



PensionsLine

Step into your future

Defined Benefit (DB) Section

February 2025

HELLO

Welcome to our winter newsletter. We hadn't finalised the 31 March 2024 valuation by the time this issue went to print, so we'll write to you again with the results, possibly in the summer.

The pensions landscape continues to evolve, with changes in regulation and the introduction of new innovations such as the government-backed Pensions Dashboards requiring scrutiny and input from the Trustee.

During the year, the Fund was required to prepare an updated report setting out its approach to mitigating the risks of climate change in respect of the Fund's investments. This is sometimes called a climate change or TCFD report (because it is based on the recommendations of the TCFD – Taskforce on Climate Related Financial Disclosures). If you'd like to know more, you can see the latest report at www.rochepensionfund.co.uk

It remains important that the information we hold for you is up to date, to ensure we can get in touch with you should we need to. Please contact WTW when your circumstances change, using the details provided on the back page.

We hope you find this report useful and interesting. If you have any topics you'd like us to cover in a future issue, please get in touch with the Trustee through the Secretary to the Fund: rochepensions@qallp.co.uk

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FACTS & FIGURES

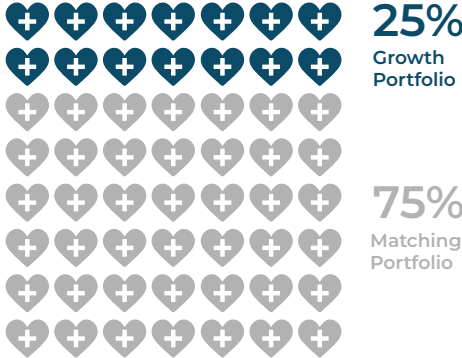
The Trustee prepares a full set of financial statements each year, setting out the payments into and out of the Fund during the financial year. You can request a copy of the accounts from the Secretary to the Fund (rochepensions@qallp.co.uk) but we've provided a few highlights here.

	
2024	2023
Active members 0	Active members 146 (up to 30 June 2023)
Deferred members 2,266	Deferred members 2,227
Pensioners 2,360	Pensioners 2,398

DB Section assets	2024: £750m	2023: £760m	2022: £1,051m
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The DB Section paid out over £30 million in pensions in the 12 months to 31 March 2024.

The Fund's assets are currently divided between a 'Growth Portfolio', invested in a wide range of assets including equities, and a 'Matching Portfolio', which aims to provide protection against changes in interest rates and inflation. The current target is for there to be a 25%:75% split between the Growth and Matching Portfolios, but the Trustee reviews the investment strategy after each valuation, so this may change.



The Growth Portfolio achieved a return of 6.7% over the year to 31 March 2024.

FUND NOTICEBOARD

Update on Trustee selection

We wrote to eligible members last month about some vacancies on the Trustee board, asking members to apply to become Member Nominated Directors. We're currently reviewing all the nominations and will update you with our decision in due course.

An update on Pensions Dashboards

Pension schemes are all working to connect to the new Pensions Dashboards framework. When launched, the Dashboards will enable non-retired members to see information online about all their retirement savings, across all schemes, as well as track down any lost pension pots.

It's really important that the DB administrator, WTW, holds correct information for you so that the dashboard can connect properly to all your benefits held with different providers. Please let them know if you move home or if you have a change of name.

A note about transfers

Deferred members have the option to transfer their benefits to an alternative pension arrangement, as long as they have not started taking a pension from the Fund.

A transfer is an irreversible decision, and while it may be attractive to some members, it's not right for everyone. Please take authorised financial advice before proceeding with a transfer. If your Fund benefits are valued at £30,000 or higher, you will have to prove you have taken authorised advice before a transfer can take proceed.

The Company will pay for you to receive advice on your retirement decisions from Origen Financial Services (see page 5 for further information). Alternatively, you can use your own adviser or search for an adviser on the MoneyHelper website at www.moneyhelper.org.uk. If you use your own adviser, you will need to meet the cost of this yourself, as the Company will only pay for advice from Origen Financial Services.

Paid-for financial advice

Deciding how and when to take your pension, and any other decision about your retirement, needs careful thought and planning. Financial advice from an expert can help.

To help you plan for your retirement and make decisions about when and how to take your pension from the Fund, the Company has appointed Origen Financial Services (Origen).

If you're a UK resident, not yet in receipt of your pension and aged 55 or over, the Company has paid for Origen to provide you with one session of impartial financial advice.

Origen is completely independent from the Fund, however its advisers have been specifically trained on how the Fund benefits work. The Company pays for this service to help you make the right choices about your retirement savings. Origen's fees are not dependent on any retirement decisions you make.

If you meet the eligibility criteria set out above and would like to arrange a meeting with Origen, you can contact them using the details below.



Online

roche.origenportal.co.uk/register (Pin code: 2283)



Telephone

0800 141 3972



Email

RochePension@origenfs.co.uk

Changes ahead for inherited pensions

In the autumn 2024 budget, the chancellor announced that certain types of pension payments will form part of an individual's estate for inheritance tax purposes from April 2027.

This means that pension lump sums can no longer be passed on tax free to your beneficiaries but will be added to the rest of your estate: property, money, possessions, etc. when working out if any inheritance tax is due.

The rules are complex, and a government consultation is under way to determine how this new approach will be put into practice.

In the meantime, if you're not married or in a civil partnership, you should continue to keep your Nomination form updated, letting the Trustee know if you have any requests regarding the payment of a dependant's pension after your death. You can download a form from the member website, www.rochepensionfund.co.uk

YOUR RETIREMENT OPTIONS



Let's cut the jargon

The pensions industry has a bit of a reputation for using jargon – and sometimes different providers use different words for the same thing, which can make it even more confusing. Here are a few terms you might come across if you're looking into your retirement options in the Fund. If you would like a further explanation or wish to understand these options for your particular situation, Origen will be able to help (see page 5 for further info).

BRIDGING PENSION OPTION (also known as *levelling option* or *stepped pension*)

The bridging pension option is open to most members taking their pension from the Fund before their State Pension Age (SPA). This enables members to receive a higher pension from the Fund until they reach their SPA. If the government makes changes to the SPA between when a member retires and when their State Pension comes into payment, the bridging pension will cease at the SPA that was in force when the member retired. They then receive a smaller pension from the Fund afterwards. The overall effect is that you have a smoother total pension income during retirement.

TAX-FREE CASH (also known as *pension commencement lump sum* or *PCLS*)

Under current rules, you can exchange up to 25% of the value of your benefits as tax-free cash. This amount includes any AVCs you may have or any contributions in your Bonus Choice account.

The actual calculation of your maximum tax-free cash is complex. You'll receive a retirement pack from WTW as you approach retirement, setting out how much this could be.

You don't have to take tax-free cash if you don't want to. For instance, if you want a higher Fund pension at retirement, you might decide to take a lower amount (or none) as tax-free cash.

Some deferred members may decide to transfer their Fund pension to another provider, where they can access their benefits more flexibly. Here are some of the terms you may come across if you're considering this.

DRAWDOWN (also known as flexi-access drawdown)

If you transfer your pension out of the Fund, this is one of the options for using the money flexibly. Once you've taken your chosen amount of tax-free cash and transferred the rest of the money into a drawdown account, it remains invested. You take an income from it when it suits you. Any withdrawals will be taxed as income at your marginal (highest) rate.

When you take the first payment from your drawdown account, this will trigger the money purchase annual allowance (MPAA). This limits the amount you can contribute into a pension and receive tax relief on to £10,000 a year.

ONE-OFF CASH LUMP SUM (also known as uncrystallised funds pensions lump sums or UFPLS)

This is an option that allows you to take your benefits as lump sum payments. You would need to transfer your pension out of the Fund in order to access this option. The first 25% of each payment is usually tax free (subject to HMRC limits), and the balance is taxed as income at your marginal (highest) rate. A large payment could push you into a higher tax bracket.

ANNUITY (also known as a guaranteed retirement income or pension)

An annuity is essentially a regular income (pension) you get in exchange for a lump sum payment to an insurance company (having first taken your tax-free cash). However, unlike your Fund pension, you can tailor an annuity to suit your requirements. For example, if you don't need a pension to be paid to your spouse on your death, the pension you receive might be higher. Or if you're in poor health, your annuity payments might be higher than the income you'd receive from the Fund.

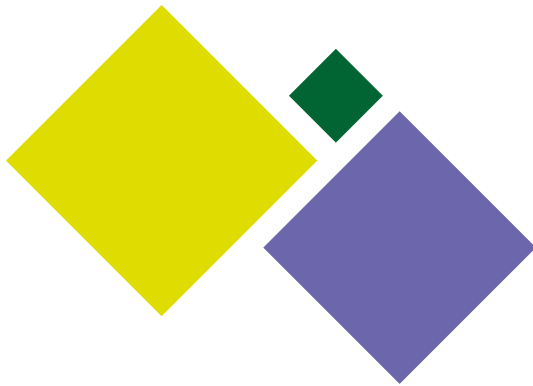


WAYS TO GET IN TOUCH

If you have a question about your pension, you can pick up the phone to talk to the admin team or send an email and someone will get in touch.

✉ Email: rochepensions@wtwco.com

☎ Call: 01707 607 608



Stay alert to scams

Scammers continue to target pension savers, so please be very wary if anyone approaches you out of the blue to discuss your pension.

DON'T...

- ✘ be rushed or pressured – take the time to make all the checks you need. If a deal sounds too good to be true, it probably is.

DO...

- ✔ reject unexpected pension offers – a free offer out of the blue is probably a scam
- ✔ check who you're dealing with by using the Financial Conduct Authority's financial services register <https://register.fca.org.uk>
- ✔ get impartial advice – MoneyHelper provides free, independent information and guidance www.moneyhelper.org.uk

Find out more at www.fca.org.uk/scamsmart

