

# Employees

## The Creative Pension Trust

Helping you fund your retirement  
- Member guide



**Working Together**



**Redwood**  
Employee Benefit  
Services

# Introduction

Working with their strategic partners "Creative Auto Enrolment", Redwood Employee Benefit Services Ltd. has selected the "Creative Pension Trust" as its preferred provider of Auto Enrolment Solutions.

This Member Guide tells you everything you need to know about the Creative Pension Trust and how it works. If you have any questions about anything you read, please call the employee helpdesk on 0845 606 0424.

## The guide includes information about:

- The Creative Pension Trust
- Eligibility
- How contributions are paid
- Pensions and tax
- Investment – the Strategic Pensions Approach
- Charges
- Your options at retirement
- Leaving the scheme
- Rejoining the scheme
- What happens if you die
- How we protect your data
- How to contact us
- Making a complaint

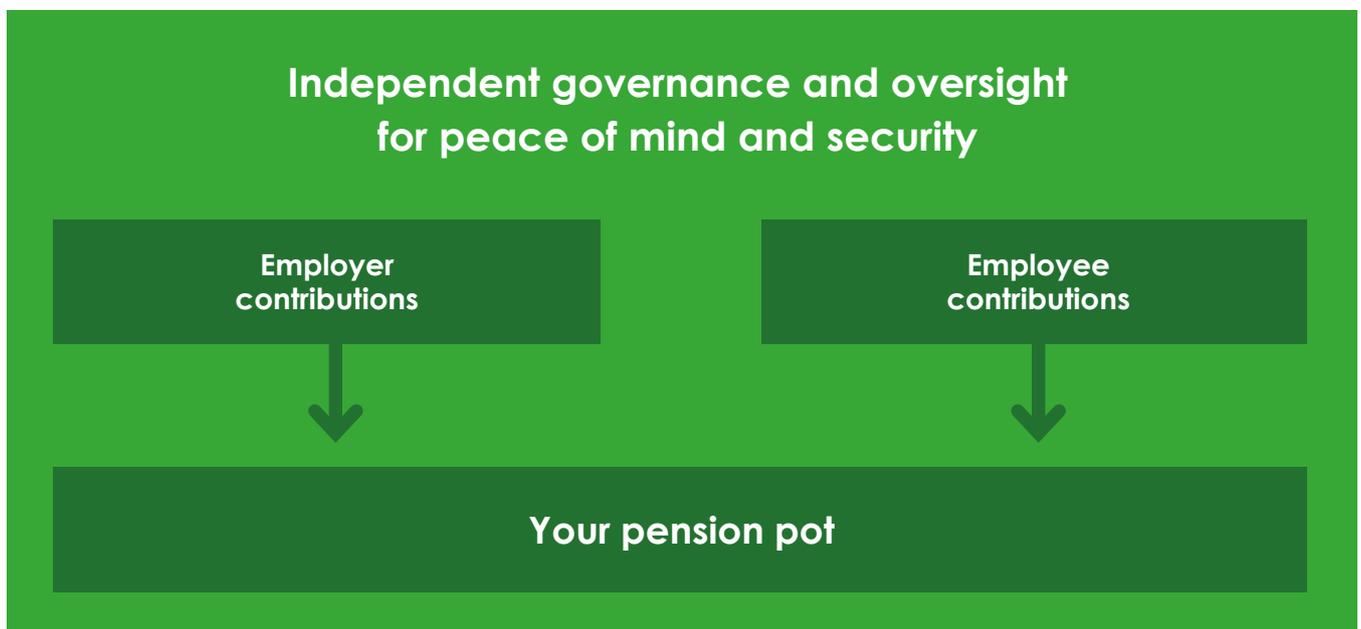
# The Creative Pension Trust

The Creative Pension Trust is an Occupational Money Purchase Pension Scheme. It operates as a Master Trust, which means that many different employers can participate within the scheme.

The Creative Pension Trust is overseen by a professional independent trustee. This means that **the scheme has independent governance and oversight to ensure it is run for the benefit of all the members.** The Creative Pension Trust is approved by HMRC, which means you benefit from tax relief on the contributions paid into the scheme.

Your contributions are collected from pre-tax pay, which ensures you receive tax relief at source at your highest marginal rate. Importantly any growth in the value of the pension is also free of capital gains tax and certain types of dividends paid to the scheme are also free from income tax.

Copies of the Trust Deed and Rules which govern the scheme are available on request.



# Eligibility

The scheme is open to all workers. **Every worker** aged between 22 and State Pension age who earns more than £10,000 a year for the 2015/2016 tax year (£192 a week) **will be automatically enrolled into the pension scheme** at the date their Employer reaches what is known as their staging date. This is the date that companies have to comply with the Auto Enrolment legislation which has been introduced by the government. Other workers, as detailed in the table below, can elect to join the scheme at any time.

## Auto enrolment categories

<b>Aged between 22 and State Pension age Earning more than £10,000</b>	<b>You will be automatically enrolled into the pension scheme</b>  <b>You have the right to opt out</b>  <b>You and your employer both have to make contributions</b>
<b>Aged under 22 or over State Pension age to age 74 and earning more than £10,000, or aged between 16 and 74 and earn between £5,824 and £10,000</b>	<b>You have the right to ask to join the pension scheme</b>  <b>If you join, you and your employer will both have to make contributions</b>
<b>Aged 16 to 74 but earning less than £5,824</b>	<b>You have the right to ask to join the pension scheme</b>  <b>If you join, your employer does not have to make contributions</b>

# How contributions are paid

Contributions are automatically collected from your pay by your employer. The government has specified how much these should be as a minimum although you can increase your contributions at any time.

The contributions payable by you and your employer and which will then be invested on your behalf are shown below. Contributions are based on Qualifying Earnings which are all earnings between £5,824 and £42,385 a year (or £485 and £3,532 a month, or £112 and £816 a week) for the 2015/16 tax year. These earnings criteria are subject to change each year in line with government criteria.

If you want to increase your contributions please contact the employee helpdesk on 0845 606 0424.

The value of your pension fund will depend on how much you pay into the scheme and how the investments perform. **The amount you contribute has by far the most impact on the eventual value of your fund.** You can keep track of the value of your pension fund through your online account and you will receive a benefit statement once a year to let you know how much you have paid in, how much your pension fund is worth and how much you are likely to get when you retire.

	Your employer contributes	You contribute	Total
To October 2017	1%	1%	2%
To October 2018	2%	3%	5%
From October 2018	3%	5%	8%

# Pensions and tax

The Creative Pension Trust is approved by HMRC, which means you and your employer will benefit from tax relief on contributions paid into the scheme. Your personal contributions are made from pre-tax pay, which means **you receive tax relief at source at your highest marginal rate** on all of the contributions that you pay. Any growth in the value of your pension is free of capital gains tax and certain types of dividend paid to the plan are also free from income tax.

If the value of your pension benefits when you take them (not including any state retirement pension, state pension credit or any spouse's, civil partner's or dependant's pension you may be entitled to) is more than your available lifetime allowance (unless you have received enhanced protection), you may have to pay tax on the excess.

The lifetime allowance is a limit on the value of retirement benefits you can accumulate from an approved pension scheme before tax penalties apply. The standard lifetime allowance is currently £1.25 million. In certain circumstances, you may have a higher lifetime allowance for benefits under enhanced, primary or fixed protection. These limits are set by legislation.

This information is based on our understanding of current taxation law and HMRC practice, which may change. The value of any tax relief depends on your own individual circumstances.

The Creative Pension Trust is approved by HMRC, which means you and your employer will benefit from tax relief on contributions paid into the scheme.

# Investment

## The strategic pensions approach

The Creative Pension Trust has both a default investment approach (as required by law) and access to some alternative investment options should you decide the default investment strategy is not the most suitable for you.

The default investment strategy is the Strategic Pension Approach. On joining the scheme, your contributions are automatically invested into this unless you choose otherwise. All of the scheme's investments are managed by Scottish Widows, one of the UK's most trusted life, pensions and investments brands.\*

The Strategic Pension Approach reduces the amount of risk that your pension pot is exposed to as you get closer to the scheme's normal retirement age, 65. As this gets closer, your pension pot will gradually adjust into lower risk investments automatically. Although this reduces the growth potential of your pension pot at this point, it also helps to protect the value of your pot as you approach retirement age. This de-risking is called 'lifestyling' and is widely used. Importantly, the whole process is automatic.

\* More consumers see Scottish Widows as a brand that 'can be completely trusted with your money' than any other major LP&I brand in the UK. Source: IPSOS brand tracking 2012 data is based on 3,287 ABC1 consumers responsible for household financial decisions.'

On joining the scheme, your contributions are automatically invested into this unless you choose otherwise.

The table below shows how the Strategic Pension Approach works at key landmarks leading up to the scheme's normal retirement age.

Years to Retirement	Asset Mix		
	Shares	Bonds	Cash
15+	70%	30%	0%
10	40%	60%	0%
5	40%	60%	0%
0	0%	0%	100%

As the table shows, the changes in investments are made gradually over time to reduce the effects of short term changes in the prices of any of the assets and to smooth market volatility. For more information please refer to the Creative Pension Trust Investment Guide, which is available through your online account.

# Charges

The government has set out the maximum charges that workplace pension schemes can deduct for automatic enrolment purposes. The charges made within the Creative Pension Trust are within this framework.

The charges that you pay are collected from your pension pot. That is, **there are no fees or charges to pay on top of your usual pension contributions.** These charges are taken from your pension pot to pay for things like the scheme administration, investment management, the independent auditors, the independent trustees and everything else needed.

The charges are made in two parts: an annual management charge and a monthly policy fee. The annual management charge is 0.4%pa of the value of your pension pot.

The monthly policy fee varies depending on your earnings and whether you are an active member (paying contributions) or deferred member (you have left the scheme or stopped paying in). The charges are summarised in the table below:

	Qualifying earnings* above £12,228 pa	Qualifying earnings* below £12,228 pa		
		Until 30/09/2017	From 01/10/2017	From 01/10/2018
Active	£2.00	£0.60	£1.20	£2.00
Deferred	£1.20	£0.60	£1.20	£1.20

The variable monthly fee is designed to give all members fair value, irrespective of how much they pay in. As a further safeguard, for those paying in small amounts (less than £5 per month) there are no monthly fees. Similarly, once an employee has left the scheme no monthly policy fees are collected if the value of their pension pot falls below £50.

\* Qualifying Earnings is made up of salary, wages, commission, overtime, bonuses, sick pay and parental pay between £5,824 and £42,385 per year, or £486 and £3,532 a month, or £112 and £816 a week.

# Leaving the scheme

You can leave the scheme at any time. If you leave your job, your employer will automatically stop making payments and you will be deemed to be a scheme leaver. You can still check on your pension and receive communications through your online account but contributions can no longer be made.

If you want to leave the scheme while you are still with your employer, you will need to give us 30 days' notice. When you have left the scheme you can leave your pension pot invested until you are ready to take your retirement benefits (next section) or you can transfer it to another pension scheme. There are no charges to transfer your pension pot to another pension scheme so the transfer value will be the full value of your pension pot.

If you want to leave the scheme while you are still with your employer, you will need to give us 30 days' notice.

# Your options at retirement

The Creative Pension Trust is designed to provide you with a pot of money at retirement that you can use as you wish (subject to statutory rules and legislation).

The scheme has a normal retirement age of 65, although can take benefits at any time between age 55 and 75, even if you are still working. You might be able to take your retirement benefits before age 55 if you are seriously ill.

**How you use your pension pot to generate an income in retirement is one of the most important financial decisions you will ever make.** The best decision for you will depend on factors such as: your health, the way you want to live in retirement, how long you expect to live and whether you want your

pension to provide an income for your dependents as well as you. It is a very personal decision.

You will have lots of options to help you decide. The government has launched a free guidance service called Pension Wise ([www.gov.uk/pensionwise](http://www.gov.uk/pensionwise)). You can also seek professional financial advice, which is likely to be particularly useful if your circumstances are complicated.

We will write to you in advance of your retirement to give you time to prepare and consider your choices. Should you wish to purchase an annuity, you will have access to what is known as the Open Market Option, which allows members to secure the best possible annuity terms at retirement.

## Rejoining the scheme

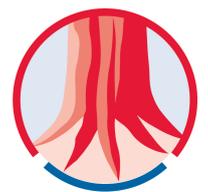
If you choose to leave the scheme, but carry on working for the same employer, you will be re-assessed every three years on a date based on your original stating date and re-enrolled as appropriate. Your employer will confirm your re-enrolment date and will let you know in advance.

Otherwise, you can ask to rejoin the Creative Pension Trust but this will be at the discretion of your employer and the scheme trustees.

# Protecting your data

We will hold and process your data in accordance with the Data Protection Act 1998 and from time to time will share it between the companies that are involved in running the Creative Pension Trust. This includes sending you information related to your pension that we believe will be of interest to you. We are required by law to send you some things but you can opt out of receiving other types of communications from us on request. We will not sell your data to third parties or use it without your consent.

# How to contact Redwood



Redwood  
Employee Benefit  
Services

If you have any questions or would like more information about anything covered in this Member Guide, please get in touch.

**Phone:** 01604 661144

between 9am and 5pm (Monday to Friday, excluding Bank Holidays)

**Email:** [admin@redwood-ebs.co.uk](mailto:admin@redwood-ebs.co.uk)

# Making a complaint

We hope you will be satisfied with our service but if you are not, please tell us so we can resolve the issue for you. If you are not satisfied with our response, you can raise the issue with one of the following organisations, which all provide free services to members of the public.

Using them will not affect your right to take legal action later on:

## The Pensions Advisory Service

The Pensions Advisory Service is an independent government funded body that provides advice about individual pensions.

Phone: 0300 123 1047

Website: [www.pensionsadvisoryservice.org.uk/contactingus](http://www.pensionsadvisoryservice.org.uk/contactingus)

Post:

The Pensions Advisory Service  
11 Belgrave Road  
London SW1V 1RB

## The Pensions Ombudsman

The Pensions Ombudsman is appointed by the Secretary of State to investigate complaints about how pensions are run.

Phone: 020 7630 2200

Email: [enquiries@pensions-ombudsman.org.uk](mailto:enquiries@pensions-ombudsman.org.uk)  
Website: [www.pensions-ombudsman.org.uk](http://www.pensions-ombudsman.org.uk)

Post:

Pension Ombudsman Service  
11 Belgrave Road  
London SW1V 1RB

## The Pensions Regulator

The Pensions Regulator protects the benefits of members of occupational pension schemes. They can provide information about employer duties around automatic enrolment and how to raise any concerns you might have.

Phone: 0845 600 7060

Email: [wb@tpr.gov.uk](mailto:wb@tpr.gov.uk)

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

Post:

The Information Team  
The Pensions Regulator  
Napier House  
Trafalgar Place  
Brighton BN1 4DW

Creative Pension Trust is an occupational pension scheme governed by Pan Governance LLP (company number OC333840) of 3 Castlefield Court, Church Street, Reigate, Surrey, RH2 0AH. The scheme is sponsored by Creative Auto Enrolment (company number 8554978), a subsidiary of Creative Benefit Solutions Limited (company number 6293305), which is authorised and regulated by the Financial Conduct Authority, reference number 473893. Both companies are registered in England and Wales. Their registered office is 125 London Wall, London, EC2Y 5AL.

Helpdesk phone number: 0845 606 0424

Online: [www.creativeautoenrolment.co.uk](http://www.creativeautoenrolment.co.uk).

Email: [info@creativeae.co.uk](mailto:info@creativeae.co.uk)

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