

## Orbit Group Defined Benefit Pension Scheme

# Useful Information

### About the Scheme

The Orbit Group Defined Benefit Pension Scheme is a defined benefit (DB) pension scheme. It is closed to accrual. This scheme applies to former members of the Social Housing Pension Scheme (SHPS) who had accrued DB benefits whilst employed by any of the following employers:

- Orbit Housing Group
- South Warwickshire Housing Association
- Heart of England Housing Group Limited

### How is my deferred pension calculated?

A deferred pension is a benefit calculated for you on leaving pensionable service. It is based on the pensionable service you completed as a member of the Scheme, the benefit structure in which you built up pension and your pensionable earnings.

For your period of membership in the Final Salary 60ths benefit structure you will receive a pension of:

$1/60\text{th} \times \text{pensionable service} \times \text{final pensionable earnings}$

### How does my deferred pension increase?

For pensions built up before 1 April 2013, the increases will be based on the Retail Prices Index (RPI), with a maximum increase of 5%.

For pensions built up between 1 April 2013 and 31 March 2016, the increases will be based on the Consumer Prices Index (CPI), with a maximum increase of 5%.

For pensions built up after 1 April 2016, the increases will be based on CPI, with a maximum increase of 2.5%.

### When can I retire?

The Normal Retirement Age of the Scheme is 67 (for benefits accrued post 1 April 2016). For benefits accrued pre 1 April 2016, the Normal Retirement Age is 65. Any benefits built up pre 01 April 2002 can be taken unreduced at age 60.

You can take your pension at any time between age 55 and 75. If you take your pension before Normal Retirement Age, it will normally be reduced to reflect early retirement.

If you take your benefits after the Normal Retirement Age, your pension will be increased for late payment.

If you joined the Scheme before 6 April 2006, you have a 'Protected Pension Age' of 50. You may take your pension benefits between ages 50 and 55 if you have a Protected Pension Age and have left the employment to which your membership relates.

### **What options do I have when I retire?**

When you retire, you can take your benefits as a pension or take a tax free lump sum and a lower pension.

Depending on the size of your pension, you may have the option to take everything as a one-off taxable lump sum. We will let you know if this is available to you when we provide your retirement quotation.

Please contact us if you need further information or any quotations.

### **Transfer of your benefits**

You can also transfer your benefits to another approved pension arrangement.

Please contact us if you need further information or a quotation.

### **How will my pension be paid?**

All pensions are paid direct to your bank account and are paid in advance, every three months, on 6 April, July, October and January.

Your first payment will be made shortly after either the date your pension was due to start, or the date TPT receives the appropriate forms if later, and will cover the period from your retirement date to the next quarterly payment date.

Any tax payable is deducted from your payment as instructed by HMRC.

### **Will my pension increase?**

Pensions are reviewed each year and any increase granted is applied on 6 April. Increases are based on the rise in the Pensions in Payment Index each January. If the change in that index is zero or negative then the pension will remain the same; it will not be reduced.

### **What if I am ill?**

If you are in ill-health now, or become so in the future and you are unable to work, you could apply for an ill-health pension.

**Please note:** payment of your pension on these grounds would be subject to medical evidence. Please contact us for further information.

## What will happen to my pension when I die?

### Survivors Pension

A pension is payable to your survivor for the rest of their life. On death before retirement, this pension is 50% of the value of the pension you would have received at the date of your death. On death after retirement it is 50% of your pension, calculated on your full pension before you took any Pension Commencement Lump Sum (PCLS) and including increases in your pension.

The survivor's pension would generally be paid to your spouse or partner. If your nomination is not for your spouse or partner and you wish to check if they are eligible, please contact us.

In addition, there are children's pensions payable to up to four children, with a value of 12.5% of your pension as detailed above. These are payable up to age 18 (or 22 if in full-time education).

Please note that if you joined the Scheme before 1 October 1997 a full survivor's pension will only be provided if you paid full-rate contributions. For any period when you paid reduced rate contributions only the statutory minimum spouse's pension will be payable.

### Lump sum

If you die before taking your benefits, a lump sum equal to the contributions you paid into the Scheme, plus interest, would be payable.

If you die within five years of taking your pension, the pension payments for the remainder of those five years would be paid as a lump sum.

You can nominate one or more person or organisation for the lump sum.

The lump sum death benefits are payable at the discretion of the Trustee. Under current legislation, this means that they do not form part of your estate for inheritance tax purposes. You can help the Trustee by completing a Nomination Form, detailing the beneficiaries you would like to be considered.

### Contact us

Our scheme specific contact details can be found at: <http://www.tpt.org.uk/contact-us/members>. For general enquiries, please contact us using the details below.

Email: [enquiries@tpt.org.uk](mailto:enquiries@tpt.org.uk)

Telephone: **0113 394 2551**