charge of 0.4%, for the cost associated with the management and operation of the physical properties in the portfolio.

Cash Fund the total charges, including the Annual Management Charge and other fund expenses, are up to **0.45% (45p)** in every **£100**

Diversified Growth Fund the total charges, including the Annual Management Charge and other fund expenses, are up to **0.52% (52p)** in every **£100**

The fund value that you are quoted (for example on your benefit statement or by visiting your online DC Account) will take into account any fees charged. For more information visit [www.tpt.org.uk/investments/dc-fund-factsheets](http://www.tpt.org.uk/investments/dc-fund-factsheets)

Transaction charges may also be payable in addition to those detailed, for example broker commission, stamp duty or the cost of buying and selling investments. These charges vary depending on a variety of factors including, the amount of money being switched on any one day.

Further details of the charges deducted from your fund are available on request, please contact TPT on **0345 072 6780**.

# What happens at retirement?

## When can I retire?

The Target Retirement Age (TRA) of the scheme is 65. When you join the Scheme, you may select your own TRA (aged 55 or over). Your TRA does not have to tie in with your contract of employment and you can take benefits at any age from 55 if you want to.

## What are my options?

From 6 April 2015, members aged 55 and over have greater choice over how they access their pension savings. The options available are;

1. You could exchange your whole pension fund for a single lump sum – any amount over the tax free cash allowance (25%) will be subject to income tax at the marginal rate.
2. You might prefer to purchase an annuity through TPT's selected annuity provider, or using your own Independent Financial Adviser. If you wanted to, you could use some of your pension fund to take a tax free cash sum before buying an annuity (up to 25% of the fund value).
3. Or, you could transfer to another provider to utilise income drawdown or other flexible retirement options, such as a series of lump sum payments (each lump sum usually being 25% tax free and the remainder taxable at marginal rates).

If you're over State Pension age, you will also receive a State Pension. You can find out about your State Pension by visiting [www.gov.uk/state-pension](http://www.gov.uk/state-pension). Remember, if you have saved for your future in other pension schemes you may also get an income from these.

## Get free help and guidance

Pension Wise is a free pension guidance service and is available for anyone over the age of 50. Visit [www.pensionwise.gov.uk](http://www.pensionwise.gov.uk) for further information. Alternatively, you can call **030 0330 1001** to arrange a face-to-face or a telephone appointment with their team. Lines are open between 8am and 10pm, Monday to Sunday. Calls cost the same as a normal call.

You may also find the **Money Advice Service** website helpful in guiding you through your options. This is a free and impartial government service that provides money advice, tools and calculators for financial planning and telephone support. Visit [www.moneyadviceservice.org.uk](http://www.moneyadviceservice.org.uk) or call **0300 500 5000**.

For more information please visit our 'At Retirement' page on our website at [www.tpt.org.uk/at-retirement](http://www.tpt.org.uk/at-retirement)

## BEWARE OF PENSION SCAMS!

If you are taking a cash lump sum from your pension to invest somewhere else, or plan to take income drawdown, be aware that scammers may operate in these markets and you could risk losing money.

You can find out more about how to identify scams from the Pension Regulator's website [www.thepensionsregulator.gov.uk/pension-scams](http://www.thepensionsregulator.gov.uk/pension-scams)

# Complaints

If you have a problem or complaint in connection with your pension, we recommend that you initially discuss this with your employer or usual contact at TPT. If they are unable to resolve the matter you may find it helpful to speak to the Pensions Administration Manager and/or the Head of Pensions Administration.

If your complaint cannot be resolved informally and you remain dissatisfied you may at any time follow this formal two stage complaints procedure:

## Stage 1

You may request, in writing, a formal resolution from the Head of Trustee Services. Please ensure that any correspondence is headed 'Formal Complaint'. A decision should be provided within two months of your formal request. You can get help with your complaint from The Pensions Advisory Service.

## Stage 2

If you remain unhappy or disagree with the Head of Trustee Services formal resolution, you have the right to appeal to the Trustee within six months of the decision. The result of your appeal should be provided within two months.

If you are not satisfied with the Trustee's decision, you have the right to refer your dispute to The Pensions Advisory Service.

## Pensions Ombudsman

The Pensions Ombudsman can investigate and determine any complaint or dispute over the way in which a pension arrangement is run. Normally the Ombudsman will require you to have been through the Plan's procedure for resolving disputes and will ask The Pensions Advisory Service to consider the complaint first.

You can find out more by visiting [www.pensions-ombudsman.org.uk](http://www.pensions-ombudsman.org.uk) or you can phone **0207 630 2200**

## The Pensions Advisory Service

The Pensions Advisory Service is an independent organisation that provides free advice and guidance on all types of pension queries as well as helping settle disputes or complaints you have failed to resolve.

[www.pensionsadvisoryservice.org.uk](http://www.pensionsadvisoryservice.org.uk) or you can phone **0845 601 2923**

# Frequently asked questions

This booklet answers some of the questions that you might have about saving for a pension and will be updated from time to time.

## Am I too young to save for a pension?

It's never too soon to start saving for your future. The sooner you start, the better chance you have of saving more and your savings growing to provide you with a higher income in retirement.

## How can I keep track of how much my savings are worth?

You may have been given access to your **DC Account**, it's an online account where you can manage your pension funds and log in to view details of your pension fund.

If you do not have access to your **DC Account** which you can log in by visiting [www.tpt.org.uk/login](http://www.tpt.org.uk/login) you can request a fund value update at any time by contacting TPT on **0345 072 6780**.

As well as this you will receive an annual benefit statement which will show you details of how your savings have grown over the year and the value of your savings. This may be emailed to you in the future so please ensure that we have an up to date email address to contact you on.

## Can I change my investment fund choice?

Yes – you can do this through your **DC Account**, if you have online access, or by completing a Switch Instruction Form, available to download from our website and send to the address at

the bottom of the form.

## What happens when I die?

If you were to die before your pension had started to be paid, the value of your fund would be returned to your nominees or dependants.

Other benefits may also be available through the Scheme, if you die whilst you are an actively contributing member. Please refer to the scheme specific information that was emailed to you on joining the Scheme which can be found on your scheme specific website by visiting [www.tpt.org.uk](http://www.tpt.org.uk) and following the 'find your scheme' link.

If you die after you have retired from the Scheme, your dependants may be entitled to receive benefits but this will depend on the type of annuity you purchased with an insurance company.

To ensure the money goes to the right people you should update your nomination details on your online **DC Account**. Or you can complete the downloadable Nomination Form from our website. You can also phone the Administration Team at TPT on **0345 072 6780** and request a paper copy of the nomination form for you to complete and return to us.

## Taking care of your pension

Your pension is set up by Trust Deed and run under a set of Rules and is managed and administered by TPT. It is governed by a Trustee Company called 'Verity Trustees Limited'.

Directors are non-executive, three nominated by members, three nominated by employers and up to three co-opted by the member nominated and employer nominated Directors.

TPT has been administering pension schemes since 1946. As a not-for-profit organisation, TPT is run for the benefit of the employers who choose its pension schemes and the members who belong to these schemes TPT is not an insurance company.

TPT is not registered under the Financial Services and Markets Act to give financial advice. Any information that is provided to members or prospective members should therefore be taken to constitute information and not be taken to constitute advice.

When providing information to members or prospective members, TPT takes care to provide an accurate service but the decision and choice remains the individual's for which TPT cannot be held responsible.

## Tax allowances

TPT is a registered pension scheme for the purposes of Part 4 of the Finance Act 2004. The Pension Scheme Tax Reference is 00281218RV.

**Annual Allowance** – is the maximum amount of pension saving you can have each year that benefits from tax relief. The Annual Allowance from 6 April 2015 is £40,000 a year to all your pension arrangements.

**Lifetime Allowance** – limits the total that you can save for your future over your lifetime without tax implications. If the total value of all your pension arrangements exceeds £1.073 million (2020/21 tax year), you will be taxed on any amount above this.

## Money Purchase Annual Allowance (MPAA)

– if you have already taken certain types of retirement benefit from your DC Pension Pot you will be subject to the MPAA of £4,000 and you will be notified accordingly. You will still have an annual allowance of £40,000 in total but no more than £4,000 can be paid into your defined contribution pension arrangements without there being tax implications. Please consider taking independent financial or tax advice if this applies to you.

If the value of your benefits from all tax-registered pension schemes exceeds the Lifetime Allowance, tax charges will apply to the excess. It should be noted that both the Lifetime and Annual Allowances are only likely to affect those with very high earnings and/or significant pension benefits held elsewhere. Since the 2018/19 tax year, the Lifetime Allowance has been linked to increases in the Consumer Prices Index for the following tax years.

Please note that tax allowances may change from time to time.

## Termination

Your pension scheme is intended to provide long-term security for the benefit of its past and present members. If your employer decides to withdraw from the Scheme you will normally be entitled to benefits calculated as if you had left service subject to the necessary contributions having been paid.

## Assignment

You cannot, except where permitted by law on divorce, sign away your pension rights, even temporarily, for example as security for a loan. Similarly you are not allowed to assign your pension to another person, even your wife or child.

## Communications you will receive as a member

As a member you will receive a summarised version of TPT's Annual Report and Accounts by email each year, but are entitled to the full version on request. A copy can be viewed on TPT's website.

TPT issues annual benefit statements to members. Further information, planning tools and a feedback facility is also available on this website; [www.tpt.org.uk](http://www.tpt.org.uk)

## General Data Protection Regulation (GDPR)

For more detailed information on how we use and disclose personal information, the protections we apply, the legal basis for our use of personal information and your data protection rights under the General Data Protection Regulation, see our privacy notice at [www.tpt.org.uk/privacypolicy](http://www.tpt.org.uk/privacypolicy).

If you would like a copy of the privacy notice to be sent to you, please email [privacy@tpt.org.uk](mailto:privacy@tpt.org.uk) or call 0113 394 2779.

The Trustee takes appropriate measures to ensure that your personal data is held securely.

# Useful contacts

## Financial Conduct Authority

The Financial Conduct Authority regulates the financial services industry in the UK and provides information for consumers about all aspects of financial planning, including how to find an adviser.

[www.fca.org.uk](http://www.fca.org.uk)

## Pensions Ombudsman

The Pensions Ombudsman may investigate and determine any complaint or dispute over the way in which a pension arrangement is run. Normally the Ombudsman will require you to have been through the Plan's procedure for resolving disputes and will ask The Pensions Advisory Service to consider the complaint first.

[www.pensions-ombudsman.org.uk](http://www.pensions-ombudsman.org.uk)  
0207 630 2200

## The Pensions Regulator

The Pensions Regulator regulates the running of occupational pension arrangements and can intervene if trustees, employers or professional advisers have failed in their duties.

[www.thepensionsregulator.gov.uk](http://www.thepensionsregulator.gov.uk)  
0870 606 3636

## Pension Tracing Service

If you have lost track of a pension you can trace it by contacting the Pension Tracing Service online.

[www.pension-tracing-service.com](http://www.pension-tracing-service.com)

## Pension Wise

Pension Wise is a free and impartial government service for those who are approaching retirement. It helps scheme members understand their pension options.

[www.pensionwise.gov.uk](http://www.pensionwise.gov.uk) 030 0330 1001  
(to book an appointment)

## The Money Advice Service (MAS)

MAS is a free and impartial government service that provides money advice, tools and calculators for financial planning and telephone support.

[www.moneyadviceservice.org.uk](http://www.moneyadviceservice.org.uk)  
0300 500 5000

## The Pensions Advisory Service (TPAS)

TPAS is an independent organisation that provides free advice and guidance on all types of pension queries as well as helping settle disputes or complaints you have failed to resolve.

[www.pensionsadvisoryservice.org.uk](http://www.pensionsadvisoryservice.org.uk)  
0300 123 1047

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**Email:** [TPTenquiries@mercer.com](mailto:TPTenquiries@mercer.com) [www.tpt.org.uk/schemes/care-dc](http://www.tpt.org.uk/schemes/care-dc)

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