

The United Reformed Church Final Salary  
Scheme

# A Guide for Members



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The United Reformed Church Final Salary Scheme (the Scheme) provides benefits related to your earnings and the length of your membership.

This guide gives general guidance only, and it should not be regarded as a complete or authoritative statement on the formal Trust Deed and Rules.

The Scheme is administered by TPT Retirement Solutions. Should you have any queries or require further clarification or detailed information about your own benefits you should contact:

Retirement Solutions Team 3  
TPT Retirement Solutions  
Verity House  
6 Canal Wharf  
Leeds  
LS11 5BQ

Telephone: **0113 394 2552**  
Email: **[enquiries@tpt.org.uk](mailto:enquiries@tpt.org.uk)**  
**[www.tpt.org.uk](http://www.tpt.org.uk)**

All of the forms referred to in this guide can be downloaded from TPT's website at **[www.tpt.org.uk](http://www.tpt.org.uk)**

**August 2024**

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# The Scheme

## **Can I join the Scheme?**

No, the Scheme was closed to new members and to any further accrual of benefits for existing members after 28 February 2023. Members who were active members of the Scheme at 28 February 2023 will have their benefits retained in the Scheme and a link to their pensionable earnings will be maintained whilst they remain in the employment of United Reformed Church and other participating employers in the Scheme.

## **How much do I pay?**

Since the Scheme closed to any further accrual of benefits after 28 February 2023, no further member contributions are payable.

## **How much does my employer pay?**

Even though the Scheme is now closed, if required, your employer will pay contributions to pay off any deficit during any period where the potential liabilities of the Scheme are greater than the assets. These contributions are calculated by the Scheme Actuary.

When a pension scheme is in deficit, it will have reported this to The Pensions Regulator and have put in place a plan with the sponsoring employer to pay this off within a specific timescale. This does not mean the Scheme is going to fail and does not affect the benefits you will receive from the Scheme. The plans put in place to rectify any deficit are designed to reduce the shortfall over an agreed period.

## **Can I transfer-in benefits from a previous scheme?**

No, the scheme does not accept transfers in from members' previous pension arrangements.

# Leaving

## **Paid up pension**

If you were an active member of the Scheme at 28 February 2023, you will not accrue further pensionable service after this date and your pension will be classed as 'paid up'. This differs from a deferred pension, as whilst you remain employed by United Reformed Church your pension will continue to be linked to your pensionable earnings, unless the Scheme's usual method of revaluing pensions in deferment produces a higher amount. Revaluation of deferred pensions is explained below.

When you leave employment or retire, your paid up pension is calculated using your final pensionable earnings (see 'Definitions') and the pensionable service you had completed to 28 February 2023. Again, if the revalued deferred pension gives a higher figure, you would be entitled to the higher amount.

We appreciate that the above information is complex and will be happy to answer any questions you may have when you leave employment or retire.

## **Deferred Pension**

You may have a deferred pension if you left the Scheme before 28 February 2023, or were active at that date and left employment at a later date (at which point your paid up pension would then have become a deferred pension). As explained above, if you have a paid up pension, but calculating it as a normal deferred pension produces a higher amount of pension, we will do so.

Your deferred pension will increase in value until it is paid to you at retirement.

## **What is a deferred pension?**

A deferred pension is a benefit calculated for you based on the Scheme formula (see section on 'Retirement' below). You can apply for early payment of the deferred pension any time after age 55, or from 50 if you have a Protected Pension Age (see 'Definitions') and satisfy the relevant conditions.

## **How does my deferred pension increase?**

Before payment commences your pension in respect of service from 1 April 2010 will be increased by the lower of 2.5% a year or the increase in inflation (currently based on the Retail Price Index (RPI) – see Definitions section).

Pension in respect of service in the Scheme between 1 April 2005 and 31 March 2010 will increase in deferment by the lower of 5% a year or the increase in inflation (currently based on RPI).

Pension in respect of service prior to 1 April 2005 will increase each year by 5%.

## **Transfer of your benefits**

You may transfer your benefits to another pension arrangement (such as your new employer's pension scheme or to a personal or stakeholder pension plan) at any time after you leave the Scheme, but before you start to receive your pension.

Defined Benefit (DB) transfer values are calculated as the best estimate of the cash sum that would need to be invested in order to reproduce your benefits at retirement. A Statement of Entitlement to a guaranteed Cash Equivalent Transfer Value (CETV) of your benefits will be provided on request. You will need to pass the information provided to the administrator of your new pension arrangement to investigate if the transfer can proceed.

Please be aware that members are entitled to one cash equivalent transfer value free of charge in every 12 month period. Further transfer values can be provided on request but there will be a charge for each additional one issued in any 12 month period. A new transfer value will be guaranteed for three months and will immediately supersede any previous transfer value. Further details, including charges applicable, are available on request.

Since 6 April 2015, members wishing to transfer benefits valued at more than £30,000 from a Defined Benefit (DB) scheme to Defined Contribution (Money Purchase / DC) scheme, will have to obtain independent financial advice. Any such advice must have been provided or checked by a 'pension transfer specialist'. Before a transfer can proceed TPT will require evidence that such advice has been obtained, although it is for the member to decide whether to follow the advice.

# Retirement

## When can I retire?

For pension benefits earned in respect of pensionable service from 1 October 2016, Normal Pension Age (NPA) is 68. For pension benefits earned up to 30 September 2016, Normal Pension Age is 65.

If you retire between age 60 and 65, your pension earned up to 30 September 2016 will not be reduced for early payment.

## What will I get?

Your pension at NPA is calculated using the following Scheme formula:

$$1/80 \times \text{Final Pensionable Earnings} \times \text{Pensionable Service}$$

Your Final Pensionable Earnings are the highest average earnings over 12 consecutive months within the last three years.

You have the option at retirement to give up part of your pension and exchange it for a Pension Commencement Lump Sum (PCLS), which is tax free under current legislation. This will leave you with a smaller pension.

The maximum lump sum available is 25% of the value of your pension benefits. Taking a PCLS at retirement will leave you with a reduced pension. The calculation is not straightforward. Your PCLS options will be provided to you as part of your retirement quotations.

**Please note:** For former members of the United Reformed Church (Foreign Staff) Scheme, a lump sum, calculated as three times your pension, is payable in addition to your pension entitlement.

## What if I work part-time?

If you have worked the same part-time hours in your employment for the whole period of your membership of the Scheme, your pension benefits will be calculated using the method shown above, using your part-time earnings.

The calculation is more complex if the number of hours you have worked has changed during your membership of the Scheme, or if your membership is made up of full-time and part-time periods. In these circumstances your service and Pensionable Earnings will be converted to full-time equivalent values in order to calculate your pension benefits.

## **Flexible retirement**

In most cases members are able to take part of their pension whilst continuing to work. Exceptions to this are ill-health retirements, and from 6 April 2010, those members with a 'Protected Pension Age' who retire before age 55. This option is only available once in a 12 month period. Enquiries in the first instance should be directed to TPT.

**Please note:** This should not be confused with the right to have your benefits earned up to 30 September 2016 paid with no reduction from age 60. This option is also sometimes referred to as 'flexible retirement'.

## **Can I retire early?**

Yes, you can take early retirement from age 55 even if you choose to continue working. You may take your pension benefits between ages 50 and 55 if you have a Protected Pension Age (see 'Definitions') and have left employment to which your membership relates, or at any age if you are retiring on grounds of ill-health (subject to approval). Your pension will usually be lower than at NPA because it will be reduced to allow for the fact that pensions paid early are expected to be paid for longer.

## **Can I retire after age 68?**

Yes, provided your employer agrees.

Your pension from the Scheme at age 68 will be increased by a late retirement factor.

## **What happens if I am too ill to continue working?**

Provided there is satisfactory medical evidence that you are and will continue to be unable to work again in any capacity, your pension can be paid immediately regardless of your age. Guidance on eligibility is available on request and your doctor or consultant will be asked to provide medical evidence for consideration.

If your pension starts early due to ill-health, you still have the option to take a Pension Commencement Lump Sum.

The Trustee may adjust or stop your pension if your health improves or you are later able to take other employment. From time to time, the Trustee may request updated medical evidence on your state of health and has the discretion to reduce or suspend your pension if your eligibility changes.



# Death benefits

## What benefits are payable if I die whilst I am a Deferred or Paid Up Member?

### Lump sum

If you die after you have left the Scheme, but before you start your pension, your beneficiaries will receive a lump sum equal to the value of your contributions plus interest.

### Spouse's / Civil partner's pension

If you were married at the date that you left the Scheme, your spouse will receive a pension equal to two thirds of your accrued pension. The spouse's entitlement for former United Reformed Church (Foreign Staff) Scheme members is 50% of the member's accrued pension.

If your spouse or civil partner is more than ten years younger than you, the spouse's / civil partner's pension is reduced by 2.5% for each year younger in excess of ten years.

## What benefits are payable if I die after retiring?

### Lump sum

If you die within five years of retiring, a lump sum death benefit is payable to your nominee. The amount payable is equal to the unpaid balance of the first five years pension payments, at the rate applicable at the date of death.

### Spouse's / Civil partner's pension

A spouse's or civil partner's pension of two thirds of your pension before you exchanged any for a Pension Commencement Lump Sum is payable. Spouse's and civil partner's pensions are only payable if your marriage or civil partnership was in force at your date of leaving the Scheme (unless your employer chooses to waive this condition).

If your spouse or civil partner is more than ten years younger than you, the spouse's / civil partner's pension is reduced by 2.5% for each year younger in excess of ten years.

## Nominations

- Your nominations should be put in writing and signed, or submitted electronically in a form acceptable to the Trustee (for example, via your personal email).
- You should ensure your nominations are kept up to date if your personal circumstances change. If you wish to make any changes to your nomination or a nominee's address, please notify TPT in writing by completing a new Nomination Form.

Nomination Forms can be downloaded from TPT's website at [www.tpt.org.uk](http://www.tpt.org.uk)

## Who can I nominate for the lump sum?

- You can nominate one or more persons or organisations;
- If you choose more than one, you must state the percentage you want each persons or organisations to receive, ensuring that the total percentages add up to 100%.

# Paying your Pension

## How will my pension be paid?

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. Payment is subject to receiving all necessary forms, including the Withdrawal Notice from your employer and relevant certificates. Your first pension payment will include any lump sum you have elected to receive.

After this pensions are paid quarterly in advance on 6 January, 6 April, 6 July and 6 October. They will be paid direct to your bank or building society account. It is not usually possible to pay your pension to a bank or building society account that is not in your name.

If tax is due on the pension then it will be deducted under the Pay as You Earn (PAYE) system. Details of the PAYE reference number and relevant tax office dealing with pension payments will be provided with confirmation of your pension at retirement.

## How does my pension increase?

Pensions in payment will increase in line with Limited Price Indexation, see Definitions section.

Pension accrued from 6 April 2005 will only receive a partial increase on the first increase date following your retirement. The rate will be in proportion to the full increase, based on the number of months your date of retirement falls before the increase date. For instance, if your pension starts on 1 October (six months before the increase date of 6 April), the increase to your post April 2005 pension will be 6/12ths of the full rate of increase awarded.

# Further Information

## Who looks after the Scheme?

The day-to-day administration is entrusted to TPT which has been administering pension schemes since 1946. TPT is directly answerable to its members - the employers who choose its pension schemes and the active members, pensioners and deferred members who belong to these schemes. TPT is not an insurance company.

## Scheme Registration

The Scheme is a registered pension scheme for the purposes of Part 4 of the Finance Act 2004. The Pension Scheme Tax Reference is 00281218RV.

## Are there any restrictions on benefits?

Prior to 6 April 2024, HM Revenue & Customs imposed a limit on the overall value of pension benefits you could receive without incurring additional tax charges (known as the lifetime allowance). This limit was removed from 6 April 2024. However, there are new limits in place from 6 April 2024 on tax-free lump sums. These are known as the lump sum allowance ("LSA") and lump sum and death benefit allowance ("LSDBA").

The LSA is £268,275 and it limits the total tax-free cash you can take from your pension arrangements. TPT will ask you for further information about your LSA when paying any lump sum you have chosen to receive upon commencing your pension.

The LSDBA is set at £1,073,100. This is the limit on the amount that can be paid tax-free both during your lifetime and on your death. It applies to the same payments as the LSA but also if you qualify for a serious ill-health lump sum or in the event of your death.

Both of the above allowances apply across all your pension benefits so may be reduced to reflect benefits taken prior to you commencing your pension benefits from, or the payment of any death benefits under, the Scheme. For example, if you have the standard LSA of £268,275 but have already taken tax-free lump sums from other schemes of £200,000, the maximum tax-free lump sum that could be paid from the Scheme would be £68,275.

If you have any type of lifetime allowance protection, please let TPT know before putting your benefits into payment, as this may result in an increase to the above allowances."

## What if I divorce?

The courts may order that your pension rights must be shared with your ex-spouse. Members should take appropriate legal advice. On the dissolution of a civil partnership, the same pension sharing rules as those used for divorce will apply.

## Can I assign my pension?

No, except where permitted by law on divorce, you cannot sign away your pension rights, even temporarily, for example as security for a loan.

## The Trustee Company

The Trustee Company, Verity Trustees Ltd, is responsible for all policy matters and for ensuring that TPT operates lawfully and within the provisions of the formal Trust Deed and Rules.

TPT is governed by a Trustee Company called 'Verity Trustees Limited'. Directors are non-executive, four nominated by members, four nominated by employers and up to three co-opted by the member nominated and employer nominated Directors.

Investments are managed independently by external authorised fund managers. Investment performance is reviewed regularly by TPT's Investment Committee.

## Pension Tracing Service

Details of TPT (and all workplace and personal pension schemes) are registered with the Pension Tracing Service and the address is:

The Pension Service  
Post Handling Site A  
Wolverhampton  
WV98 1AF  
United Kingdom

Telephone: **0800 731 0193**

Online: <https://www.gov.uk/find-pension-contact-details>

Reference: 10170418

The purpose of this registration is to help individuals trace their pension rights. If you think you have pension benefits with a previous employer's scheme, but have lost contact, the Pension Tracing Service may be able to help.

## Rights, obligations and limitations

The rights and obligations of members are set out in the Trust Deed and Rules and the Scheme Document which are the formal documents of the Scheme. This Guide is intended to provide a clear and simple explanation of the main benefits you are entitled to under the Scheme.

If there is any conflict between the interpretation given in this Guide and the formal Trust Deed and Rules or the Scheme Document, the legal interpretation of the formal documents will prevail. Copies of the Trust Deed and Rules and Scheme Document are available from TPT. Full contact details are provided on the back page of this booklet, or from TPT's website [www.tpt.org.uk](http://www.tpt.org.uk).

Before making any financial commitment on the basis of any information provided in respect of retirement benefits, please contact TPT for final confirmation of the expected level of benefits. Staff will be pleased to provide any further information or assistance you may need.

TPT is not registered under the Financial Services and Markets Act 2000 to give financial advice. Any information that is provided to members or prospective members should therefore be taken to constitute information and not be taken to constitute advice. When providing information to members TPT takes care to provide an accurate service but the decision and choice remains the individual's, for which TPT cannot be responsible.

## General Data Protection Regulation (GDPR)

- For more detailed information on how we use and disclose personal information, the protections we apply, the legal basis for our use of personal information and your data protection rights under the General Data Protection Regulation, see our privacy notice at [www.tpt.org.uk/privacy-policy](http://www.tpt.org.uk/privacy-policy)
- If you would like a copy of the privacy notice to be sent to you, please email [privacy@tpt.org.uk](mailto:privacy@tpt.org.uk) or call 0113 394 2779.

The Trustee takes appropriate measures to ensure that your personal data is held securely.

## Annual Report & Financial Statements

Members receive a summarised version of the Annual Report and Financial Statements each year, but are entitled to the full version that will be provided on request. Alternatively, a copy can be viewed on TPT's website at [www.tpt.org.uk](http://www.tpt.org.uk).

## Pension Protection Fund (PPF)

1. The PPF is a fund designed to protect members' rights under company Defined Benefit pension schemes should the employer become insolvent.
2. The PPF is funded by a levy on company pension schemes that are potentially eligible to benefit from it. The levy on the Scheme will not result in a reduction to your pension.
3. Benefits payable under the PPF are, briefly, as follows:
  - your full pension if you have reached your scheme's NPA or receive an ill health pension (regardless of your age);
  - 90% of the expected scheme pension for all other members, subject to a maximum set by the PPF;
  - widow/ers' or survivors' pensions of 50% of the members' pensions; and
  - pension earned from April 1997 will increase each year in line with CPI up to a maximum of 2.5%. Pension relating to service before April 1997 will not be increased under the PPF.
4. In general, benefits will be paid from the PPF, as opposed to your own scheme, when:
  - your employer becomes insolvent, or in circumstances where the Trustee or The Pensions Regulator consider this likely; and
  - the assets of its pension scheme are insufficient, i.e. there is not enough money to pay at least the level of PPF benefit described in point 3 above.

# Complaints

## Complaints procedure

If you have a problem or complaint in connection with your pension, we recommend that you initially discuss this with your usual contact at TPT. If they are unable to resolve the matter you may find it helpful to speak to the Pensions Administration Manager and/or the Head of Pension Administration Services.

If your complaint cannot be resolved informally and you remain dissatisfied you may at any time follow the formal complaints procedure; this has two stages and is summarised below.

## Disputes – Formal Resolution

If you remain dissatisfied, you may request (in writing) a formal resolution from the Head of Trustee Services. A decision will usually be provided within two months of your formal request.

## Appeal

If you remain unhappy or disagree with the formal resolution from the Head of Trustee Services, within six months of the decision you have the right to appeal to the Trustee. The result of your appeal should be provided within two months of your request.

## Money and Pensions Service

MoneyHelper is a consumer-facing service, providing free and impartial money and pensions guidance for people all across the UK, backed by government.

Telephone: **0800 011 3797**

Online: <https://www.moneyhelper.org.uk/en/contact-us/pensions-guidance>

## Pensions Ombudsman

The Pensions Ombudsman may investigate and determine any complaint or dispute of fact or law in relation to the Scheme where TPAS has not resolved the issue. The address is:

The Office of the Pensions Ombudsman 11 Belgrave Road, London, SW1V 1RB

Telephone: **020 7630 2200**

Email: [enquiries@pensions-ombudsman.org.uk](mailto:enquiries@pensions-ombudsman.org.uk)

### **The Pensions Regulator (TPR)**

TPR is able to intervene in the Scheme administration where the Trustee, employers or professional advisers have failed in their duties. It replaces the previous regulator, the Occupational Pensions Regulatory Authority (OPRA), which ceased to exist on 6 April 2005. TPR inherited all the previous powers held by OPRA along with some new ones to give it wider scope. The address is:

The Pensions Regulator, Napier House, Trafalgar Place, Brighton, BN1 4DW

Telephone: **0845 600 0707**

Email: **[customersupport@tpr.gov.uk](mailto:customersupport@tpr.gov.uk)**

# Definitions

**Additional Voluntary Contributions (AVCs)** is the name given to any contributions you paid above your 'normal' contributions to secure extra benefits.

**Annual Allowance** is the amount by which the value of your pension benefits may increase in any one year period without you having to pay a tax charge. From April 2016 the Scheme's pension saving year has been aligned to the tax year and is called the pension input period.

There is a maximum amount which can be put into your pension plan (£40,000) called the Annual Allowance. This is reviewed each year and more details can be found by visiting [www.gov.uk/tax-on-your-private-pension/annual-allowance](http://www.gov.uk/tax-on-your-private-pension/annual-allowance) Please inform your employer if you think you will exceed the Annual Allowance.

**Benefits** are the pensions and other payments made to members and their dependants on death, retirement and after leaving the Scheme.

**Deferred Pension** is the pension secured for you on leaving service and is payable on retirement.

**Final Pensionable Earnings** are the highest average earnings over 12 consecutive months within the last three years.

**Interest** Means compound interest calculated annually on the amount of the members' contributions at the end of the preceding September. The rate of interest will vary from time to time. For refunds of contributions on death, interest only accrues up to the date of death.

**Lifetime Allowance** Each individual in the UK is allowed to accumulate pension benefits up to a limit without incurring any tax charge.

Each year your Benefit Statement show the value of the pension benefits you have accrued as a percentage of the current Lifetime Allowance. You must also take into account the value of any pension benefits you have from previous pension arrangements in estimating whether you have scope to pay AVCs without any danger of breaching the Lifetime Allowance.

If the Lifetime Allowance is exceeded, a tax charge of 55% will be levied on the excess fund if the benefits are taken as a cash lump sum. If the excess benefits are taken as pension then a tax charge of 25% will be levied, as well as the usual income tax payable on the pension instalments.

If you are concerned that your benefits from all sources may breach the Lifetime Allowance you may wish to consult an Independent Financial Adviser (IFA) as to your best course of action.

Please note: TPT and its representatives are not permitted to give financial advice.



**Limited Price Indexation (LPI)** is a requirement under the Pensions Act 1995 to pay specified increases on pensions in payment. For pension accrued before 6 April 2005, LPI is currently defined as the rise in the Consumer Prices Index up to a maximum of 5%. For pension accrued from 6 April 2005, the law requires (as a minimum) that the Scheme pays increases in line with the Consumer Prices Index, capped at 2.5%, however, the Scheme has chosen to pay pension increases on the pre 6 April 2005 basis (i.e. capped at 5%), on this part of your pension.

**Normal Pension Age (NPA)** is age 68 for payment of full scheme benefits from 1 October 2016 and age 65 for pensionable service built up in the Scheme before 1 October 2016.

**Pensionable Earnings** is your basic salary or wage and such other emoluments as your employer shall decide.

**Pensionable Service** is your period of membership in years and completed months.

**Protected Pension Age** Members who joined the scheme before 6 April 2006 will have a Protected Pension Age of 50. This will allow these members to retain the right to retire from age 50, but if they retire before age 55 they will be required to leave the employment to which the pension relates.

**Retail Price Index (RPI)** One of the standard indices of price inflation in the UK.

**The Scheme** is the United reformed Church Final Salary Scheme.

These definitions are provided as a summary. Please see the formal Trust Deed and Rules and Scheme Document if further clarification is required.

Verity House, 6 Canal Wharf, Leeds LS11 5BQ **Tel:** 0113 234 5500  
**Email:** [enquiries@tpt.org.uk](mailto:enquiries@tpt.org.uk) **www.tpt.org.uk**

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**t|p|t**  
Retirement Solutions