

Growth Plan (the Plan) Series 3

# Member Guide

# 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 41 separate schemes, serving more than 250,000 members. Working in this way, our combined size and strength with c.£9 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 more information on the [TPT website](#).

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 of Growth Plan Series 3, it replaces previous scheme booklets, announcements and leaflets.

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# About your pension

Growth Plan Series 3 opened on 1 October 2001. Any member of Growth Plan prior to this date should contact TPT for details of their Growth Plan Series 1 and 2 benefits.

Growth Plan Series 3 closed to new contributions on 30 September 2013. This guide only applies to those members who contributed to Growth Plan Series 3 prior to its closure on 30 September 2013.

If you have any benefits in any other Series of the Growth Plan, information regarding Series 1, 2, and 4 can be found by visiting the [Growth Plan website](#).

You can find more information at [www.tpt.org.uk](http://www.tpt.org.uk)

# Your personal fund

## What happens to my contributions?

Growth Plan Series 3 closed to further contributions on 30 September 2013. If you continued as a member of the Growth Plan scheme at this date then your future contributions would have been made into Growth Plan Series 4 instead. The fund in Growth Plan Series 3 remains in place and becomes known as a Deferred Benefit (this simply means a retirement benefit that is not yet in payment but no new contributions are being paid in).

## Deferred Benefits

You can choose to transfer your Growth Plan Series 3/Growth Plan Series 4, or another registered pension scheme however the default position is that you leave your personal fund in Growth Plan Series 3 as a deferred benefit. Your fund will still be invested and Investment Credits will still be added to your fund where applicable. You can use your fund to purchase an annuity (a policy that provides regular income in retirement) when you want your retirement income to start or you can access your fund flexibly (see What happens at retirement on page 10 for further details).

# Other benefits

## Ill-health

As a member you may also be eligible to have your fund 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 access your fund to retire at any age. Please contact us should you require further information on this.

## Serious Ill Health Lump Sum

If you qualify for a serious ill-health lump sum, all of your pension benefits in the Scheme (excluding any already in payment) can be paid to you as a single payment. There is no minimum or maximum age limit for such payments, but the following conditions apply:

- we must receive written confirmation from a registered medical practitioner, such as your GP or consultant, that your life expectancy is less than one year;
- you must not have used up all of your lifetime allowance; and
- all benefits in the Scheme (excluding any already in payment) must be paid as a serious ill-health lump sum.

It is not possible for any pension benefits already in payment to be paid as a serious ill-health lump sum.

When a serious ill-health lump sum is paid, nothing further is payable to you from the Scheme in respect of the benefits converted to a lump sum. However, this does not affect any pensions payable to your dependants in the event of your death unless the Scheme provides an option for you to give up the Survivor's / Spouse's pension in order to receive a higher payment.

Do I have to pay tax on the serious ill-health lump sum?

- Serious ill-health lump sums are generally tax-free; however, tax will be deducted on any part of the serious ill-health lump sum that exceeds your remaining lifetime allowance.

## 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 have changed from 6 April 2016. To find out more information on your State Pension, please visit the government's website at [www.gov.uk/state-pension](http://www.gov.uk/state-pension)

## Death Benefits

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

- downloading a form from the Growth Plan pages on our website [www.tpt.org.uk](http://www.tpt.org.uk) and following the instructions on the form

or

- by contacting us at [enquiries@tpt.org.uk](mailto:enquiries@tpt.org.uk) or on **0113 394 2730** (if you have any Series 1 and 2 benefits as well), or via **Contact TPT** or **0345 072 6780** (if you have just Series 3 and/or 4).

# What if your circumstances change?

## You change employers or decide to leave the scheme

Growth Plan Series 3 has been closed to new contributions since October 2013, although you may have continued to contribute to Series 4. If you leave your employer you cannot continue to contribute to Series 4. You may also simply decide to leave the Growth Plan whilst in employment. There are several options available to you. You can choose to transfer your Growth Plan Series 3 fund to Growth Plan Series 4, or to another registered pension scheme, however the default position is that you leave your personal fund in Growth Plan Series 3 as a deferred benefit (covered in Your Personal Fund on page 5).

## Transfer Out

You may, if you wish, transfer the full value of your fund into either your new employer's pension scheme or into a personal pension or Stakeholder pension plan. Another alternative is to transfer it from Growth Plan Series 3 into Growth Plan Series 4, which offers a range of alternative investment options.

For more information about Series 4, please visit the [Growth Plan Series 4 website](#).

## Transfer In

Growth Plan Series 3 is closed to new contributions since October 2013. It is no longer possible to transfer funds into Growth Plan Series 3. If you want to transfer funds into Growth Plan Series 4 you may be able to do so, see the Growth Plan Series 4 Member Guide for further details available on the [Growth Plan Series 4 website](#).

## 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.

# Investments

Growth Plan Series 3 funds are invested in our Money Market Fund which specialises in short term loans to banks, governments or companies. The money market is sometimes referred to as the cash market. Cash is the most liquid of all the asset types i.e. it is relatively easy to turn cash into other asset types. This type of investment is considered to be low risk. The capital guarantee in place in Growth Plan Series 3 demands this conservative, cash-based investment strategy.

**Please note:** This investment strategy is likely to generate lower returns over the long-term compared to other less conservative investment strategies.

## Capital Guarantee

Growth Plan Series 3 has a Capital Guarantee in place. This means each member's fund at the end of the financial year must be at least equal to the value of their fund at the beginning of the financial year. This guarantee demands the conservative, cash-based investment strategy which is likely to generate lower returns over the long-term, compared to the returns that could be expected from a less conservative, more diverse investment strategy. There are no fund choices in Growth Plan Series 3. Therefore, all members' funds are invested in the Money Market Fund.

## Investment Credit

The Trustee considers advice from the Plan Actuary and decides the level of investment credit which may be distributed. The decision on the amount to be allocated will be based on long-term assessments and not only on the latest investment results. Any potential investment credit will be applied to your Growth Plan Series 3 fund on the 1 October each year.

Please note the recent investment credit allocation in the table below:

Plan year ending	Member Charge*	Net Investment Credit
30-Sep-19	0.70%	0.15%
30-Sep-18	0.70%	0%
30-Sep-17	0.70%	0%
30-Sep-16	0.70%	0%
30-Sep-15	0.70%	0%
30-Sep-14	0.70%	0%
30-Sep-13	0.70%	0%
30-Sep-12	0.70%	0%

\*A deduction of up to 0.70% is made for management and investment charges at the end of each year, yet in any one year these charges cannot be greater than the investment credit awarded. This is detailed in your annual benefit statement.

**Please note:** It can be noted there has been no Investment Credit applied to Series 3 funds for some time. This means that for members over time, the real value of their Series 3 Funds has therefore fallen.

### **Annual management charge**

The Annual Management Charge (AMC) for Growth Plan Series 3 is 0.7%. This is the cost associated with investing and managing members' investment in our Money Market Fund.

### **Statements**

Each year you will receive a statement showing:

- current fund value;
- investment credit; and
- deductions and, where appropriate, an illustration of the pension that the fund could provide.

# What happens at retirement?

## When can I retire?

You must usually have reached age 55 to access your funds. However, if you have continuously been a member since before 6 April 2006, you may take your benefits from age 50, but you are required to have left the employment to which the funds relate, if you want to do so.

Please note that if you take funds from your retirement savings (after age 55), but continue to remain employed, you will need to be assessed against the auto-enrolment criteria at your employer's re-enrolment date. If assessed as an eligible worker you must be re-enrolled into a Scheme. You can then choose to opt out if you so wish, after you have been re-enrolled.

## What are my options?

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

1. You could exchange your whole retirement fund for a single lump sum – any amount over the tax free cash allowance (25%) will be subject to income tax at your 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 retirement fund to take a tax free cash sum before buying an annuity (up to 25% of the fund value).
3. You could utilise income drawdown through TPT's selected provider, or using your own Independent Financial Adviser. Our members can access income drawdown on an advised basis. TPT was able to negotiate favourable terms for its members for this service.
4. Or you could transfer to another provider to access 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).

## State Pension Benefits

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 **0800 138 3944** to arrange a face-to-face or a telephone appointment with their team. Lines are open between 8am and 10pm, Monday to Sunday.

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 **0800 138 7777**.

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 retirement savings, 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.

## 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 **0300 123 1047**

## 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**

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**Email:** [enquiries@tpt.org.uk](mailto:enquiries@tpt.org.uk) **Growth Plan website**

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