

The British Tourist Boards' Staff Pension and Life Assurance Scheme

Key information



A Guide for members



ABOUT THIS GUIDE

This guide has been prepared by the Trustees of the British Tourist Boards' Staff Pension and Life Assurance Scheme (the "Scheme"). It sets out a summary of the main benefits provided in the Scheme.

More detailed information, including a series of factsheets, can be obtained from the Scheme's website at:

www.btbpensionscheme.org.uk

or by contacting the administrator, Buck at:

British Tourist Boards Staff Pension and Life Assurance Scheme
Buck (Ipswich), PO Box 323,
Mitcheldean, GL14 9BL

Email: btb@buck.com

Tel: 01473 293 474

CONTENTS

Introduction	3
How can I join the Scheme?	4
What are the main benefits?	5
When can I take my benefits?	7
What happens if I die?	8
How much does it cost?	9
How do I increase my benefits?	10
What happens if I leave the Scheme?	11
Will I receive any State benefits?	12
Auto Enrolment	13
Important information	14
How do I contact the Scheme?	15
Other useful contacts	16
List of detailed factsheets available	17

Introduction

The purpose of the Scheme is to ensure that all members receive a pension at retirement, part of which may be exchanged for a tax free lump sum. Benefits may also be paid if you are unable to work due to ill health.

If you die either before or after retirement, benefits will be payable to your dependants.

In addition to the benefits you build up in the Scheme, you will also earn State pension benefits. Please note that State pension benefits are changing. See page 12 for further details.

It is important to save towards a pension to ensure that you are able to achieve an adequate standard of living when you retire. As a member of the Scheme, your employer will make a significant contribution towards your pension saving.



When reading this guide please look out for the following symbols:



This means more detailed information is available in the factsheets provided on the Scheme's website



This means you may need to complete a form to receive the appropriate benefits

BTB Pensions

& your benefits

How can I join the Scheme?

New membership of the Scheme is only available to current employees of VisitScotland. If you work, or previously worked for, VisitBritain, the Welsh Assembly Government or VisitLondon, you may have benefits in the Scheme but you can no longer contribute and increase your benefits

In order to join the Scheme you will need to complete an Application Form and return it to your Human Resources Department. You will need to provide a copy of your birth certificate and, if you are married, you will also need to provide your marriage certificate and spouse's birth certificate.



see [Membership factsheet](#)



You can be a member of the Scheme at the same time as contributing to other pension arrangements in certain circumstances.

You should always check with your financial advisor before joining the Scheme if you intend to continue paying into a personal pension or stakeholder pension.



please complete an [Application Form](#)

What are the main benefits?

PENSION

Your pension will be equal to 1/60th of your final salary for each year of contributory service up to the date you retire, or the date you leave the Scheme if earlier. This means that the pension you receive depends on how long you have been a member of the Scheme and your final salary at retirement (or date of leaving if earlier).

For example, a member with 5 years of service and a final salary of £30,000 at retirement will receive an annual pension of:

$$1/60 \times £30,000 \times 5 = £2,500.$$

Your pension may increase in payment as protection against cost of living increases. Please see 'Pension Increases' on the following page for more details.



TAX FREE LUMP SUM

When you retire you will have the option to give up some of your pension in exchange for a tax-free cash lump sum. The maximum tax-free cash sum is 25% of the value of your pension.

Please see page 8 'How do I calculate my retirement benefits?' for more information.



[see Factsheet 3 - Your Retirement Benefits](#)

What are the main benefits? (continued)



PENSION INCREASES

To protect your benefits against cost of living increases, your pension will be adjusted each year after you retire to reflect increases in inflation.

The precise increase you receive will depend on the period over which you built up your pension in the Scheme. This is because different elements of your pension increase at different rates after retirement.

If you leave the Scheme, your pension will be adjusted each year to reflect increases in inflation.

 [see Factsheet 6 - Pension Increases](#)

DEATH BENEFITS

If you die either before or after retirement, a pension will be payable to your dependants. In addition, a lump sum may be payable.

The Trustees are responsible for the payment of benefits in the event of your death. They will carefully consider your wishes before any payment is made.

 [see Factsheet 7 Death Benefits](#)

 [complete an Expression of Wish form](#)

ILL-HEALTH BENEFITS

If you are not able to work due to ill health you may be able to receive a pension before your normal retirement age.

 [see Factsheet 11 - Incapacity and Ill-Health Benefits](#)

When can I take my benefits?

Your Normal Retirement Date ('NRD') in the Scheme is the day before either your 60th or 65th birthday depending on when you joined the Scheme.

If you joined the Scheme before 1 October 2006 your NRD is the day before your 60th birthday.

If you joined the Scheme on or after 1 October 2006 your NRD is the day before your 65th birthday.

LATE RETIREMENT

You can choose to take your benefits after your NRD. If you do, your pension may be increased to take into account the expected shorter period of payment. The maximum age for late retirement is 75.

There may be additional flexibilities available, subject to consent from the Trustees and your employer.

 [see Factsheet 9 - Late Retirement](#)



EARLY RETIREMENT

If you take your benefits before your NRD they will be based on your service and salary up to the date of early retirement. In most circumstances the pension you receive before your NRD will be reduced to take into account the longer period that the pension is expected to be paid for. The minimum age for early retirement is 55 except in circumstances of ill health.

If you retire early due to ill health or incapacity, your benefits may not be reduced.

 [see Factsheet 8 - Early Retirement](#)

 [see Factsheet 11 - Incapacity and ill health benefits](#)

What happens if I die?



DEATH BEFORE RETIREMENT

If you die while still in Scheme service, a tax-free lump sum of three times your salary at the date of your death is payable. A refund of your contributions to the Scheme and the accumulated value of your AVC account will also be paid to your estate.

In addition, if you are married or have a civil partner, your spouse or partner is entitled to receive a portion of the pension you would have received if you retired on your date of death.

The Trustees are responsible for the payment of benefits in the event of your death. They will carefully consider your wishes before any payment is made. To assist the Trustees in their considerations it is vital that you complete, and keep up to date, an expression of wish form.



[see Factsheet 7 - Death Benefits](#)

DEATH AFTER RETIREMENT

If you die after your pension has started, a pension will be paid to your spouse or civil partner. The pension paid will be equal to a portion of your own pension before any reduction for the cash lump-sum was applied.

If you die within five years of your pension starting then a lump sum may be payable. This will be equal to the payments you would have received during the remainder of that five year period.

The Trustees are responsible for the payment of benefits in the event of your death. They will carefully consider your wishes before any payment is made. To assist the Trustees in their considerations it is vital that you complete, and keep up to date, an expression of wish form.



[complete an **Expression of Wish form**](#)

How much does it cost?

CONTRIBUTIONS

Your contribution rate to the Scheme is 5% of Pensionable Salary. You will benefit from tax relief on the contributions paid, which means that the impact on take home pay is lower for most members.

Your employer makes a significant contribution to the Scheme to meet the balance of the cost of benefits you earn in the Scheme each year. Your employer also meets the cost of running the Scheme and funding any shortfall (the difference between the amounts of money held in the fund and the cost of providing all benefits that members have built up in the Scheme).

 [see Factsheet 4 - Contributions](#)



PAY MORE TO GET MORE (ADDITIONAL VOLUNTARY CONTRIBUTIONS OR 'AVCs')

You can increase your benefits by paying either 'Added Years' AVCs or 'Money Purchase' AVCs. More information is provided on the next page. You should seek Independent Financial Advice if you are in any doubt about how to approach your retirement planning. More information is provided on the following page.

 [see Factsheet 5 - Topping up](#)

 [complete an Added Years AVC form](#)

 [complete a Money Purchase AVC form](#)

How do I increase my benefits?

It is important to note that there is an annual allowance limit on pension savings which, if breached, could result in a tax charge. By paying additional contributions you will be increasing your pension savings and may exceed this annual allowance.

ADDED YEARS AVCs

The Scheme is a good way of saving towards your retirement. By paying added years AVCs you can buy additional service in the Scheme which will increase the level of your benefits at retirement. You will get tax relief on any extra contributions you pay since they will be classed as 'pensions savings'.

You can also pay extra contributions to other pension arrangements if you wish.



[complete an AVC form](#)



[see Factsheet 5 - Topping Up Your Benefits](#)

WHAT OTHER BENEFITS DO YOU HAVE?

In addition to your Scheme benefits you also have State pension benefits and you may have pension benefits in other arrangements, for example with previous employers.

You should check that your total pension from all sources is on target to provide you with an adequate level of income when you retire.

MONEY PURCHASE AVCs

The Scheme includes a facility for members to pay AVCs and build up an account which can be used to top up the benefits payable from the Scheme when you retire. You will have control over how your account is invested so you can take into account your target retirement age and risk appetite. Unlike Added Years AVCs, you can change the amount you pay into your account from time to time or you can stop and restart making contributions if you find it necessary to do so. You will get tax relief on any AVCs you pay.



[complete an AVC form](#)



[see Factsheet 5 - Topping Up Your Benefits](#)

What happens if I leave the Scheme?

There are a number of options available to you if you leave the Scheme, e.g. because you have left employment or because you opt out of the Scheme.



see Factsheet 10 - [Transfers and Early Leavers](#)

1. DEFERRED BENEFITS

If you have completed at least two years' service, you can leave your pension in the Scheme until you decide to retire.

Between your date of leaving and the date your benefits come into payment, your 'deferred' pension will increase. If you have a Money Purchase AVC account this will remain invested until you retire.

2. REFUND OF CONTRIBUTIONS

If you have less than two years' service your contributions will be refunded to you. Your refund will include interest.

You will also be refunded the value of your AVC account.

Your total refund will be reduced to allow for the tax you would have otherwise paid.

3. TRANSFER

You can transfer your benefits to another approved pension arrangement.

If you are considering a transfer it is important that you take independent financial advice.

Further information



see Factsheet 10 - [Transfers and Early Leavers](#)

The following websites may be useful if you need independent advice:

www.unbiased.co.uk

www.findanadviser.org

Will I receive any State benefits?

The Scheme is a contracted out pension scheme. This means if you reach State Pension Age before April 2016 you will receive the Basic State Pension from the Government, but you will not receive the State Second Pension in respect of the period during which you were a member of the Scheme.

If you reach State Pension Age after March 2016 you will receive some or all of the new Single State Pension.



[see Factsheet 13 - State Benefits](#)



SINGLE STATE PENSION

The Government plans to merge the Basic State Pension and the State Second Pension into a Single Tier State Pension. This new system will start in April 2016.

More information on the State Pension and proposed changes can be found on the government's website:

www.gov.uk/browse/working/state-pension

NATIONAL INSURANCE CONTRIBUTIONS (NICs)

From April 2016 the Scheme stopped being a contracted-out scheme and as a result all contributing members pay the standard rate of National Insurance contributions.

Auto enrolment

Employers must provide a pension arrangement for all eligible employees that meet the eligibility requirements set out by the Government.

WHAT IS AUTO ENROLMENT?

Starting in October 2012, new regulations require every employer in the UK to automatically enrol the vast majority of their employees into a suitable pension arrangement.

For a pension arrangement to meet the Government's auto enrolment requirements a number of criteria must be met including employer and employee contribution levels, regulation of the scheme and how benefits accrue to members.

VisitBritain previously used The Scheme to meet its auto enrolment obligations but this is no longer the case. VisitScotland does not use The Scheme to auto-enrol its employees. Membership of The Scheme is only available where a VisitScotland employee opts to join.



HOW DOES AUTO ENROLMENT AFFECT ME?

If you work for **VisitScotland** and have not applied to join the Scheme you will be automatically enrolled into a different pension arrangement run by VisitScotland.

If you are affected by auto enrolment, your employer will contact you with full details and you should read this information carefully before making a decision on the options available to you. You may also wish to take independent financial advice.

Important information

TAX

In the UK, pension contributions are exempt from tax and so is any lump sum you take at retirement - subject to the Her Majesty's Revenue and Customs (HMRC) limits. You will however pay tax at your marginal rate on your pension when it comes into payment. You may also be liable for tax charges if the pension benefits you build up breach the annual or lifetime allowance limits set by HMRC.

More details on the annual and lifetime allowance limits set by HMRC can be found via their website at www.hmrc.gov.uk/rates/pensionschemes

It is important that you seek independent financial advice in relation to your retirement planning. The relationship between tax and pension saving can be complex, and an independent financial advisor will be able to assist you.



DATA PROTECTION

The Trustees of the Scheme will use your personal information (including any sensitive personal data) in accordance with the Data Protection Act 1998.

The information will be used in connection with Scheme administration, servicing, risk assessment, fraud prevention and regulatory purposes.

The Trustees may need to disclose your information to our service providers (including the Trustees' advisors, the sponsoring employer or HMRC and as we are otherwise required by law to do.

Please note that you have a right to apply for a copy of the personal information we hold (for which a fee may be charged) and to have any inaccuracies corrected.

How do I contact the Scheme?

SCHEME QUERIES

If you have any questions relating to your benefits please contact the Scheme administrator, Buck Employee Benefits, by email at:

btb@buck.com

SCHEME COMPLAINTS

We have a formal procedure for dealing with member disputes and complaints.

In the first instance, if you have a problem or complaint relating to the Scheme, please write to the Scheme administrator using the contact details provided.



SCHEME DOCUMENTS

Copies of all Scheme documents are available on request.

SCHEME RULES

Your legal rights are governed by the Trust Deed and Rules of the Scheme and any overriding legislation.

Should there be any differences (e.g. due to the introduction of new legislation) please note that your legal rights override the Trust Deed and Rules and the content of this guide.

Other useful contacts

THE PENSIONS REGULATOR

Is the regulatory body responsible for enforcing the law on occupational pension schemes such as the Scheme. Its address is:

The Pensions Regulator
Napier House
Trafalgar Place
Brighton BN1 4DW
Tel: 0845 600 0707

www.thepensionsregulator.gov.uk

THE PENSIONS OMBUDSMAN

May investigate any complaints or disputes of fact or law with respect to an occupational pension scheme. Its address is:

The Pensions Ombudsman
11 Belgrave Road
London
SW1V 1RB
Tel: 0207 630 2200

www.pensions-ombudsman.org.uk



PENSIONS ADVISORY SERVICE

May assist members and beneficiaries with any unresolved pension queries. Its address is:

TPAS
11 Belgrave Road
London
SW1V 1RB
Tel: 0845 601 2923

www.pensionsadvisoryservice.org.uk

PENSION TRACING SERVICE

Is a central register to help people trace details of pension schemes they may have lost contact with. Its address is:

Pension Tracing Service
The Pension Service 9
Mail Handling Site A
Wolverhampton WV98 1LU
Tel: 0845 6002 537

www.gov.uk/find-lost-pension

List of detailed factsheets available



1. Definitions
2. Membership
3. Your retirement benefits
4. Contributions
5. Topping up your benefits
6. Pension increases
7. Death benefits
8. Early retirement benefits
9. Late retirement benefits
10. Transfers and early leaver benefits
11. Incapacity and ill health benefits
12. Divorce
13. State benefits