

# Introductory Guide to Welplan Pensions



**welplan**

# Scheme design and Benefits

## What is Welplan Pensions?

Welplan Pensions is a scheme which allows your employer and you to make contributions to save for your future retirement.

## What type of pension scheme is Welplan Pensions?

It is an industry-wide occupational pension scheme, which has been providing pensions since 1988.

You and your employer's contributions buy fund units that are credited to your individual named account.

This is known as a 'defined contribution' pension scheme.

You will have the option to take benefits from Welplan Pensions at any time from age 55.

Your benefits at retirement or death will depend on:

- the amount of contributions paid into your fund and the length of time over which these were paid
- the investment performance of the funds
- the annuity terms available from the chosen insurer; and
- HMRC limits

## What contributions are payable?

Your employer will notify you of the level of contributions that you and your employer will be required to make. Any contributions that you pay may qualify for tax relief.

Contributions are taken from your pay before tax is calculated (known as a 'net pay arrangement').

If you pay tax, this means you benefit from tax relief at your marginal rate, so that money which would have gone to the government in tax will instead be paid into your pension fund.

If you do not pay tax, you will not benefit from tax relief, however that will not affect the amount that is paid into your pension, and you will continue to benefit from the money that your employer pays in.

## When will Welplan Pensions confirm that I am a scheme member?

Following notification by your employer to Welplan Pensions that you are to be enrolled, Welplan Pensions will confirm that you are an active member of the scheme and make available a Scheme Membership Guide which explains how the scheme works, including:

- how to make a voluntary contribution (if you choose to do so);
- how contributions will be invested;
- what information you can expect to receive annually from Welplan Pensions whilst you hold funds in the scheme;
- how to opt-out of membership should you wish to do so.

## What if I already pay into a pension arrangement?

Pension legislation allows you to be a member of more than one pension scheme at the same time so you can still be enrolled in Welplan Pensions.



# Investment

## How will contributions be invested?

Initially contributions will be automatically invested in the default Cash Lifestyle investment option.

The Cash Lifestyle investment strategy invests in the Legal & General Growth Fund up until ten years before your retirement age. Gradually thereafter investments are switched from the Growth Fund to the Moderate Growth fund until five years from retirement. After this, funds are switched into a mix of Moderate Growth Fund and cash type investments as retirement approaches. This approach is designed to provide increasing protection against market volatility.

The default Cash Lifestyle is expected to be suitable for most members, who may wish to take all of their benefits within a short time of retirement, such as up to a year.

As an alternative to the default Cash Lifestyle option, the Scheme offers two optional Lifestyle strategies: the Drawdown Lifestyle and the Annuity Lifestyle. More information is available in the Scheme's Investment Options Guide. In addition, the Scheme's Freestyle option allows you to invest in any of the Scheme's available funds in the proportions you choose.

## What charges are made on my Welplan Pensions fund?

Under the default Cash Lifestyle investment option, an annual management charge of *up to* 0.6% is deducted from your fund each year to meet the running costs of the scheme, including investment management charges. The scheme does not make any other charges, does not pay commission and provides a free open-market annuity service on retirement.

# Flexibility

## What happens if I change employer?

If you change jobs and join another employer who participates in Welplan Pensions you can normally continue your membership of the Scheme. The level of your contributions and those of your new employer may change, however, in line with your new offer of employment.

If your new employer does not participate in Welplan Pensions, you cannot continue as a contributing member of the Scheme.

Your options are as follows:

- Your fund can remain invested until you retire or die; or,
- Your fund can usually be transferred to another registered pension arrangement.

## Can I transfer funds to or from another pension scheme or arrangement?

Subject to the requirements of your other scheme provider(s) and HMRC regulations, your funds can be transferred to or from Welplan Pensions. Welplan Pensions makes no charge for such transfers.

## Do I have to participate in Welplan Pensions?

Your employer has chosen Welplan Pensions to deliver your entitlement but you can choose to leave the scheme at any time. However, you must bear in mind that in doing so you may lose the benefit of your employer's contribution.

## Can Welplan Pensions provide me with advice?

The scheme's in-house administration team is able to provide you with full details on all aspects of the scheme's operation, including what to do if you wish to leave, retire or make a transfer. However, if you require advice about your own personal financial circumstances in relation to scheme membership, particularly if you wish to consider leaving the scheme or transferring an existing pension fund to or from the scheme, then you should seek advice from an independent financial adviser.

## What happens to my pension savings if my employer becomes insolvent?

Pension contributions are invested in funds managed by Legal & General Investment Management. The investment funds are controlled by the Welplan Pensions Trustee Company Ltd, not an individual employer. Accordingly, your fund with Welplan Pensions will not be affected if your employer becomes insolvent.

# For further information:

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- Visit our website at [www.welplan.co.uk](http://www.welplan.co.uk)

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