



# PensionsLine

Step into your future



Defined Benefit (DB) Section

August 2024

# WELCOME

A warm welcome to the summer issue of *PensionsLine*, the newsletter for defined benefit (DB) members of the Roche Pension Fund.

Pensions are constantly evolving and there may be changes that affect your membership, so it's important to keep up to date with what's happening.

This issue provides some details about changes affecting the tax treatment of lump sums paid from the Fund, either on retirement or death (see page 6). We've also included an article to help you spot the warning signs of a pension scam (page 7) and an update on the recent exercise to equalise men and women's benefits following a High Court ruling in 2018.

The Pensions Regulator recently introduced a new code to which all pension scheme trustees must adhere. We're pleased to say the Fund is already largely compliant with the new General Code of Practice, and your pension continues to be managed, administered and governed to the highest standards.

Finally, we welcome any suggestions you have for future topics and information you would like to hear more about – please contact WTW with any comments using the details on the back page.

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# 2024 VALUATION

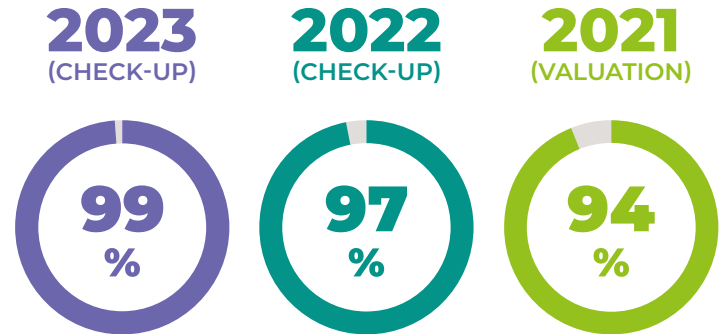
An actuarial valuation is a check on the financial health of the Fund which happens every three years. The 2024 valuation is currently in progress, so we won't send you a summary funding statement this year.

A valuation is a complex project that can take many months to complete. It involves a specialist called the Fund Actuary who analyses risk and uncertainty to work out how much money the Fund needs today to be able to pay out all the future pensions that have been promised to members.

In simple terms, the Fund's assets (contributions and investments) are compared with the value of its liabilities (the benefits due to members). If there's a funding shortfall (where the assets don't cover the liabilities), the Trustee and the Company need to agree the steps to be taken to 'top up' the Fund's assets. This may mean the Company is asked to pay more into the Fund.

In the years between valuations, the Fund Actuary carries out less detailed check-ups on the funding level, using the same assumption principles that were agreed for the main valuation.

## Funding level (%)



*Our last funding check-up in 2023 showed that the Fund's assets covered 99% of the liabilities. We'll write to you when the results of the 2024 valuation are known.*

# FUND NOTICEBOARD

## Who gets your pension if you die?

Whether you have many years to retirement or are drawing your pension, completing an Expression of Wish form is very important.

The Trustee regularly needs to make decisions on who to pay benefits to in the event of a member's death. The benefits are held under trust and do not automatically become part of a member's wider estate. This can be challenging when members have not provided any indication of who they would like us to consider.

You can help the Trustee by regularly reviewing and updating your Expression of Wish form – even where the person(s) you are nominating is not changing. This reconfirms your decision, making it easier for the Trustee to determine what your wishes would be.

You can download the form from the Roche pensions website ([www.rochepensionfund.co.uk](http://www.rochepensionfund.co.uk)) or ask WTW to send you a copy.



## GMP update

We're pleased to say that the project to implement equalised Guaranteed Minimum Pensions (GMPs) at retirement has been completed. We've implemented the method we felt was the best option for managing this process and updated the Fund's retirement paperwork, so all retirement packs and quotations will reflect the changes.

If you're a deferred member, this means we'll review your Fund benefits when you retire (or transfer them out of the Fund, if earlier) and address any historical GMP inequality at that point. As part of this, we will convert your GMP into a different form of pension. Your retirement pack will confirm any resulting change to your benefits.

The starting level and overall expected value of your pension will not be reduced. In some cases, this could result in an increase to your pension due to the historical GMP inequality adjustment (if such an adjustment is required).

The bulk GMP equalisation and GMP conversion exercises for current pensioners is also largely complete, and the final tranche of members will be processed and written to this year.

## Mind the gap

As mentioned in an earlier issue of *PensionsLine*, the Trustee has introduced a 'bridging pension' option at retirement. For members who retire early, this gives you the opportunity to take a higher pension from the date you retire up until the date you are due to receive your State pension, with a lower pension payable after that date. It can therefore provide you with a smoother total pension income, 'bridging' the gap between your pension from the Fund and your State pension when that begins to be paid.

If you're eligible for this option, you'll receive full details in the run-up to your retirement.





# PENSIONS NEWS

## Lump sum limits

The government has replaced the Lifetime Allowance (LTA) with two new lump sum limits. These probably won't apply to most members but if you think you may be affected, you should consider taking financial advice.

You can usually take up to 25% of your pension savings as a tax-free lump sum. The new Lump Sum Allowance (LSA) limits this to £268,275, unless you have previously applied to HMRC for LTA protection (in which case a higher limit may apply).

There is also the Lump Sum and Death Benefit Allowance (LSDBA), which restricts the amount of lump sum and death benefits that can be paid tax free from all registered pension schemes to £1,073,100 (unless you have LTA protection, in which case a higher limit may apply).

Please visit our new member website for further updates on these limits: [www.rochepensionfund.co.uk](http://www.rochepensionfund.co.uk)

## Pensions dashboard faces delays

Despite hopes that the pensions dashboard would be launched by now, the timetable has been pushed back to give the pensions industry more time to get ready for this major project.

When it's launched, the dashboard will provide a single place where you can get information about all your pension savings across all schemes, as well as track down any lost pension pots. The project has been given a new connection deadline of 31 October 2026, so many schemes – including ours – are working hard to get everything ready before then.



## Think you can't be scammed?

Scammers will use a variety of psychological tactics to push your buttons and get what they want, so it's important you remain vigilant against these attempts to persuade you. Common tactics used by scammers include:



**Using a voice of authority and trust:** they'll often pretend to be from well-known organisations, including government departments, because people are more likely to take notice of a name they're familiar with or something that sounds 'official'.



**False urgency:** they'll often make threats of fines or negative consequences if you don't act quickly. Anyone who tries to rush you into a decision should not be trusted.



**Current events:** sometimes, fraudsters will exploit current news stories, big events or specific times of the year (such as tax deadlines) to make their approach seem more relevant and genuine. If a message seems unusually timely, it could be a scam.

Fraud can come in all shapes and sizes, and many scammers will use a mixture of the above tactics to steal your hard-earned savings.


You can find more information about pension scams and how to avoid them at [www.fca.org.uk/scamsmart](http://www.fca.org.uk/scamsmart)


## General code

A new set of governance requirements from the Pensions Regulator, called the General Code of Practice (the Code), came into force in March 2024. The Trustee and its advisers reviewed the Fund's governance against the Code, and we're pleased to say that the way we run the Fund is already largely compliant with it due to the strong governance structure in place. Where there are shortcomings, the Trustee is working with its advisers to address them.

# WAYS TO GET IN TOUCH

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

 **Email:** [rochepensions@wtwco.com](mailto:rochepensions@wtwco.com)

 **Call:** 01707 607 608

 **Member website**  
**[www.rochepensionfund.co.uk](http://www.rochepensionfund.co.uk)**  
(no login required for this general member website)

## Don't be a stranger

If you no longer work for Roche, remember to tell WTW if your contact details change. Current employees can update their details through My Total Roche.

