



ENSIGN

THE NEW NAME FOR MNPA

## **Alstom Pension Scheme**

**Taking your pension**

A guide for pensioners



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## Contact us

The Alstom Pension Scheme is administered by Ensign Pensions Administration Limited. If you have any questions about your Alstom pension please contact Ensign Pensions Administration on **01372 200333** or send an email to **payroll.team2@ensignpensions.co.uk**

If you would prefer to write to Ensign Pensions Administration, please quote your full name, National Insurance number and membership number and send your correspondence to the following address:

**Ensign Pensions Administration Limited**  
**Alstom Pension Scheme**  
**Leatherhead House**  
**Station Road**  
**Leatherhead**  
**Surrey**  
**KT22 7ET**

Further information can be found on the internet. You can access the Alstom pensions page by going to [www.pensions.uk.alstom.com](http://www.pensions.uk.alstom.com)

Ensign Pensions Administration Limited. Registered Office Leatherhead House, Station Road, Leatherhead, Surrey, KT22 7ET. Registered in England Number 2023198. Authorised and regulated by the Financial Conduct Authority.

## We promise

- We are committed to giving you a service of the highest quality. When you contact us, we aim to reply within ten working days.

## We promise to:

- Give you an efficient service;
- Give you the information you ask for in plain English;
- Pay your pension on time;
- Respect your privacy and keep your details private;
- Sort out any complaints quickly, fairly and consistently; and
- Listen to your feedback.

### Your views matter

We aim to improve our service so we monitor our replies to you. We may send you a short survey so we can find out your views. If we do, please fill it in and send it back to us. It should not take more than a few minutes. Thank you.



We are here to help you with any questions you have about your Alstom pension

## Your pension starts here

If you retire on the first day of the month, your pension will start on that day. Otherwise, your pension will begin on the first day of the month after you have retired. We will pay your pension directly into a bank or building society. You choose.

You will have to pay tax on your pension if it is over your personal allowance or you have other sources of income.

We will pay your pension every month. If the amount changes by more than £1, we will send you a payment advice. This will give details about the amount of your pension and tax.

Otherwise we will send you a payment advice every May.

We will pay your pension into your account on or before the due date. This is usually on the first day of the month, (or before that day if the first day of the month falls on a Saturday, Sunday or bank holiday).

### Pension increases

Your pension under the Alstom Pension Scheme is reviewed annually on 1<sup>st</sup> May. The level of increase awarded depends on which Section of the Scheme you were a member of whilst working for Alstom, as follows:

#### Main Section (formerly the GEC Plan):

Your pension will increase by 5% or the rise in the Retail Prices Index (RPI) over the previous year (if this is less).

If you are one of the small number of Main Section members who transferred in a pension which included a Guaranteed Minimum Pension (GMP), please refer to the increases below relating to the Cegelec, ABB and Electricity Sections for details of how your GMP will increase after State Pension Age (SPA).

#### Cegelec, ABB and Electricity Sections ( for former United Utilities, Norweb, Manweb and Scottish Power employees):

In the period before you reach State Pension Age (SPA) your pension will increase by 5% or the rise in the Retail Prices Index (RPI) over the previous year (if this is less).

Once you reach SPA different rules apply to that part of your pension known as the GMP.

That part of your GMP built up prior to 6<sup>th</sup> April 1988 will be increased by the State.

Your GMP built up after 6<sup>th</sup> April 1988 will be increased by the Scheme at the rate of 3% per annum or the rise in the CPI over the previous year (if this is less). If the rise in the CPI is greater than 3% then the excess will be paid by the State.

Any pension in excess of the GMP will be increased as described above for increases applicable prior to SPA.

#### Babcock Section:

In the period before you reach State Pension Age (SPA) your pension built up prior to 6<sup>th</sup> April 1997 will increase by 3% a year. Your pension built up from 6<sup>th</sup> April 1997 will increase by 5% or the rise in the Retail Prices Index (RPI) over the previous year (if this is less) subject to a minimum increase of 3%.

Once you reach State Pension Age that part of your GMP built up prior to 6<sup>th</sup> April 1988 will be increased by the State.

Your GMP built up after 6<sup>th</sup> April 1988 will be increased by the Scheme by 3% a year. If the rise in the CPI is greater than 3% then the excess will be paid by the State.

Any pension in excess of the GMP will be increased as described above for increases applicable prior to SPA.

## **Retirement Capital Plan (RCP)**

Members of the RCP can choose the type of pension increases they wish to receive in payment and therefore pensions in payment could vary. Your retirement statement will confirm the pension increases you chose when you retired.

### **2006 Section**

Your pension will increase by 2.5% or the rise in the Retail Prices Index (RPI) over the previous year (if this is less).

If you elected the service credit in the 2006 Section, this part of your benefit will increase in payment at the rate applicable to your previous Section of membership. Please refer to the above notes for Main, Cegelec and ABB Section increases.

A proportionate increase will be paid if you have been receiving your pension for less than one year.

### **All sections**

In time of high inflation and if Scheme resources allow, additional increases may be payable with the approval of the Company and Trustee.

We will tell you about the increase to your pension every year.

## Understanding your payment advice

Mr(s) x xxxxxxxx xxxxxxxxxxxxxxxx xxxxxxxxxxxxxxxx xxxxxxxxxxxxxxxx	<b>Payment Advice</b> <b>Alstom Pension Scheme</b> <b>Membership Number : xxxxxxxx</b>		
Payment Information		Tax Information	
Payment Date	xx/xx/xxxx	Tax Code	xxxx
Payment Frequency	M	Tax Basis	x
Pay Method	BACS	N.I. Number	xxxxxxxxxx
Gross Payments (in £ per payment)		Deductions (in £ per payment)	
Pension	xxxx.xx	Tax	xx.xx
Tax to Date	xxxx.xx	Total Deductions	xx.xx
Net Pension		xxxx.xx	
Balances (in £)		Important Information	
Pay to Date	xxxx.xx		
Tax to Date	xxxx.xx		

Total Payments relates to the total amount of pension you have been paid for the month before tax has been deducted. Total Deductions is the amount of money that has been deducted from your pension for the month. Net Pension is the amount that will be credited to your bank account. Pay to Date is the total amount of pension that has been paid to you in the current tax year and Tax to Date relates to the amount of tax that has been deducted in the current tax year.

## **We ask you to help**

### **Keep us informed**

Please tell us as early as possible if you change your address so that we can change our records and write to you at your new address.

Also, please tell us if you change your bank or building society account so that we can pay your pension into the correct account.

Finally, please tell us if you change your name. We will need to see your marriage certificate or deed poll. Please send us these details in a letter if you prefer but please remember that for security reasons, we do not accept changes over the phone or by e-mail. For your security we can only accept changes by written request and signed by the member or an appointee recognised by the pension scheme.

### **Expression of wish form**

If you die within five years after you retire, the outstanding pension instalments for the remainder of the five years will be paid as a lump sum. No allowance will be made for future pension increases and different provisions may apply if you retire after age 70. The Trustee decides who receives this cash sum so your dependants do not normally have to pay tax on it. Also, the cash sum does not form part of your estate.

The Trustee will consider who you would like to receive the cash sum if you fill in and return an "expression of wish" form. You can nominate anyone who could reasonably have an interest in your estate. This could include your husband or wife, children, parents and in-laws, brothers and sisters, other relatives and anyone else who, in the Trustee's opinion, could depend on you or your husband or wife. You can also nominate a charity.

Although the Trustee does not have to follow your wishes, it will help the Trustee to make a decision if it knows what you want. You should always fill in a new form if your personal circumstances change – just contact us for a new form.

### **Keeping your details private**

The Data Protection Act 1998 contains strict guidelines on how organisations can use any personal information you might have given them. We keep personal information about you so we can work out and pay benefits to you and your family. It is our responsibility to make sure that we use this information appropriately.

There may be times when we need to share your details with other individuals and organisations. For example, the scheme's actuary needs to know about our members when doing a valuation for us.

You can rest assured that we will not use your details for any other purpose. If you want to know more about the details we have about you, please contact us.

## Using your pension as a guarantee

You are not allowed to transfer or promise any of your benefits under the scheme to someone else. You are not allowed to use your pension as security (for example, for a loan). Under the rules of the scheme, there can be no legal claim on your pension. If anyone made a claim, we would stop paying your pension directly to you and it would come under the control of the Trustee.

### **Audit certificate**

We will sometimes send you an “audit certificate”. We send this form to members who are chosen at random.

The form helps us to make sure that the pensions we pay out are received by the people who are entitled to receive them. It is also a useful way of making sure that our records are fully up to date.

If you receive a form, please fill it in and send it back to us as soon as possible.

### **Living abroad**

If you live abroad or are planning to move abroad, you may choose to have your pension paid in a currency other than sterling.

We have an agreement with Citi to pay pensions overseas.

We will pay your pension into a Citi holding account. The bank will then convert your money into the currency you have asked for and pay it into your overseas bank account.



## Limits on your total pension savings

If you have other pension benefits that have not yet come into payment in addition to your Alstom Pension Scheme benefits, the following information will be relevant to you.

From 6 April 2006, HMRC limits how big your pension savings (from all registered arrangements) can be before you pay additional tax. This limit is known as the **Lifetime Allowance**. The lifetime allowance for 2013/2014 tax year is £1.5 million but the Government has proposed to reduce this to £1.25 million for the 2014/2015 tax year.

Any pension savings over the Lifetime Allowance will be taxed. The tax rate will be equivalent to 55% and also applies to any benefits paid out on death.

The Lifetime Allowance won't affect the vast majority of people as it will only affect people with large pension savings.

If you started receiving your pension payments from Alstom after 5 April 2006, each year on your P60 we will advise you of the total percentage of the Lifetime Allowance you have used in respect of the benefits you are receiving from the Alstom Pension Scheme. (Note: this information will not be sent to you if you are receiving a dependant's pension from the Alstom Pension Scheme and is only applicable to you if you are a member of the Scheme in your own right).

If you begin to receive other pension benefits at the same time or after your

Alstom Pension Scheme benefit has been put into payment, then your pension provider will ask you to confirm the percentage of the Lifetime Allowance you have used already. If your Alstom Pension Scheme benefit commenced prior to 6<sup>th</sup> April 2006, you should contact us and we will be able to provide you with this information on request.

If you think the Lifetime Allowance will affect you, you should contact an independent financial adviser.

## Dimension and Summary Funding Statement

Each year you will receive a Dimension from the Trustee of the Scheme. This will give you details of topical issues and provide you with information on the Trustee Report and Accounts.

The Trustee is also required by law to send you an annual funding statement detailing the Scheme's financial health. The statement also includes details of the performance of the fund and the Scheme's funding objective.

Please note that the Trustee is required by law to show you this information. Providing this information does not mean that Alstom is thinking of winding up (discontinuing) the Scheme. It is just another piece of information which will hopefully help you to understand the financial security of your benefits.

## Paying income tax

### Tax on pensions

You will have to pay tax on your pension if it is over your personal tax allowance. But, if you choose to take part of your pension in cash when you retire, the cash sum is currently tax free.

### Contact our tax office

We cannot answer your questions about tax. You need to contact our tax office directly. They deal with all tax codes and related matters for Alstom pensioners.

When you contact them, please make sure that you give them our scheme reference number and your National Insurance number.

Here are the details. You may find it useful to write in your National Insurance number now. (You will find it on your payment advice and on all letters that we send you.)

If you receive your pension in a foreign currency, you should contact:

HM Revenue and Customs

The Financial Intermediaries and Claims Office

Fitzroy House

PO Box 46

Nottingham

NG2 1BD

Phone: +44 135 535 9022

<b>Your checklist</b>	Alstom Pension Scheme
<b>Tax office:</b>	HM Revenue & Customs PO Box 4000 Cardiff CF14 8HR
<b>Phone:</b>	0845 300 0627
<b>Scheme Reference Number</b>	567/A5002

## Your Tax Code

When you retire, the tax office will work out what your tax allowances are and they will tell us the tax code that we must use. If you have a P45 to pass on to us when you retire, we will not normally use the code shown on it. Instead we will use an emergency tax code as a temporary measure, until our tax office sends us confirmation of your own code.

We will send the P45 on to the tax office, along with notification that you have started to receive a pension from us.

If you are still working when your Alstom pension starts, remember to tell your employer and their tax office about your pension. You will need to give them our address and the details of our tax office. Once again, until we hear from the tax office, we will use an emergency tax code.

If you want help with filling in a self-assessment tax form, Help the Aged offers a tax service aimed at people over 50. For details call 0800 300 0627. Or the Yellow Pages list local tax advisers.



## Your state pension

### A forecast of your state pension

Your state pension is independent of your Alstom pension.

You can ask for an estimate of your state retirement pension. Ask us or your social security office for form BR19, fill it in and send it back. The Department for Work and Pensions will then send you a forecast of what your pension will be.

Alternatively go to the link below to get an estimate online.

<https://www.gov.uk/state-pension-statement>

### The Pension Service

The Pension Service runs the state pension system, including pension credit, and pays state pensions and pension credit. It is part of the Department for Work and Pensions.

If you have any questions about your state pension the Pension Service should be able to help you.

Visit <https://www.gov.uk/contact-pension-service> or call 08456 060 265.

### The State Pension Calculator

Use the State Pension calculator to calculate when you'll reach State Pension age and how much your basic State Pension might be worth. The calculator can be found at:

<https://www.gov.uk/calculate-state-pension>

### Special offers for Alstom pensioners

You can receive a discount on the cost of a private medical scheme through BUPACare. If you want more information call 0800 665 665. Calls are free and you must give the reference number 9217 MIS11788.

You can receive discounts on Hotpoint, Creda and Canon products through the Privilege Purchase Club. The Club also offers free delivery, savings on warranties and up to six months' interest-free credit under the "Buy Now Pay Later" scheme.

If you would like more details call 0870 90 50092.

## After you die

**When you die after you have retired, we will pay benefits to your family.**

### A Pension

#### Main Section

If you are in the Main Section of the Scheme, we will pay a pension to the person who was your legal husband or wife or civil partner when you retired. We will pay the pension for the rest of their life.

The pension is normally half of your pension on the day you died. So, it will include all the increases that your pension has received since it started. We ignore any reductions made because you took cash when you retired or you gave up part of your pension for an extra dependant's pension. We will also ignore the adjustment made because you have taken up the bridging pension option (this is when we increase your Alstom pension for a temporary period until your state pension starts).

If you are not married, or you do not live with your husband, wife or civil partner any more, you can name another person to receive a pension. They must depend on you financially, both when you name them and when you die. If you want to arrange for this person to receive a pension, you must name them not more than six months after your own pension started. Also, the Trustee will need to agree to accept your nomination.

In this case, the pension will be based on the value of your Spouse's pension taking into account the age of the dependant.

If you made payments to the Additional Benefits Scheme or to the Additional Voluntary Contribution Scheme for part of your pension, we will only include this

in our calculation if, when your own pension started, you chose to provide a pension for your husband, wife, civil partner or other dependant after you die.

If, when you retired, you gave up part of your pension for an extra dependant's pension, we will also pay this to the person you arranged it for. This can be someone other than your husband, wife, civil partner or the person named to receive the main dependant's pension.

If you are not in the Main Section of the scheme, different rules apply for working out the pension for your husband, wife, civil partner or other dependant after you die. You should look at the retirement statement you would have received confirming the definition of dependant relating to the Section you were a member of or contact the Pensions Department if you are unsure.

#### Lump sum death benefit

If you die during the first five years of starting your pension, there is a lump sum payable. We will pay a cash sum equal to the amount that is left of five years' payments at the rate you were receiving when you died. Please remember that the Trustee decides who receives this cash sum, but the Trustee will consider who you would like to receive it if you have filled in and returned an "expression of wish" form. Please turn to page 7 for details.

## General information about the scheme

### How we run the scheme

The scheme has been set up under trust and is managed by a corporate trustee, ALSTOM Pension Trust Ltd. There are currently 9 Trustee directors who have a legal duty to act in the interests of you and your dependants at all times.

They appoint professional advisers to help run the scheme and these include actuaries, administrators, auditors, investment managers and solicitors.

### HMRC Registration

The Alstom Pension Scheme is registered under the Finance Act 2004. This gives the scheme some valuable tax advantages. The most relevant to you as a pensioner is that all the cash sums that we pay out are currently tax free. (We pay out cash sums when you retire or if you die within five years of starting your pension.)

### Changing or ending the scheme

ALSTOM Ltd has the power to end the scheme or to change the trust deed and rules of the scheme, as long as they have the trustee's permission and follow various restrictions, including those set by the Pensions Act 1995.

If the scheme ends, the Trustee will use the scheme's assets to pay the benefits of members and pensioners. If there are not enough assets to cover them ALSTOM Ltd, and the other employers who take part in the scheme, would have to make up the difference up to levels set by law.

### Sorting out problems

If you have a question about the scheme, we will normally be able to answer it. Our address and phone number are at the front of this booklet.

If you have a problem with the scheme and you think that we have not resolved the issue, there is a formal procedure for sorting it out. You can get a copy of the full procedure from us at the address on the inside front cover.

### Explanation of the procedure

Contact the Trustee in writing at the address given below explaining your complaint and why you are unhappy.

Trustee of the Alstom Pension Scheme  
ALSTOM UK Pensions  
Newbold Road  
Rugby  
Warwickshire  
CV21 2NH

The Trustee will send you an acknowledgement and contact details for TPAS (The Pensions Advisory Service) as soon as possible on receipt of your complaint.

A decision about your complaint will be made by the Trustee and notified to you within four months. The reply will state the Trustee's decision and explain the reasons for the decision, including any legislation or Scheme rules that the Trustee has relied on in making the decision.

## Other organisations that can help

These organisations can help you and your beneficiaries with any questions or worries that you have about your pension arrangements.

### **TPAS (The Pensions Advisory Service)**

Phone: 0845 601 2923  
Website: [www.pensionsadvisoryservice.org.uk](http://www.pensionsadvisoryservice.org.uk)

TPAS is an independent and voluntary organisation. It provides free help and advice to members and beneficiaries in connection with any pensions query or difficulty which they have failed to resolve with the trustees or administrators of a pension scheme.

### **Pensions Ombudsman**

Phone: 020 76302200  
Website: [www.pensions-ombudsman.org.uk](http://www.pensions-ombudsman.org.uk)

The Pensions Ombudsman can investigate and make a decision about any complaint or disagreement of fact or law in relation to pension schemes.

You can contact TPAS or the Pensions Ombudsman at:  
11 Belgrave Road  
London  
SW1V 1RB

### **The Pensions Regulator**

Phone: 0845 6000707  
Website: [www.thepensionsregulator.gov.uk](http://www.thepensionsregulator.gov.uk)

The Pensions Regulator is a regulatory body. It is able to intervene in the running of schemes where trustees, employers or professional advisers have failed in their duties.

You can contact the Pensions Regulator at:  
Napier House  
Trafalgar Place  
Brighton  
East Sussex  
BN1 4DW

### **The Pensions Tracing Service**

Phone: 0845 6002537  
Website: [www.thepensionservice.gov.uk](http://www.thepensionservice.gov.uk)

You may have previously been a member of other pension arrangements, but no longer have the contact details. The Pensions Tracing Service, operated by the Department of Work and Pensions, has been set up to help people who have lost contact with their former scheme.

If you think you have a benefit that you need to trace you can fill in a "pensions tracing" form available from The Pensions Service direct or from their website at

The Pensions Service can also be contacted at:-  
The Pensions Tracing Service  
The Pensions Service  
Tyneview Park  
Whitely Road  
Newcastle upon Tyne  
NE98 1BA

## Documents about the scheme

We want to make sure you have all the information you need about your pension. As a pensioner of the scheme, you can ask to see the following items (and in certain cases, you can ask for your own copy).

- Trust deed and rules
- Latest report from the actuary on the scheme's level of funding
- Trustee's annual report and accounts
- Trustee's statement of investment principles
- The scheme's schedule of contributions
- Statement of funding principles
- Recovery plan

This gives you a summary of relevant benefits for pensioners. The trust deed and rules give you rights to benefits. If there is any conflict between this booklet and the trust deed and rules, we will follow the trust deed and rules.

