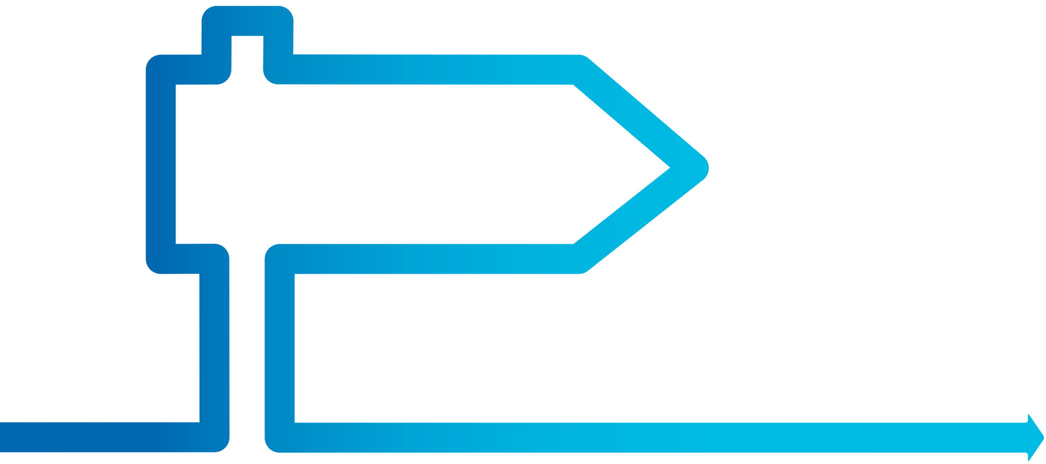
Please keep this booklet safe

This way to more information

This Member Booklet will take you through what you need to know about The People's Pension



the people's pension

For people, not profit

Contents

For an explanation of some of the terms used in this booklet, please take a look at our jargon buster online at **www.thepeoplespension.co.uk/jargon-buster**.

Understanding The People's Pension

Please keep this booklet safe

The People's Pension is a multi-employer master trust and is an occupational pension scheme. It is operated by B&CE, a not-for-profit organisation with over 75 years' experience of providing financial benefits. With no shareholders, any surpluses made by B&CE are used for the benefit of members including members of The People's Pension.

As a member, you will have your own pension pot within The People's Pension. You and/or your employer will contribute to your pension pot regularly (for example, every week or month). Your contributions, where eligible, receive tax relief (see page 2).

Your pension savings have the potential to grow over time. The benefits you receive at retirement will depend on a number of factors, including the amount contributed, investment performance, the costs and charges (see page 5), the age at which you access your pension savings and if you choose to, any cost of securing an income when you retire.

The People's Pension is governed by a Trustee company whose directors are all independent of B&CE. Their main legal duty is to look after the best interests of the members. It's also to make sure that the investment options are appropriate and the administration is first class.

For more information, visit our website at **www.thepeoplespension.co.uk/about-us/**.

Member protection

For information on how your assets are protected, please visit **www.thepeoplespension.co.uk/member-protection-statement/**.

Managing your Online Account

The first step is to set up your Online Account, which you only need to do once.

To do this:

- Go to **www.thepeoplespension.co.uk/onlineaccount**.
- Click on 'Activate'.
- Enter your details – you will need both your customer number (this will be on any correspondence we've sent you) and your National Insurance number. Once you have entered these details and pressed next, you will receive an email with a link.
- Click the link in this email to complete the security section (your username will now be your email address).

Annual update

You'll receive an annual statement via your Online Account showing the amount you hold in The People's Pension. This will help you stay in touch and give you an idea on how much this might give you when you retire.

What happens if I die before retirement?

Unfortunately, some members will die before they are able to take their savings from The People's Pension. If this happens to you, the savings in your pension pot will be paid as a lump sum to one or more of your beneficiaries. The lump sum is normally tax free.

You can tell the Trustee which people or organisations you would like them to consider as your beneficiaries by completing a nomination form, available from your Online Account.

Completing your nomination form

You can nominate anybody including family, friends, a charity or other organisation. There is no limit to the number of people or organisations you can nominate; you just need to make sure your nominations add up to 100%.

Contributing to The People's Pension

Your employer
Your employer will make regular contributions.

+

You
You make regular contributions from your pay.
You can choose to contribute more.

+

The government
The government allows you to benefit from tax relief on your contributions (subject to certain limits).

Tax relief on your pension contributions

The People's Pension is a tax-registered scheme. To help you save for your retirement, the government provides tax relief on the contributions you pay into your pension pot (read more on page 7). How this works depends on the option your employer chooses.

1. If your pension contributions are taken *before* tax

This is known as the **net pay arrangement**, which means your contributions are taken from your pay before tax. And because you only pay tax on what's left, you'll get your full tax relief straightaway, regardless of whether you live in Scotland, Wales, or elsewhere in the UK.

If you don't pay tax due to your earnings being below the annual income tax personal allowance (the standard personal allowance is currently £12,500), you won't be able to benefit from tax relief. However, you'll still continue to benefit from the money that your employer pays in to your pension pot.

2. If your pension contributions are taken *after* tax

This is known as **relief at source**, which means your contributions are taken from your pay after tax. We automatically claim tax relief for you, adding the basic tax rate of 20% to your pension contributions. This is subject to you meeting all the conditions for tax relief to be granted. If you live in Scotland and you pay the Scottish starter rate of income tax at 19%, tax relief granted will be 20% and you won't have to repay the difference.

If you pay more than 20% in tax, then you need to complete a tax return to claim back the extra tax relief from HM Revenue & Customs (HMRC). If you don't pay tax as your earnings are below the annual income tax personal allowance, you'll still get tax relief on your pension contributions at the basic rate of 20% as follows:

- If you don't have any earnings, or you earn up to £3,600 a year, you can pay in up to £2,880 every year and the government will top up your contribution with tax relief to make it £3,600.
- If you earn more than £3,600, you can pay in up to 100% of your earnings and receive tax relief (up to the annual allowance) every year. The annual allowance for the current year is £40,000.

It's important that we have your National Insurance number so that we can add the tax relief to your pension pot.

Paying more into your pension pot

If your workplace pension is your only source of income when you retire, apart from your State Pension, and you and your employer are only paying the pension contributions required by law, it's quite likely this won't be enough for a comfortable retirement.

If you can afford to, you should think about saving more. The more you pay in, the more tax relief you could get from the government and the more you could get back when you retire. You can always reduce your pension contributions back to the minimum amounts if things change and you don't have enough spare cash.

If you want to increase your pension contributions, please talk to your employer first to see if they can set up the extra payments for you. If your employer can't do this, then you can set up a Direct Debit. You can find information on how to do this at **www.thepeoplespension.co.uk/personal-payments**.

Saving with The People's Pension

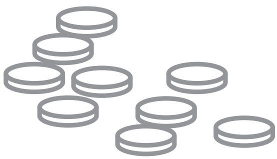
The People's Pension allows you to choose from a range of investment options to build your pension savings. If you don't feel confident making a choice, contributions to your pension pot will automatically be invested in the 'balanced' investment profile.

We will normally assume that you will take your pension savings at your State Pension age (SPA). If your SPA includes a number of months, the retirement age we hold will be your birthday before your SPA. For example, if your SPA is 66 and 3 months, the retirement age we hold for you will be 66.

To find out your SPA go to **www.gov.uk/state-pension-age**.

However you can change your retirement age with The People's Pension if you wish via your Online Account.

How much your pension pot will be worth will depend on a number of factors, including the performance of your investment and the length of time until you take your pension savings. It is worth reviewing your options on a regular basis to check they still meet your requirements.



Your choice: an investment profile or self-select

Investment profile

The Trustee has taken professional advice on the range of available investment options, making your choice simple about where you can invest your pension savings. You can choose from 3 investment profiles:

- **Balanced** – This is the default profile which is usually suitable for all members. If you do not tell us otherwise, this is the option your pension savings will be invested in. It aims to meet any changing needs throughout your working life.
- **Cautious** – This profile may be suitable for you if you would prefer to try and lessen the risk of short-term changes in the value of your pension savings (also known as volatility). You should note that it is likely that you will receive a lower investment return under this profile.
- **Adventurous** – This profile may be suitable for you if you're willing to accept greater short to medium-term changes in the value of your pension savings, in exchange for the chance of investment returns greater than those under the balanced profile.

Each of these 3 profiles gradually switch the investment of your pension savings to more secure/lower risk assets (also known as a 'glidepath') as you approach your selected retirement age. This should limit any falls in your pension savings just before you retire, but this reduction in volatility may result in lower growth. This glidepath process normally begins 15 years from your selected retirement age. So, if you plan to retire at 65, we'll start your glidepath when you're 50.

To find out more about each of the investment profiles, please visit **www.thepeoplespension.co.uk/investments/** or log on to your Online Account.

Self-select

If you are comfortable making investment decisions, you can invest your pension savings in one or more of our 8 funds:

- B&CE Global Investments (up to 60% shares) Fund
- B&CE Global Investments (up to 85% shares) Fund
- B&CE Global Investments (up to 100% shares) Fund
- B&CE Pre-Retirement Fund
- B&CE Cash Fund
- B&CE Shariah Fund
- B&CE Ethical Fund
- B&CE Annuity Fund

You can find out more about each of the investment funds by visiting **www.thepeoplespension.co.uk/investments/** or logging on to your Online Account.

If you choose one or more of the self-select funds, you will be responsible for managing how much of your pension savings you invest in each of your selected funds. The funds do not include a glidepath, so you may want to consider regularly reviewing your fund selection – and your attitude to investment risk – the closer you get to your selected retirement age.

To make your investment choice, or to change the investment of your pension savings, log on to your Online Account.

Investment risk and investment return tend to be linked. Usually the higher the potential investment return, the greater the investment risk. However, past performance is not a guarantee of, or guide to future performance.

How much does The People's Pension cost?

Currently, we charge 0.5% of the value of your pension pot each year to cover the cost of investing your pension savings and running The People's Pension. To put it another way, we charge you just 50 pence a year for every £100 of the value of your savings. This charge is automatically reflected in the value of your pension savings. For more information on the costs and charges and how they affect the value of your pension pot, visit **www.thepeoplespension.co.uk/costs-and-charges/**.

One pot for life

Transferring in

You may be able to transfer any other pension savings you have into The People's Pension. We will not charge for this, but the pension scheme that you're transferring from might. Transferring may not be suitable or available for everyone. Before you decide to transfer we recommend you speak to a financial adviser.

For further information, including a copy of a transfer form, just log on to your Online Account. For more information about combining your other pension savings visit our website at **www.thepeoplespension.co.uk/pension-transfer/#combining-pensions**.

Leaving your employer

If you leave your current employer or decide to stop contributing to your pension pot, your pension savings remain with The People's Pension (further information is available on request).

Even if you move jobs you can keep paying into The People's Pension. Your former employer will no longer contribute, but your new employer may. However, you can carry on contributing even if your new employer doesn't or if you become self-employed. You can find information on how to do this at **www.thepeoplespension.co.uk/personal-payments.**

You may be able to transfer the value of your pension pot to another registered pension scheme. We do not charge for transfers out of The People's Pension.

Should you leave your employer, you can:

- **Keep making contributions yourself**
- **Transfer your pot to another registered pension scheme**

Re-joining

If having left, you come back to The People's Pension in the future, we will reactivate your existing pension pot and make sure any new contributions go into that. You'll only ever have one pension pot with The People's Pension.

Taking your pension savings

We will contact you before your selected retirement age explaining your options and how to access your savings. Your options include:

- keeping your pension savings invested for longer
- taking your pension pot all in one go
- taking your money out a bit at a time (as uncrystallised funds pension lump sums or by designating to flexi-access drawdown)
- buying a guaranteed income – known as an annuity.

We don't offer annuities under The People's Pension, but we can help you to buy an annuity with another provider. For more about your retirement options, visit **www.thepeoplespension.co.uk/compare-retirement-options/**.

If you have not selected a retirement age, we will normally use your State Pension age (see page 4). Log on to your Online Account to view or change your selected retirement age.

You can't normally get access to your pension savings before you reach age 55. This does not mean you'd have to stop working to access your pension savings.

You can access your pension savings earlier than 55 if on medical grounds you're unable to continue your occupation, and as a result you have stopped working. If you're suffering from serious ill health (a life expectancy of less than 12 months), it may be possible for you to receive all the savings in your pension pot as a serious ill health lump sum.

If you're thinking about accessing your pension savings, we recommend you use Pension Wise a free and impartial guidance service backed by the government. You can find out more at **www.pensionwise.gov.uk** or by calling **0800 138 3944** to book a telephone or face-to-face appointment.

The know-how on taxes

Under HMRC rules there is a limit on the total amount you can save each tax year into all registered pension schemes and receive tax relief on your contributions. The maximum is 100% of your earnings (up to the annual allowance) or £3,600 gross, whichever is higher.

The annual allowance limit for the current tax year is £40,000. This limit includes all your contributions, tax relief and employer contributions across all your pension arrangements. If you go over this limit, this will result in a tax charge, known as the annual allowance charge. Your annual allowance will be reduced if:

- you take cash sums from your pension savings as flexible lump sums (otherwise known as uncrystallised funds pension lump sums, or UFPLS) or start taking an income from flexi-access drawdown. If you decide to do either of these, you'll be subject to a reduced money purchase annual allowance of £4,000 for future savings made into a defined contribution pension, like The People's Pension.
- you have a high income. This affects those with 'adjusted income' (which includes the value of any pension savings made in the tax year) of over £150,000 and who have a 'threshold income' (which excludes your pension savings) in excess of £110,000. If you have an adjusted income for a tax year of more than £150,000, then your annual allowance for that tax year will be reduced on a tapered basis.

  This means, for every £2 of adjusted income above £150,000, your annual allowance will reduce by £1. The maximum reduction is £30,000, so anyone with an adjusted income of £210,000 or more will have an annual allowance of £10,000.

  The rules around the tapered annual allowance are complex and so only a brief summary is provided here. If you'd like further information please visit HMRC's website at **www.gov.uk/hmrc-internal-manuals/pensions-tax-manual/ptm057100**.

You may need to pay tax if the value of your pension savings is above the lifetime allowance. This is the total amount you can save into all your pensions (apart from your State Pension) over your entire working life without triggering an extra tax charge. The lifetime allowance will be increased annually in line with the Consumer Price Index (CPI). For the current tax year the lifetime allowance is £1.055 million.

Further details

Finding other pension schemes

If you think you may have another pension scheme but are unsure of the details, the Pension Tracing Service can usually help. Call them on **0800 731 0193** or visit **www.gov.uk/find-pension-contact-details**.

Pension scams

If you are offered early access to your pension or to a scheme that seems too good to be true, chances are it is. You can read a booklet on avoiding pension scams in simple steps from Pension Wise, Action Fraud and The Pensions Advisory Service at **www.thepensionsregulator.gov.uk/docs/pension-scams-booklet-members.pdf**. If you want to know more, call The Pensions Advisory Service on **0800 011 3797** or visit **www.pensionsadvisoryservice.org.uk**.

Unsolicited calls about your pension have become illegal and companies that break the rules can face fines of up to £500,000. If someone contacts you unexpectedly (known as a 'cold call') about your pension, find out any information you can, such as the company name or phone number, and report it to the Information Commissioner's Office at **www.ico.org.uk/make-a-complaint/nuisance-calls-and-messages/** or call them on **0303 123 1113**.

Helping you to resolve any concerns

We aim to provide a high-quality service to all members and beneficiaries. However, in the unlikely event that you are unhappy with our service, we will listen and deal with your concerns fairly and promptly.

We fully expect to be able to resolve any concerns informally through our UK-based telephone helpline. If, after speaking to a member of the team and going through our internal process to raise any concerns, you still feel the matter has not been resolved satisfactorily, we operate an Internal Dispute Resolution Procedure (IDRP). The IDRP is a formal two-stage process available to you.

To raise a dispute, and commence the IDRP, please request a copy of the disputes process and form by contacting us at the address below:

The Complaints Manager,
The People's Pension, Manor Royal, Crawley, West Sussex, RH10 9QP

Alternatively, you can request a copy of the form by sending an email to **complaints@bandce.co.uk**.

The Pensions Advisory Service (TPAS) is an independent organisation available any time to provide assistance to pension scheme members and their beneficiaries. You can contact TPAS at any point with pension questions or issues you have been unable to resolve with the Trustee of the Scheme.

Website:
www.pensionsadvisoryservice.org.uk
Post: The Pensions Advisory Service, 10 South Colonnade, Canary Wharf, London E14 4PU

Where disputes remain unresolved, they can be referred to the Pensions Ombudsman who may investigate and determine any complaint or dispute in fact or law in relation to a pension scheme.

Website: **www.pensions-ombudsman.org.uk**
Post: The Pensions Ombudsman,
10 South Colonnade, Canary Wharf, London E14 4PU

The Pensions Regulator may intervene in the running of the schemes where trustees, employers or professional advisers have failed in their duties.

Website: **www.thepensionsregulator.gov.uk**
Post: The Pensions Regulator, Napier House, Trafalgar Place, Brighton BN1 4DW

Privacy notice

B&CE

People's Financial Services Limited and The People's Pension Trustee Limited are data controllers who use personal information about members of The People's Pension. The services of B & C E Financial Services Limited are provided to run The People's Pension. All personal data is held and processed in accordance with applicable data protection legislation.

How we use the information we collect

This information is used for the purposes of:

- Providing and servicing The People's Pension and your entitlements under it
- Providing you with information about products and services we offer
- Complying with legal and regulatory requirements

Further information

For more details on how we use your information, including how to set your marketing preferences, please take a look at our enclosed privacy notice. This is also available online at **www.thepeoplespension.co.uk/privacy**.

Where can I get guidance and advice?

We are not authorised to give financial advice, if you have any questions about your personal circumstances, please consider speaking to a professional adviser authorised to give financial advice. Advisers may charge for any help or advice they give you. If you don't have a financial adviser, you can find one in your local area by visiting **www.unbiased.co.uk**.

If you're approaching retirement and choosing what to do with your pension savings, it's important that you seek guidance and advice. Visit **www.thepeoplespension.co.uk/guidance-and-advice-for-members/**.

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Information about The People's Pension

If you have any questions, or if you would like further information about The People's Pension, such as a copy of the Rules of the Scheme or the Scheme's Annual Report and Accounts, please contact us.

www.thepeoplespension.co.uk

info@bandce.co.uk

0300 2000 444

Scheme benefits can only be conferred by the Trust Rules (as amended from time to time), which form the legal basis of the Scheme, and any overriding requirements from legislation or HM Revenue & Customs. If there is a difference between this publication and the Trust Rules or any legislation, the Trust Rules/legislation will be overriding. The information in this Member Booklet is correct as at April 2019 and may be subject to change.

Is your personal information up to date?
Make sure we have your correct email address and phone number, so we can update you about your pension pot. You can view and update your personal details in your Online Account at **www.thepeoplespension.co.uk/onlineaccount**.

The People's Pension Trustee Limited
Manor Royal, Crawley, West Sussex, RH10 9QP.
Tel 0300 2000 555 Fax 01293 586801 www.bandce.co.uk

Registered in England and Wales No. 8089267.
The People's Pension Trustee Limited is the corporate Trustee of The People's Pension Scheme.
To help us improve our service, we may record your call.

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