The Baptist Pension Scheme

# The Baptist Pension Scheme

# Defined Contribution Plan
## With effect from 1 January 2013

# Basic Section

Explanatory Booklet
September 2012

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# THE BAPTIST PENSION SCHEME

The purpose of this Explanatory Booklet is to summarise the main features of the Defined Contribution (DC) benefits of the Baptist Pension Scheme (the 'Scheme') and to provide answers to common questions about the Scheme and its benefits.

From 1 January 2012 the Scheme is a DC scheme, commonly known as a money purchase scheme. Prior to 1 January 2012 pension was built up on a Defined Benefit (DB) basis, also known as a final salary scheme. These benefits, which members earned under the Baptist Ministers' Pension Fund and the Baptist Union Staff Pension Scheme, are described in separate booklets.

The Scheme was formerly known as the Baptist Ministers' Pension Fund and the new name reflects the extension of the Scheme's membership to include the staff of the Unions, Associations, Colleges and churches.

The Baptist Pension Scheme is made up of:

- the Defined Benefit (DB) Plan, which provides the defined benefits built up within the Ministers' Fund for service up to 31 December 2011
- the Defined Contribution (DC) Plan, which provides defined contribution pensions for service from 1 January 2012. It is divided into the Ministers section, the Staff section and the Basic section, which comes into operation from 1 January 2013. While this booklet may refer to the Ministers and Staff sections, it is not intended to cover them fully since there is a separate booklet on those sections. This booklet only covers the Basic section.

The Scheme is designed to provide a range of benefits, including life assurance cover in the event of a Member's death before retirement and a pension at retirement. Membership is voluntary, but the Scheme is available to help churches and other participating employers to meet the 'auto-enrolment' requirements being introduced by government.

Scheme benefits are financed by contributions from both the Employers and the Members. These contributions are paid into a Trust Fund that is invested and administered by a legally appointed Trustee and is completely separate from the assets of any of the Employers.

As the Scheme is a 'registered' pension scheme, benefits are subject to the various requirements of HM Revenue & Customs (HMRC) and the Pensions Regulator.

Every effort has been made to ensure the accuracy of the information provided in this booklet however it cannot override any requirements of the Scheme's Trust Deed and Rules or any legislative requirements. Your legal rights under the Scheme are governed by the Rules. The Scheme's formal documents are available for inspection on application to the Trustee. This guide is based on an understanding of tax and pensions legislation as at September 2011. This legislation may change in the future.

Throughout the booklet certain phrases are used which have particular meanings and these are explained in the 'Glossary' section.

Members are provided with precise details of their benefits and options on retirement or leaving service. This booklet provides only an outline of those benefits.

Further details about the Scheme and about your entitlements are available from:

Baptist Pension Scheme
Baptist House
PO Box 44
129 Broadway
Didcot
Oxfordshire
OX11 8RT

Telephone: 01235 517748
Email: pensions@baptist.org.uk

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# GLOSSARY

There are several terms with special meanings used throughout the Booklet. The main terms are set out below:

**Annual Allowance** is the maximum amount of tax advantaged pension scheme savings an individual can build up in a year. For the 2012/2013 tax year this is £50,000. This amount is set by HMRC and may change.

**Annuity** is an insurance policy that will provide you with a regular stream of income in retirement, payable for your lifetime. Your Pension Account will be transferred to an insurance company of your choice at retirement to purchase an annuity.

**Annuity Rates** are the market rates for converting the value of a pension account to a pension, typically with an insurance company.

**DB Member** means a Member of the Scheme who was a contributing Member of the Ministers' Fund on 31 December 2011 and so has an entitlement to benefits from the DB Plan within the Scheme.

**Default Retirement Age** is the later of your State Pension Age and age 65.

**Defined Contribution (DC)** is a pension arrangement where the retirement benefit is based on the value of accumulated member and employer contributions, including investment returns.

**Employer** means the church or other organisation with which you are in service.

**HMRC** means Her Majesty's Revenue & Customs (formerly the Inland Revenue).

**Lifetime Allowance (LTA)** is the overall amount of tax advantaged pension scheme savings an individual may have. The LTA applies to the total amount of retirement savings an individual has in all registered pension schemes. The LTA for the 2012/2013 tax year is £1.5 million and may change as set out by HMRC. Individuals may build up benefits in excess of the LTA but the excess value will be subject to a tax charge when it is paid, currently at the effective rate of 55%.

**Member** means a person who has been admitted into membership of the Scheme.

**Minimum Pensionable Income** is only relevant to Ministers, and means for any calendar year the aggregate of the Home Mission Stipend and the Manse Allowance in force on 1 January in that year, adjusted for part-time service.

**Ministers' Fund** means the Baptist Ministers' Pension Fund.

**Ministers Section** means the section of the Scheme which applies to you if you are a minister, as defined in the Scheme Rules

**Open Market Option** is the option to purchase a pension from any insurance company of your choice. If you do not exercise your choice, the Trustee will have to do so on your behalf.

**Pension Account** is the value of the accumulated contributions made by you and your Employer on your behalf, including investment returns.

**Pensionable Income** for members of the Basic Section is your annual basic salary as notified by your Employer to the Trustee. You may normally only be a member of this section of the Scheme if your earnings exceed the Qualifying Earnings Threshold.

**Qualifying Earnings Threshold** , is a figure defined by the government and reviewed from time to time. For the tax year 2012/2013 it is £5,564 per year.

**Qualifying Service** means service as a Member of the Scheme, plus service in any previous pension scheme from which you have brought a transfer into this Scheme.

**Scheme** means the Baptist Pension Scheme.

**Scheme Year** is the period of 12 months from 1st January.

**Staff Scheme** means the Baptist Union Staff Pension Scheme.

**Staff Section** means the section of the Scheme which applies to the Staff of the Union and other Employers, including associations, colleges and churches.

**State Pension Age** means the age from which your State pension benefits are due to become payable. This is being increased gradually by the government and so it depends on your gender and date of birth. You can find your State Pension Age by going to www.direct.gov.uk

**Trustee** means the Baptist Pension Trust Limited, which is responsible for the Scheme's administration and the investment of its assets.

**Union** means the Baptist Union of Great Britain.

# ELIGIBILITY

Membership of the Basic section of the DC Plan is open to permanent staff employees or fixed-term staff employees of:

- a church; or
- an Association; or
- a College,

and the employer is in membership with the Baptist Union of Great Britain, the Baptist Union of Scotland or the Baptist Union of Wales

In order to be eligible, you will normally need to be earning at least the Qualifying Earnings Threshold.

Please note that this is only a summary of the provisions of the Rules and any queries about eligibility should be referred to the Pensions Office. Membership also depends on your Employer participating in the DC Plan.

Membership will generally become effective from the 1st of the month following the date you become eligible or the date on which you apply for membership of the Scheme, whichever is the later.

If you are employed outside the British Isles you may only join the Scheme (or remain a contributing Member of the Scheme) with the permission of the Trustee.

People who are eligible will need to apply for membership of the Scheme and each application will be considered by the Trustee. Membership is subject to the consent of your Employer. You may also be required to provide evidence of health as requested by the Trustee. If you do not provide satisfactory evidence of health, the Trustee may modify or reduce benefits which would be payable under the Rules.

If you leave the Scheme while remaining eligible for membership and subsequently apply to rejoin, your membership will be subject to the agreement of the Trustee and will be on terms determined by the Trustee.

If you are ineligible to join the Scheme under the above conditions, you may be considered for admission to the Scheme by permission of the Trustee.

You are able to become a Member of the Scheme as well as having a personal pension arrangement, or a free-standing additional voluntary contribution arrangement, or a stakeholder pension arrangement.

**CATEGORIES OF MEMBERSHIP**

The following table summarises the various pension arrangements operated by the Union.

**Service before 1 January 2012**

| Category | Scheme | Benefit Basis |
|---|---|---|
| Minister | Baptist Ministers' Pension Fund (now the DB Plan of the Baptist Pension Scheme) | Defined Benefit |
| Staff | Baptist Union Staff Pension Scheme | Defined Benefit |

**Service from 1 January 2012**

| Category | Scheme | Benefit Basis |
|---|---|---|
| Minister | Ministers Section of the Baptist Pension Scheme | Defined Contribution |
| Staff | Staff Section of the Baptist Pension Scheme | Defined Contribution |
| and from 1 January 2013 | | |
| Basic | Basic Section of the Baptist Pension Scheme | Defined Contribution |

If you first joined one of the Union's pension arrangements on or after 1 January 2012, you are entitled to benefits only from your current section of the DC Plan. The earlier arrangements do not affect you.

# CONTRIBUTIONS

**Your Contributions**

As a Member of the Basic section, you contribute to the Scheme at the rate of 5% of your Pensionable Income. All this contribution is credited to your Pension Account.

You receive tax relief on your contribution at the highest rate to which you are liable.

The PAYE system automatically provides the tax relief without any action on your part. This allows your employer to deduct your contributions before calculating your monthly tax liability.

**Employer Contributions**

Your Employer contributes a total of 5% of your Pensionable Income in respect of your membership of the Scheme. From this, 4% of your Pensionable Income is credited to your Pension Account. The remaining 1% is used to pay for:

- insuring the lump sum death benefit
- administration costs

**Additional Voluntary Contributions**

It is possible for Members to pay additional voluntary contributions (AVCs) to the Scheme in order to increase their retirement benefits. These AVCs may be regular payments or lump sums. Any AVCs you pay will be credited to your Pension Account. If you are interested in paying AVCs in the future, please contact the Pensions Office.

The limit on total contributions which may be made to the Scheme and any other pension arrangement and still qualify for tax relief is usually the greater of 100% of your earned income or £3,600. Your pension entitlements earned each year are also subject to the Annual Allowance, as described in the Pensions and Tax section below.

**Payment of Contributions to the Pension Account**

Your contributions must be paid on a monthly basis. Your contributions and those payable by your employer will normally be collected by direct debit, charged to your employer’s bank account on or around the 28th day of each month. The contributions to be credited to your Pension Account will then be passed on to Legal & General for investment as soon as the necessary processing has been completed.

Please note that if for any reason the direct debit fails, contributions due to go into your Pension Account will not be passed on to Legal & General for investment until at least a month late. Under the terms of the Pensions Acts, in certain circumstances, the Trustee of the Scheme may be required to report to the Pensions Regulator cases where contributions are not paid by the due date.

**Transfers into the Scheme**

You may transfer your benefits from another occupational pension scheme or personal pension into the Scheme, subject to the approval of the Trustee and any requirements imposed by regulatory bodies. Any transfer payment received will be credited to your Pension Account. The transfer value would be invested in the Scheme in the same way as your normal contributions. In some cases there can be adverse tax consequences for you in taking a transfer payment and/or you may lose certain benefit concessions granted by HMRC. You should therefore consider seeking independent financial advice about such issues before requesting a transfer. The Trustees and the Employer are unable by law to give such advice. In particular, if the transfer is coming from a defined benefit pension arrangement, the Trustee may need to be satisfied that you have taken independent financial advice on the transfer. Further details concerning transfer values will be provided by the administrators of your previous arrangement upon request.

# PENSION ACCOUNT

**How the account works**

Contributions from both you and your Employer are invested in your Pension Account. When you come to retire, the value of that Pension Account, including the returns achieved on your investments, will provide benefits on your retirement.

Contributions received are invested in line with your chosen investment fund choices from one of the following

Default Lifestyle
Ethical 1 Lifestyle
Ethical 2 Lifestyle
Freestyle

A Lifestyle strategy is a process which initially invests your contributions in assets which have higher expected returns, but which have higher risk and greater volatility, such as equities. The Lifestyle strategy automatically restructures your accumulated Pension Account so that money is gradually moved out of those assets into lower risk alternatives as you get nearer to your selected target retirement age. It is important to tell the Trustee if you change your targeted retirement age.

A Freestyle strategy is where you choose your own investment strategy for your Pension Account from any of the range of funds offered by the Scheme. No automatic switches between funds will take place, so any future switches would need to be directed by you.

Further details of the fund choices available can be found in the separate investment options leaflet, which is available from Legal & General or from the Pensions Office in Baptist House.

The Trustee will regularly monitor the value and performance of the funds held. and reserve the right to change the range of funds in which contributions are invested if they consider it is in the interests of the members of the DC Plan (but will tell you before they do so). It is still important to review your own Pension Account and to consider whether to seek financial advice when making investment decisions. Each year you will receive a statement showing the value of your Pension Account, but you can check the value of your Pension Account at any time from the secure Legal & General website using log-in information which will be supplied separately.

To request a change to your investment selection you can visit the secure Legal & General website or request a paper form by phoning 0845 070 8686, pin number 97.

The annual management charges for the specific fund(s) you have chosen will automatically be deducted from your Pension Account. The other administration costs associated with your membership of the Scheme will be met from the 5% Employer’s contribution while you remain in service.

# RETIREMENT BENEFITS

**When can I retire?**

There is no fixed retirement age under the DC Plan. The default retirement age used for lifestyle investment strategies is the later of your State Pension Age and age 65, although you can choose your own target retirement age. Due to changes in State Pension Age, you should check your own State Pension Age through the following website: www.direct.gov.uk

You may request to draw your pension at any time between reaching age 55 (or earlier if you are seriously ill or incapacitated) and age 75. In some circumstances, you may be able to defer drawing your pension beyond age 75 if you tell the Trustee before reaching that age. If you have not done so by that age, the Trustee will use your Pension Account to purchase a pension for you at age 75. Note that if you are using one of the Lifestyle investment strategies and you retire earlier than your target retirement age, your pension account will include some higher risk assets at that point, and you will therefore be more at risk from falls in the value of your pension account as you approach retirement than you would be if you were retiring at your target retirement age. You might wish to take independent financial advice to consider how to deal with this.

If you do not tell the Trustee what benefits you wish to be provided from your Pension Account, they will use your Pension Account to purchase a pension for you.

**How much will my pension be?**

The amount of pension (Annuity) you receive will depend on a number of factors, including:-

- the contributions paid into your Pension Account;
- the investment returns obtained on your Pension Account;
- the cost of buying a pension ('annuity rates' at retirement);
- your age when you draw pension - the younger you are when you retire, the less pension you will receive because it is expected to be paid over a longer period (so it is more expensive to retire at an earlier age);
- the type of pension you want – in particular any increases you would like to receive once your pension starts, and any benefits you wish to provide for your dependants in the event of your death; and
- the amount of tax-free cash you elect to receive.

As the value of your Pension account and the prevailing annuity rates will not be known until you actually retire, it is not possible to predict accurately the amount of pension you will receive until shortly before you draw it. However, you can obtain a quotation of the current value of your Pension Account and an estimated projection from the L&G website.

You will, however, receive annual benefit statements showing the value of your Pension Account. It will also show the pension you might receive based on assumptions laid down by legislation. It is important to understand that these are only an indication and are not guaranteed in any way. The value of your investments can go down as well as up, and you may not get back the amounts paid in.

In addition to receiving a pension from the Scheme you will normally also be entitled to a pension from the State. You can request a forecast of your State Pension from www.direct.gov.uk

**Will my Scheme pension increase during retirement?**

This will be your choice at the time you convert your Pension Account into a pension. You may purchase a pension that stays at the same amount (does not increase), a pension that increases each year in payment, eg in line with the Retail Prices Index or at a certain fixed percentage rate. The greater the increases you choose, the lower your initial pension will be.

**Will a pension be payable to my dependants on death after retirement?**

This will also be your choice at the time you convert your Pension Account into a pension. You may purchase a pension that is payable only for your lifetime, but other options may include a pension for your spouse if he or she survives you, or a guarantee of a minimum number of years payments. Choosing such options will reduce the initial pension you receive.

**How will my pension be paid?**

Your pension will be purchased with an insurance company, through the Open Market Option. You will be provided with details of this at your retirement. The insurance company will pay the pension direct to you, normally monthly in advance. All pensions are taxable as earned income. Tax will be deducted under the PAYE system by the insurer that pays the pension.

**May I take a cash sum when I draw my pension?**

When you draw your pension, you will normally be able to take part of your Pension Account as a tax-free lump sum. Under current HMRC rules this cash sum must not normally exceed 25% of your Pension Account's value. You will be given full details before you retire.

An overall maximum applies to the total tax-free lump sum payments that an individual may take from all pension arrangements. This is set by HMRC and is 25% of the Lifetime Allowance.

You will also be asked at retirement to provide details of any benefits from other pension schemes which you have already received or to which you will become entitled at the same time.

**Can I draw pension from the Scheme and continue working?**

Subject to Trustee consent, you may be able to start to receive all or part of your Scheme benefits and continue to work.

# LEAVING SERVICE

Leaving service doesn't mean that you lose your benefits.  Your options depend on how long you have been a Member of the Scheme and whether you have any previous Qualifying Service.

**Less than three months' Qualifying Service**

You may receive a return of your own contributions, including any AVCs, adjusted for investment returns, less tax (currently 20% up to £20,000 and 50% above this).

**Three or more months but less than two years Qualifying Service**

You may receive a return of your own contributions, including any AVCs, adjusted for investment returns. Tax (currently 20% up to £20,000 and 50% above this) is automatically deducted from your refund, to repay the tax relief you gained when paying your contributions. Alternatively, you may transfer your Pension Account to another registered pension arrangement, provided you request this within six months from the date you receive notification from the Scheme's administrators of your options under the Scheme. If you have previously transferred benefits from another registered pension arrangement into the Scheme, the options available to you may be as if you had been in the Scheme for two or more years.

**Two or more years' Qualifying Service**

You may leave your Pension Account invested in the Scheme until you choose to draw your pension. If you do this, you become a 'deferred member' of the Scheme. You won't be able to pay any more contributions to your Pension Account and the value may fall as well as rise, depending on market conditions. Alternatively, you may transfer the value of your Pension Account to another registered pension arrangement.  Once you are a deferred member, you will no longer benefit from the contribution paid by the Employer towards the cost of administering your Pension Account, so the annual charges that are deducted from your Pension Account may increase.

**What happens to my life assurance benefit?**

If you leave service before your default retirement age (except if you are receiving payments under the Income Protection policy) you will cease to be covered for the death benefit which is a multiple of your Personable Income (see below).

**What happens to my benefit should I die before payment commences?**

If you die while you are a deferred member, the value of your Pension Account will be payable as a lump sum by the Trustee, which will take into account your nominations as stated in your Expression of Wish form.

**Can I withdraw from the Scheme while remaining in service?**

You may at any time, after giving one month's written notice to the Trustee, elect to opt out of the Scheme. In that case:

- you will cease to be covered for the death benefit which is a multiple of your Personable Income from the end of the calendar month in which you chose to leave the Scheme (see below)
- your pension entitlements will be those described in the Leaving Service section above.

You should be aware that if you withdraw from the Scheme you may only be allowed to rejoin the Scheme at the discretion of the Trustee. You may also be required to provide satisfactory evidence of health at your own cost.

In addition, please note that if you opt out your decision should immediately be notified to your Employer, as it may create a significant potential liability for them if they have no other members of the Scheme in their service.

# BENEFITS ON DEATH IN SERVICE

If you die in service before age 75 while a Member of the Basic section of the Scheme,  the lump sum benefit payable would be 3 x Pensionable Income at the date of your death, plus the value of your Pension Account.

The lump sum benefit is insured, and payment is conditional on the insurer's acceptance of cover for you and may be subject to Trustee discretion.

In order that the lump sum benefit is excluded from the value of your estate and so can normally be paid promptly and tax-free, the Trustee has complete discretion as to whom the lump sum is paid.  However, you are requested to complete an Expression of Wish form when you join the Scheme and return it to the Pensions Office. This will assist the Trustee in the event of your death, as your wishes will be taken into consideration, but the Trustee will not be bound to act in accordance with them.  A nomination form is normally supplied with this booklet, but further copies are available from the Pensions Office.   Please submit a replacement form if your personal circumstances change, for example on marriage, death of a spouse or divorce.

If you were a contributing Member of the Ministers' Fund or the Staff Scheme prior to 1 January 2012, spouse's or dependants' pensions may be payable in addition to this lump sum. Information about these benefits is provided in the relevant explanatory booklets.

## TEMPORARY ABSENCE FROM WORK

If you are temporarily absent from work there may be circumstances where you may continue to pay contributions, including:

- Members absent due to illness or injury
- Absence due to family leave (eg parental leave)

Employer contributions may also continue during certain types of leave.  You should notify the Pensions Office of any temporary absences as soon as possible to ensure the correct contributions are allocated to your Pension Account.

**How are benefits taxed?**

a) Your benefits on retirement

Your pension from the Scheme is taxed in the same way as your earnings.

A lump sum on retirement is normally paid tax-free under current tax rules. A lump sum on retirement may only be paid if all or part of your Lifetime Allowance is available, and must not, when added to all pension commencement lump sums taken from all Registered Pension Schemes of which you are or have been a member, exceed 25% of the Lifetime Allowance applicable at the time the lump sum is paid;

Your overall benefits under the Scheme will be tested against the Lifetime Allowance when they become payable. If they exceed the Lifetime Allowance, they will be subject to the Lifetime Allowance Charge. If this applies, the Lifetime Allowance Charge will be deducted from your retirement account before your benefits are paid.

b) Death benefits

The total of any lump sum death benefits counts towards your Lifetime Allowance. If the amount, when added to any other lump sum death benefits from any other Registered Pension Scheme, exceeds the Lifetime Allowance a Lifetime Allowance Charge will arise.

Any pension provided for your spouse, Civil Partner or dependants will not count towards your Lifetime Allowance.

Any lump sum death benefit must be paid within 2 years of the Trustees becoming aware of your death. If this is not possible, the lump sum may be taxed at 55% (even if it is less than the Lifetime Allowance).

**What are the Annual and Lifetime Allowances and charges?**

This is a complicated subject and the following is just a very brief summary. At the time of writing, the legislation that sets out the information below is new, and there remain considerable uncertainties in how the pensions tax regime operates, not least because guidance is awaited from HMRC on a range of topics. The reading set out below may, therefore, change. The information may or may not be relevant to you, depending on your personal circumstances. If you think this may affect you, you should seek independent financial advice.

For the purposes of this legislation, your 'Pension Input Period' in the Scheme has been set as the Scheme Year, ie 1st January to 31st December. Your pension savings ('Pension Input') during the Pension Input Period are tested against the 'Annual Allowance' for the tax year in which the Pension Input Period ends (for example, your Pension Input during 2012 will be tested against the Annual Allowance for the 2012/13 tax year).

Your pension input means the total gross contributions paid to the DC Plan by you and by your Employer on your behalf during the Pension Input Period, plus the increase in value of your defined benefits if you are a member of the DB Plan or Staff Scheme.

If your 'pension input' exceeds the Annual Allowance (together with any Annual Allowance you did not use from the three previous tax years), you will be subject to an Annual Allowance Charge. The Annual Allowance Charge is a tax charge that applies on the amount of Pension Input in excess of the Annual Allowance, and is at your marginal income tax rate as if this was additional income.

If your Pension Input under the Scheme ever exceeds the Annual Allowance, the Trustee will tell you and provide full details, to enable you to report the tax due to HMRC.

If you are a member of another pension arrangement (for example a personal pension plan), then contributions to that arrangement also count as additional Pension Input. In that case the total of the pension inputs for all of your pension input periods ending in a particular tax year are compared with the Annual Allowance for that tax year.

The Lifetime Allowance Charge is the tax charge that applies if, when benefits are taken from the Scheme, the value when added to the value of benefits previously taken from any Registered Pension Scheme exceeds the Lifetime Allowance.  If the excess is used to provide a pension it will be taxed at 25% (in addition to the rate of income tax payable on the pension). If it is taken as a lump sum it will be taxed at 55%.

In certain circumstances a member may be entitled to a personal Lifetime Allowance of a higher amount, or an exemption where this has been registered with HMRC. Such a member is sometimes referred to as having 'primary protection', 'enhanced protection' or 'fixed protection'.  Enhanced protection and fixed protection can be lost by taking certain actions.

If any lump sum payable on your death, either before or after retirement, exceeds your Lifetime Allowance there will be a tax charge of 55% on the excess. No Lifetime Allowance Charge will be payable if the benefit is paid as a dependant's pension.

If your retirement account is subject to a Lifetime Allowance Charge, this will be deducted from your retirement account before the benefits are paid.

**What are my responsibilities?**

Whilst the Trustees will assist you in providing the relevant information, you are responsible (where necessary) for:

- maintaining records showing the proportion of the Lifetime Allowance that has been used
- monitoring whether your contributions are eligible for tax relief, and
- notifying HMRC where your total Pension Input for all Pension Input Periods ending in a tax year, exceeds the Annual Allowance.

# GENERAL INFORMATION

The Scheme is administered by a Corporate Trustee, Baptist Pension Trust Limited. Six of the twelve Directors are nominated by Members and the other six Directors are nominated by the Union. The assets of the Scheme are kept separate from other Baptist Union funds and are invested on the advice of professional investment managers.

Accounts are prepared and audited annually and an actuarial valuation is made at least once every three years, with annual actuarial reviews in the intermediate years, to monitor the financial progress of the Scheme and estimate the contributions required from Employers to enable the Scheme to pay the defined benefits promised from the DB Plan.

Each year the Trustee produces an annual Report on the Scheme. The Report contains audited accounts, a statement from the actuary, a review of the year's investment performance and various other items of information. Copies of the report are available from the Pensions Office at the address given in the Introduction to this Booklet. An annual funding statement giving up-to-date funding information will also be produced.

Pensions Sharing on Divorce - legislative requirements to enable pensions sharing on divorce have been incorporated into the Scheme rules. Further information, if required, can be obtained from the Pensions Office.

The Scheme is a pension scheme registered in accordance with Section 153 of the Finance Act 2004.

State Pensions - The Scheme is not contracted-out of the State Second Pension (S2P) and neither the Ministers' Fund nor the Staff Scheme was contracted-out of its predecessor, the State Earnings Related Pension Scheme (SERPS). This means that benefits provided from the Scheme are paid in addition to the Basic State Pension and the pension from S2P and SERPS.

Disputes - Any complaints about the Scheme are generally resolved informally. However, if you are not happy with the result of the informal process, there is a formal procedure for resolving complaints. Details are available from the Pensions Office.

**TPAS (The Pensions Advisory Service)**

If you are not satisfied with the reply from the Trustee to any complaint you raise, you can contact TPAS (The Pensions Advisory Service) who will assist you with your complaint. TPAS is a free and confidential service and you should put your case in writing to them, together with correspondence from the Scheme's formal process.

TPAS has developed its role as a conciliation service between Members and their pension schemes. It is available to assist Members and beneficiaries of pension schemes in connection with difficulties which they have failed to resolve with the trustees or administrators of the scheme.

The TPAS can be contacted at:

TPAS
The Pensions Advisory Service
11 Belgrave Road
London
SW1V 1RB

Website: www.pensionsadvisoryservice.org.uk

**The Pensions Ombudsman**

For disputes that cannot be settled with the assistance of TPAS, a Pensions Ombudsman has been established with powers of investigation similar to those of a county court.

The Pensions Ombudsman has the power to investigate and determine any complaint or dispute of fact or law concerning occupational and personal pension schemes. A complainant may appeal to the Pensions Ombudsman if they believe that they have been unfairly treated by the trustees or managers of an occupational or personal pension scheme.

The Pensions Ombudsman can be contacted at:

The Pensions Ombudsman
11 Belgrave Road
London
SW1V 1RB

Website: www.pensions-ombudsman.org.uk

**The Pensions Regulator**

The Pensions Regulator has been established to monitor the running of occupational pension schemes. The Regulator is able to intervene in the running of schemes where trustees, employers or professional advisers have failed in their duties.

The Pension Regulator can be contacted at:

Napier House
Trafalgar Place
Brighton
BN1 4DW

Website: www.thepensionsregulator.gov.uk

**Pension Schemes Registry**

The Scheme has been registered with The Pensions Regulator at the Pension Schemes Registry and information concerning the Scheme has been given to the Registry including an address where the Trustee may be contacted.

The purpose of the register of occupational and personal pension schemes is to help individuals who have lost touch with their previous pension scheme to trace their rights. Extracts from the register relating to a particular scheme are available to any person entitled to benefit under the scheme on written request to

Pension Schemes Registry
PO Box 1NN
Newcastle-Upon-Tyne
NE99 1NN

**The Pensions Tracing Service**

The Department for Work and Pensions offers a service to help people trace pensions with which they have lost touch, provided you have at least the name of your previous employer or pension scheme.

The Pensions Tracing Service can be contacted at:

The Pensions Service
Tyneview Park
Whitley Road
Newcastle-upon-Tyne
NE98 1BA

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