

# **Sopra Steria Retirement Benefits Scheme (SMP Section) (“the Scheme”)**

*For Deferred members*

## **How is my pension calculated?**

***For pensionable service prior to 1 April 2004***

For pensionable service prior to 1 April 2004, your Scheme pension is calculated based on a proportion of your final pensionable salary (this will either be 30ths, 45ths or 54ths, depending on your benefit scale) for each year of your pensionable service (years and completed months).

***For pensionable service on or after 1 April 2004 and before 1 April 2010 – CARE***

For pensionable service on or after 1 April 2004 and before 1 April 2010, your Scheme pension is calculated for each year of pensionable service (or each additional completed month) as a proportion of your pensionable salary for that year (the proportion will be 30ths, 45ths or 54ths, depending on your benefit scale), and is then increased each year in line with inflation, as set out in the Scheme Rules and applicable legislation. This basis is referred to as career average revalued earnings or “CARE”.

Pensionable service ceased for all members on 1 April 2010.

***Part-time service***

In all of the above cases, your length of pensionable service will be appropriately adjusted for any part-time service.

## **How much will I receive when I decide to take my pension?**

You were sent a statement when you left pensionable service, which provided you with a statement advising you of the value of your pension at the date of leaving. This amount will be revalued for inflation in accordance with the Scheme Rules and applicable legislation.

## **When will I be told what my pension will be?**

About six months prior to your 65th birthday, you will be sent an updated pension statement, together with the options available to you in relation to taking your Scheme pension.

## **What is my Normal Retirement Age (NRA)?**

Your NRA is the last day of the month in which you reach age 65. This will be different from your State Pension Age, which is now later than age 65 depending on your date of birth.

If you are a "Scale C" Member and you have 20 or more years' pensionable service, your NRA is the last day of the month in which you reach age 62.

## **Can I take my pension early?**

You can normally take your pension at any time after age 55 (although Company consent may be required in some circumstances if you still work for a Sopra Steria group company). However, the amount of your pension may be subject to a reduction to reflect the fact that it is being paid before your NRA, in accordance with the Scheme Rules. The reduction is not based on fixed factors but is calculated on a case by case basis advised by the Scheme Actuary and will depend on age, type of benefits accrued and on economic factors at the date of calculation. The basis of this calculation may change from time to time.

If you start your Scheme pension before your State Pension Age, you may elect to receive a higher pension until you attain State Pension Age, at which point your annual Scheme pension will be reduced by the amount of the single person's Basic State Pension in force at the time of your retirement.

## **Do I have to take my pension at NRA?**

If you no longer work for the Company or a group company, yes. The Scheme Rules require that you take your pension no later than your NRA. If your pension does not commence at your NRA, your pension will be backdated to your NRA when it does commence.

If you have worked continuously for the Company or a group company since 1 April 2010 and you agree with the Company (or your employer, if different) that you will remain in service after your NRA, your pension will come into payment on the date you actually retire from service. Upon retirement, you will receive an increased pension to reflect the fact that it is being paid after your NRA, in accordance with the Scheme Rules. The increase is not based on fixed factors but is calculated on a case by case basis advised by the Scheme Actuary and will depend on age, type of benefits accrued and on economic factors at the date of calculation. The basis of this calculation may also change from time to time.

## **Can I take any of my pension as a cash lump sum?**

When you take your Scheme pension, you will be able to exchange part of this for a tax-free cash sum. If you wish to take advantage of the pension flexibilities introduced with effect from 6 April 2015, you will need to transfer your pension out of the Scheme to an alternative pension arrangement. You should seek professional independent financial advice before making such a decision. Details of the pension flexibilities were provided in the announcement to members issued in September 2015, a copy of which can be found on the Scheme's web-site <https://www.ssrbs.co.uk/> or can be requested from the Scheme Administrators.

## **What happens to my Additional Voluntary Contributions (AVCs) or Additional Flexible Contributions (AFCs)?**

If you had paid AVCs (or AFCs) whilst an active member of the Scheme, your AVC fund will be available to you at the same time that your pension becomes payable. You will receive full details of your options regarding your AVCs with your pension statement, including taking your AVCs as a tax-free lump sum or purchasing additional pension income.

The value of the benefits that may be secured using your AVCs or AFCs will depend on several factors including the amount of the contributions paid, any cost of exercising any right to transfer the benefits, any charges payable, the age at which you access the benefits, the performance of investments, and any cost of converting the benefit into an additional pension. One of the benefits of taking your AVCs under the Scheme is that, at present, these can be used as a way of accessing the maximum available tax-free cash sum without having to surrender the maximum amount of your Scheme pension in exchange for this cash amount.

You should regularly review your AVC funds to ensure they remain appropriate for you.

It may be possible for you to transfer your AVC fund out of the Scheme independently of your main Scheme benefits. If you are interested in this option, you should contact the Scheme Administrators.

## **By how much does my pension revalue between leaving and when I take my pension?**

Your pension may be made up of several different elements. Your pension is revalued but different elements of your pension may be revalued in different ways. The details of this were included in the statement you were sent when you left pensionable service.

## **How is my pension paid?**

Your pension is paid into your bank account monthly in advance on the first day of the month or earlier if that is a non-banking day. Your pension may in practice be paid early at Christmas. Your first pension instalment will be payable on the first day of the month in which the pension becomes payable.

## **Does my pension increase once in payment?**

Your pension does increase once in payment but, as is the case with pension revaluation, different elements of your pension may be treated differently in respect of increases once your pension is in payment. The details of this were included in the statement you were sent when you left pensionable service (e.g. when you left the Company or when the Scheme closed).

## **What happens if I die before taking my pension?**

Your spouse or civil partner will be entitled to receive a pension under the Scheme, of up to 50% of your revalued deferred pension at the date of your death, payable for their lifetime.

If you die without leaving a spouse or Civil Partner, the greater of the value of any contributions (and AVCs) that you may have paid to the Scheme and an amount equivalent in value to five years' payment of your deferred pension, may be payable as a lump sum. Any lump sum can be paid to members of your family, your dependants or people named in your Will or Expression of Wish form, in such proportions as the Scheme Trustee in its discretion decides. To help the Trustee make its decision, you are encouraged to complete (and update as appropriate) an Expression of Wish form, which can be found on the Scheme's web-site <https://www.ssrbs.co.uk/> or can be obtained from the Scheme Administrators. Please note that this Expression of Wish form is separate from and in addition to any similar forms that you may be asked to complete if you are still employed by Sopra Steria.

## **What happens if I die after my pension commences?**

Your spouse, civil partner or other dependants may receive a pension for their lifetime of 50% of what your pension would have been at the date of your death if you had not taken any tax-free cash. If you die within five years of your pension commencing, a lump sum equal to the unpaid balance (ignoring future increases) which would have been paid had you survived for the five years is payable. Any lump sum can be paid to members of your family, your dependants or people named in your Will or Expression of Wish form, in such proportions as the Scheme Trustee in its discretion decides. To help the Trustee make its decision, you are encouraged to complete (and update as appropriate) an Expression of Wish form, which can be found on the Scheme's web-site <https://www.ssrbs.co.uk/> or can be obtained from the Scheme Administrators. Please note that this Expression of Wish form is separate from and in addition to any similar forms that you may be asked to complete if you are still employed by Sopra Steria.

If you die leaving a child or children under the age of 18 (or under age 23 if they are undertaking full time education or vocational training), a pension of 20% of the above pension may be payable to the eldest eligible child with a pension of 10% being payable to the younger children (up to a maximum of 4 children in total). The children's pensions cease when each child attains age 18, or until a child over age 18 ceases to be in full time education or vocational training, up to a maximum of age 23.

## **What State pension will I receive?**

To obtain a State pension forecast, please refer to <https://www.gov.uk/government/publications/application-for-a-state-pension-statement>. Your State pension age depends on your gender and date of birth; you can find out details of this at <https://www.gov.uk/calculate-state-pension>.

## **Can I transfer my pension out of the Scheme?**

You may transfer your pension out of the Scheme at any time before it comes into payment.

Since the 2015 pension changes, you have greater flexibility in how you can use your pension and, up until the point at which your pension comes into payment, you are able to transfer your pension. Please refer to the communication that you were sent in 2015 about the pension reform changes, a copy of which can be found on the Scheme's web-site <https://www.ssrbs.co.uk/> or can be obtained from the Scheme Administrators. The Trustee encourages you to seek professional independent financial advice before deciding to transfer your benefits out of the Scheme. If your transfer value exceeds £30,000, the Trustee is required to see evidence that you have taken such advice before it can allow a transfer to proceed.

The Trustee does not presently allow members to transfer any benefits into the Scheme.

## **Can I withdraw all of my pension as a lump sum?**

The Scheme Rules do not allow you to take all of your pension as a lump sum although it may be possible for you to take a proportion of it as a cash lump sum when you retire.

If you wish to take advantage of the pension flexibilities introduced with effect from 6 April 2015, you will need to transfer your pension out of the Scheme to an alternative pension arrangement. You should seek professional independent financial advice before making such a decision.

## **How much notice do I have to give Capita that I wish to take my pension?**

Provided you have reached the age where you are entitled to take your pension, there is no specific notice period for taking your pension. Once you have completed a pension options form and provided all required information, Capita can process your pension within a few weeks and this can be backdated.

## **What happens if I get divorced?**

This will depend on the details of any financial settlement as part of a divorce. It is quite common for a pension to be included (or taken into account) as part of any settlement. Generally, the Scheme will not provide a pension to your ex-spouse so any element of your pension that is included in a pension sharing order as part of such a settlement normally will be required to be transferred to an alternative pension arrangement.

## **What happens if I move house?**

You should inform the Scheme Administrators. The details are included at the end of this document.

## **What happens if I emigrate?**

Your pension can continue to be paid to you and you should inform the Scheme Administrators. The details are included at the end of this document.

## **What is the Lifetime Allowance (LTA)?**

The LTA is the overall value of pension benefits that you can build up over your entire working lifetime without tax penalties applying.

The current amount of the LTA for the tax year 2020/21 is £1,073,100, although the Government has said that this will be increased in line with inflation each year.

All of your sources of pension income (excluding any State pension) will need to be considered at the point they reach payment, as each will use up a portion of your LTA, including the benefits payable to you under the Scheme.

The LTA is only assessed for tax purposes at the earlier of the point at which you elect to take the benefits and age 75. When your benefits under the Scheme are put into payment, you will be advised of the portion of your LTA that these benefits have used up.

If your overall pension benefits from all sources exceed the LTA, you will be liable for a tax charge on the excess. Further information on the charges that would apply is available from the Scheme Administrators. This is a complex matter and if you are concerned about whether your pension benefits may exceed the LTA, you should seek professional independent financial advice on this matter.

## **How safe is my pension?**

In the unlikely event that the Company became insolvent and was unable to support the Scheme then the Pension Protection Fund ("PPF") might step in and pay compensation to members, where eligibility conditions are met. There are more details about the eligibility conditions and compensation available from the PPF on its website at [www.pensionprotectionfund.org.uk](http://www.pensionprotectionfund.org.uk).

## **How can I get further support?**

The Money and Pensions Service is available at any time to assist members and beneficiaries of pension schemes with pensions questions and issues they have been unable to resolve with the Trustee of the Scheme. The Money and Pensions Service provide services through:

- Pension wise provides pension guidance for over 50s with a personal or workplace pension. You can call them on 0800 138 3944 or find out further information at <https://www.pensionwise.gov.uk/en>.
- The Pensions Advisory Service provides free and impartial pensions guidance on workplace and personal pensions for everyone. You can call them on 0800 011 3797, write to them at Money and Pensions Service, 120 Holborn, London, EC1N 2TD or find out further information at <https://www.pensionsadvisoryservice.org.uk/>

## What if I am unhappy with the service I receive?

The Scheme operates an internal dispute resolution procedure for the resolution of any dispute that you may have relating to your benefits under the Scheme. For further details regarding the procedure, or to request a complaint form, please contact the Scheme Administrators, whose details are included at the end of this document.

The Pensions Ombudsman may investigate and determine certain complaints or disputes about pensions that are referred to them. You can call them on 0800 917 4487, email them at [enquiries@pensions-ombudsman.org.uk](mailto:enquiries@pensions-ombudsman.org.uk), or find out further information at <https://www.pensions-ombudsman.org.uk/>.

The Pensions Regulator may intervene in the running of schemes where trustees, managers, employers or professional advisers have failed in their duties. The contact details depend on the nature of your concerns, but the full contact details can be found at <https://www.thepensionsregulator.gov.uk/en/contact-us/scheme-members-who-to-contact>, or find out further information at <https://www.thepensionsregulator.gov.uk/>.

## Where can I get further information?

For any further questions you have regarding your pension please contact the Scheme Administrators, Capita at:

The Sopra Steria Retirement Benefits Scheme (SMP Section)  
c/o Capita Employee Benefits  
P O Box 555  
Stead House  
Darlington  
DL1 9YT

*Email: [steria@capita.co.uk](mailto:steria@capita.co.uk)*

Telephone No: 0330 3115119

The Scheme is a tax registered scheme.

You can also request a copy of the Scheme's annual report, which contains further information regarding the Scheme, using the above contact details.

Certain generic information relating to the Scheme will be posted onto the Scheme's web-site which can be found at <https://www.ssrbs.co.uk/>.

If you have not yet provided the Trustee with your email address, you are encouraged to do so, to allow the Trustee to provide you with more timely communications and to support the Trustee's continued drive to reduce both its costs and paper wastage. If you are not sure whether the Trustee holds an up to date email address for you then please contact the Scheme Administrators to check.

## **IMPORTANT NOTE**

Whilst every effort has been made to ensure the accuracy of the above answers, nothing contained in them should be construed as providing greater benefits or other rights than are provided for under the terms of the Scheme's Trust Deed and Rules, which will in all cases prevail in case of inconsistency.