CAPITA

A guide to your Steria personal pension plan benefits

July 2015

Prepared for Sopra Steria

CAPITA

Prepared by:

Neil Taylor

t 020 7709 4858

e n.taylor@capita.co.uk

65 Gresham Street

London

EC2V 7NQ

t 020 7709 4500

f 020 7709 4501

www.capita.co.uk/employeebenefits

CAPITA

Contents

CAPITA

1. Group Personal Pension Plan

Joining the plan

It is often said that money can't buy happiness. This may be true, but no one wants to struggle financially in retirement. This is more important now than ever before. On average, a 65 year old man retiring today can look forward to over 18 years in retirement. For women, the statistics are even more impressive: A woman retiring now at 65 can expect to spend 21 years in retirement.[1]

What's more, these figures are increasing all the time. Indeed, by the time you've finished reading this guide your life expectancy will probably have increased by around 2 minutes – more if you take a coffee break![2]

These days, retirement can be a fulfilling and productive period, doing things you always wanted to do (but never quite found the time when you were working). But it's important to start planning early.

One of the most effective methods of saving for retirement is through a pension plan provided by your company. There are two main reasons for this: Firstly, the company will pay money into the plan for you. That means you won't just benefit from your own contributions, you'll also receive the benefit of Sopra Steria's contribution as well. Secondly, you'll enjoy tax relief on your contributions.

Please take the time to read this guide thoroughly. It can be difficult to commit to saving money today that you can't access for years, but putting something away as soon as you can is one of the most important steps you can take to help provide for your retirement.

[1] ONS Statistics 2013

[2] Based on an estimated reading time of 10 minutes

Q How do I join the plan?

When you join Sopra Steria you will be provided with details of how you can select various benefits through ‘Lifestyle’ including joining the Steria GPP.

You will also sent a notification confirming that you may be automatically enrolled into the pension plan if you do not join, and you:

- Ordinarily work in the UK
- are aged at least 22 but below State Pension Age; and
- have monthly earnings above £833 before tax and NI (based on 2015/16 benefit year).

In line with Government legislation, Sopra Steria must automatically enrol you into the workplace pension if you meet the above conditions.

If you do not meet the above conditions you will not be automatically enrolled until such time that you do meet the conditions. You will be notified by the company at the time you meet the conditions and are automatically enrolled into the pension plan.

If you are not automatically enrolled, or wish to be included in the pension plan before automatic enrolment takes place, you can opt into the plan via your Orbit account and you will be included in the pension in the following month.

Q What if I don’t want to be a member of the plan?

A If you are automatically enrolled into the plan you have the opportunity to opt out. You will be notified of this as soon as you have been automatically enrolled.

If you opt out within the opt-out period***, contributions will be refunded**. The employer contribution will be refunded back to Sopra Steria. Any employee contributions will also be refunded and are subject to income tax and National Insurance in the normal way. You can still opt out of the pension plan after the opt-out period, but in this case anything paid into the pension plan will continue to be invested until your retirement, or until you transfer it to a different plan.

*The opt-out period is one month from either, the date Scottish Widows provides you with information regarding the scheme or, the date Sopra Steria provides you with information on the scheme; whichever is later.

If you opt out of the plan, you may be re-enrolled into the plan within three years. A notice will be sent to you at the time this takes place. You will of course have the option to opt out again.

It is important to note that if you opt out, you will no longer be saving for your future through the GPP and Sopra Steria will not contribute to an alternative pension arrangement. You will therefore not receive the benefit of Sopra Steria’s pension contributions.

Q Will my membership of the Plan be confirmed?

A You will be notified as soon as you have been enrolled into the plan.

You will also receive a policy document from Scottish Widows confirming your membership of the plan. Please keep this in a safe place. You will continue to receive an annual paper statement from Scottish Widows, sent to your home address.

It is therefore important that you keep the HR Department updated with any changes to your address or other personal details.

Q Why did you choose Scottish Widows to provide the benefits?

A On behalf of Sopra Steria, we reviewed all the major GPP providers in the market and prepared a shortlist of the companies that we felt best suited the needs of Sopra Steria and its employees. After due consideration, Sopra Steria chose Scottish Widows. Scottish Widows is a major provider of pensions in the UK with one of the most recognisable brands in the sector

The Steria GPP Governance Committee monitors Scottish Widows on a regular basis.

Paying contributions

Q How are contributions calculated?

A Contributions are paid monthly and are calculated as a proportion of your Reference Salary. Contribution rates applying to your terms and conditions of employment are reflected on Lifestyle. You can chose to pay additional contributions over and above any contributions you need to pay to qualify for contributions from Sopra Steria.

Note that the contribution paid by you and on your behalf to all UK regulated pension plans should generally not exceed £40,000 per annum (since 6th April 2015, a reduced Annual Allowance of £10,000, if you are already taking benefits on a flexible basis – please refer to the ‘What does the plan provide’ section for more details on the reduced Annual Allowance). Contributions in excess of this amount may not be tax efficient.

Q If I decide to make my own contributions, how will these be taken?

A If you opt into the Steria GPP or are auto enrolled into the Steria GPP your contributions will be deducted on a ‘net pay’ basis for the first two months. From the third month of membership your contributions will automatically revert to being paid on a ‘salary sacrifice’, sometimes called a ‘salary exchange’ basis.

Net pay basis is where contributions are deducted from your net salary (i.e. your salary once both tax and National Insurance have been deducted). Basic tax relief is then added by the pension provider, Scottish Widows, and higher rate tax relief is granted via your individual tax code via self- assessment.

For contributions paid on a salary sacrifice basis your gross (pre-tax) salary would be reduced by the amount of your pension contribution, which would then be paid into your pension plan by Sopra Steria along with their contributions.

You do have the opportunity to opt out of the salary sacrifice arrangement, in which case your pension contributions will continue to be deducted from your net salary from the third month onwards.

If you wish to opt out of the salary sacrifice arrangement, you should contact the Lifestyle Helpdesk at lifestyle@orbitbenefits.com or by telephone on 020 7204 1361.

Q What tax relief will I receive on my contributions?

A In short, most people will receive tax relief at the highest rate of tax that they pay.

So, if you pay tax at the basic rate of 20%, you’ll receive tax relief at this rate. That means every £10 invested actually costs just £8.

The savings are even greater if you’re a 40% taxpayer. Every £10 invested costs just £6.

If you’re a 45% taxpayer, every £10 invested costs £5.50. Note, however, that very large contributions may not be fully tax-efficient. If you think you may be in this position, you should contact Capita or consult with a professional financial adviser.

CAPITA

Where contributions are paid by salary sacrifice you receive the full benefit of the tax relief immediately.

For the first two months of membership, and subsequent months, if you opt out of the salary sacrifice arrangement your contributions will be taken from your net salary, as explained above. If you're a basic rate taxpayer, the GPP provider claims the tax relief on your behalf directly from the tax authorities and invests it directly into your fund.

For basic rate taxpayers, that's all there is to it.

If you pay 40% or 45% tax, the same process applies for basic rate tax, but you then have to claim the extra tax relief you are entitled to through your tax return (or by writing to your Inspector of Taxes).

As well as the tax relief on your contributions to the plan, there are other tax benefits too. Your fund will not be charged income tax or capital gains tax, and when you come to draw it at retirement up to a quarter may be taken as a tax-free lump sum under current tax rules.

In addition, if you were to die before receiving your benefits, the money paid to your dependants will normally be paid tax-free. The amount will depend on the returns on your contributions invested.

For these reasons, investing in a pension plan may be a good way to provide for a comfortable retirement.

Q How do I make payments to the plan via salary sacrifice?

A Firstly, let's explain how 'salary sacrifice' works. If it sounds complicated, don't worry, it isn't. Pension contributions paid by Sopra Steria are exempt from National Insurance. So if you agree to a reduction in your salary equal to your own pension contributions, Sopra Steria in return will agree to pay additional pension contributions of an amount equal to the reduction. This means that you save the National Insurance you would otherwise have had to pay.

In other words it means that the payments you agree to make to the plan are taken from your salary each month, before tax or National Insurance Contributions are deducted.

Not paying National Insurance Contributions will save you a further 12% on your contribution if you earn between £8,060 and £42,385 (2015/16) or 2% if you earn over £42,385.

Example
Let's say you choose to pay £100 per month to your pension plan. What would happen if you decided to stop paying this amount and to take it as salary instead? Firstly, you would pay £20 in tax at the basic rate (more if you're a higher rate taxpayer). What's more, you are likely to pay National Insurance contributions at 12% (if you're a basic rate tax payer). That's another £12. So you'd end up with just £68 after tax and National Insurance Contributions. If you're a 40% or 45% taxpayer, you would receive even less than this after your tax rate is

deducted (though you may not pay as much in National Insurance Contributions).

Salary sacrifice means the full £100 is paid into the pension plan.

What's more, Sopra Steria also pays less in National Insurance Contributions under this method and has agreed to contribute part of the savings in National Insurance Contributions towards your pension plan.

Q Can I stop or change my contributions at any time?

A Yes you can. You can increase, reduce or even stop your contributions at any time (as long as you give us one month's notice). You should try and set your contributions at a rate you can afford to maintain, but we realise that sometimes certain circumstances may require you to review your contribution level. You won't be unable to reduce your contributions below the minimum required by law.

One point to bear in mind: if you change the amount you pay into the plan, the amount paid by the company may also change.

Q How much can I pay into the plan?

A There is a limit on the amount of your contribution that will qualify for tax relief, but very few people pay anywhere near this amount.

The limit is called the 'Annual Allowance'. It covers not just your contributions, but also includes any contribution made by Sopra Steria on your behalf. If the total amount paid by you and Sopra Steria exceeds the Annual Allowance, you may have to pay income tax on the amount above the allowance. The Annual Allowance is reviewed periodically, and has been set at £40,000 (this is reduced to £10,000 if you access your benefits on a flexible basis – please refer to the 'What does the plan provide' section for more details on the reduced Annual Allowance). Tax relief may be payable on personal contributions of up to 100% of your earnings, subject to the Annual Allowance, and you can also make one-off payments into your pension subject to this overall limit, although you can't reduce your income below the National Minimum Wage if you are paying through salary sacrifice.

As well as the Annual Allowance on contributions, there's also a 'Lifetime Allowance'. This is a limit on the overall value of your pension savings. That means it's not just the total contributions paid into your plan, but also the growth on your money. The Lifetime Allowance includes any pension savings you may have elsewhere with other companies (or in private pension plans). In short, it's the total value of all your pension savings over your lifetime.

The Lifetime Allowance is currently £1.25 million, but is **reducing** to £1.00 million from April 2016. If your pension savings exceed the Lifetime Allowance this could result in a tax charge of 55% on the excess (25% if you take the excess as income).

CAPITA

Not many people are likely to be affected by this, but if you think you are, you can find out more at the HM Revenue & Customs website www.hmrc.gov.uk. Alternatively, you may wish to consider taking professional financial advice.

Q Are there any disadvantages to paying by 'salary sacrifice'?

A Salary sacrifice is a very effective way of paying contributions into a pension plan, but there are some potential disadvantages. Most people won't be affected, but you should be aware of the drawbacks in case they affect you:

- Salary sacrifice means taking a reduction in salary, so you pay less in National Insurance Contributions (your contribution is deducted before tax and National Insurance is applied). Some State benefits are based on how much you've paid in National Insurance Contributions ("NICs"). For example, Jobseeker's Allowance and the Basic State Pension. So long as your salary is still at least £5,824 (2015/16), there should be no impact.
- State Second Pension (S2P) is an additional pension payable by the State on top of the Basic State Pension. The amount you receive is based on your earnings between £5,824 and £40,040 (2015/16). In practice, if your earnings are between £15,100 and £40,040, then salary sacrifice could reduce your Second State Pension (because your salary will be less).*
- Statutory Maternity Pay (SMP) (plus Statutory Paternity and Adoption pay), can be affected as well, but you can avoid any impact by changing the contribution you are paying**. Please contact HR Department for more information.
- It is also important to consider that borrowing levels, such as mortgage, personal loans, etc. that are set in accordance with salary and bonus maybe affected by the salary sacrifice. However, lenders are now slightly more relaxed when assessing an individual's 'ability to pay' when considering borrowing requests. As salary and bonus sacrifice arrangements become more common, more lenders are taking them into consideration.

* Please note, with effect from April 2016 the combined Basic State Pension and State Second Pension will be replaced by a Single Tier Pension for all earners based on paying NICs, not on what you earn.

**The benefit is calculated by reference to your average earnings over a specific period, usually a period of 8 weeks up to and including the 15th week before the week your baby is due. By changing your contributions before this period you can avoid any impact. You need to ensure you are aware how changing your employee level of contributions may impact the amount Sopra Steria will contribute.

Investing your money

Q Where are my contributions invested?

A You will be automatically placed in a ‘default’ option that has been chosen by Sopra Steria after having taken guidance from Capita. This is the ‘10 Year Lifestyle Investment Approach’. A description of how the default fund is invested can be found in the library section on Orbit.

If you feel the 10 Year Lifestyle Investment Approach does not suit your individual circumstances, please choose a different fund (or funds) from the literature provided and amend your investment choice once your policy has been established.

You can choose to invest all your contributions in one fund or you can choose to spread your money across a range of funds. Full details of the funds can be found on Orbit under the ‘Fund Centre’

The funds are all risk rated. Low risk funds are likely to take few risks. Investing in low risk funds generally means that your money is unlikely to fall in value significantly.

That’s because very little of your money will be invested in riskier assets, like equities. Mostly, your contributions will be primarily invested in assets that don’t tend to rise and fall dramatically. If you like the sound of that, these funds may be for you. But bear in mind your money is likely to grow more slowly when compared with funds that hold a higher proportion of your money in riskier assets.

At the other end of the scale, higher risk funds are often called ‘adventurous or ‘very adventurous’. Over the long term, historically, these funds have tended to produce higher returns, but along the way the value of the fund could rise and fall dramatically.

If you like the idea of taking some risk with your investments (to boost your returns), but aren’t comfortable with too much risk, then you might wish to consider choosing something in-between high risk funds and low risk funds. Often referred to as medium or balanced funds, these funds invest in a balance of high risk and low risk investments that should provide a reasonable return with less risk than investing in higher risk investments (although the overall level of risk is likely to be greater than the level of risk associated with investing solely in a low risk fund).

Whichever funds you choose, it’s important to remember that the past performance of any fund or investment is not necessarily a guide to how that fund or investment may perform in the future and that the value of your investments can fall as well as rise. A pension fund is intended to be a long-term investment, and there can be no guarantees regarding the level of retirement benefits the plan will provide. If you are unsure as to the suitability of a particular fund you should seek professional financial advice.

Q Can I check how my funds are doing?

A Yes you can. In fact, we would encourage you to regularly review your investments and make changes when you need too. For example, as you move nearer to retirement it’s usually a good idea to move your money into safer, lower risk funds. This is because if markets fall significantly at this point, your funds may not have time to recover before you retire.

To check on your funds, you can access Orbit at any time. In addition you will be issued with a regular statement by Scottish Widows, sent directly to your home address.

The benefits you'll receive

Q When can I take my benefits?

A Sopra Steria has set a standard retirement age of 65 for this pension plan. Generally, this will be based on the age Sopra Steria expects most people to retire. However, you can currently take all or part of your benefits from age 55*, even if you're still working.

If you feel the default retirement age does not suit your individual circumstances, please choose an alternative age and amend your retirement date once your policy has been established. This can be done by contacting the Lifestyle Helpdesk by email at Lifestyle@orbitbenefits.com or by telephone on 020 7204 1361

Please however note that if you are investing in the default option, or the 6 Year Lifestyle Investment Approach available prior to 1 January 2014 funds they invest in are linked to the retirement age as mentioned in the information that can be found in the library section on Orbit. So if you have an expectation of retiring either earlier or later than age 65 you may wish to consider whether to change your retirement date under your policy.

If you're in very poor health, it may be possible to take your benefits even earlier than 55.

* The minimum retirement age of 55 will increase to 57 by 2028 and thereafter will be linked to 10 years below the State Pension Age.

Q What does the plan provide?

A The amount you've built up in your fund is determined by how much you've paid into the fund and for how long, together with any investment growth on your money (minus charges for the administration and investment of your money).

From 6 April 2015 everyone should be able to access some or all of their pension savings from age 55.

You have the following options from age 55, but subject to Scottish Widows terms*:

- Take your entire fund as a cash lump sum – up to 25% of this amount will be tax-free, the remainder will be taxed at your marginal rate. You can use this cash in any way you want: you may choose to invest it to boost your income in retirement or set it aside for a rainy day. Whatever your plans, it's entirely up to you to decide how to use the tax-free cash.
- Take your entire fund as a series of cash lump sums – for each sum, 25% can be taken tax-free and the remainder taxed at your marginal rate.
- As before, take up to 25% of your fund as tax-free cash and use the remainder to purchase an annuity.
- Take up to 25% of your fund as tax-free cash and invest the remainder in a 'drawdown' product, which allows you to keep your money invested in a tax-exempt environment and draw an income periodically by cashing in part of your fund.*

- Alternatively, if your total funds under the scheme are less than £10,000 and you are at least age 55 you may be able to draw your entire fund as cash. This can apply to up to three separate personal pension schemes and 25% of the payment would normally be tax-free.

* You should be aware that not all providers will offer all the options detailed above. Please refer to Scottish Widows at http://www.scottishwidows.co.uk/retirement-planning/index.html to ensure you are aware of the options available to you.

**Drawdown products are complex products and you should seek professional financial advice to decide whether these are suitable for your individual circumstances.

You may of course choose to use the whole of your fund to purchase an annuity at retirement. If any flexibility is chosen at retirement, such as drawdown, cash lump sums or flexible annuities, then you can continue to make pension contributions up to a maximum of £10,000 per annum, (**reduced from the £40,000 Annual Allowance**), without suffering an annual allowance charge.

With the increased flexibility available to individuals at retirement, it will be important to consider whether each option is suitable to your own circumstances. To assist members approaching retirement, the Government is introducing 'Pension wise: Your Freedom, Your Choice.' 'Your money, Your choice'.

"Pension wise" is a free and impartial service to help you understand what your choices are and how they work. Whilst this service will not provide you with advice, you will receive tailored information to your specific situation. It will also cover other financial matters like debts, savings and state benefits.

Information is available from the "Pension wise" website. Alternatively, you can discuss your retirement options over the phone with The Pensions Advisory Service or face-to–face with the Citizens Advice Bureau.

Accessing your funds at retirement is an important financial decision and we would encourage you to seek Professional Financial Advice in addition to obtaining guidance from Pension wise.

Q If I take cash, how do I convert the remainder of my fund into an income for life?

A The most common method of converting the rest of your fund into an income for life is to buy an annuity. An annuity will provide you with an income for the rest of your life. It works like this…

- The remainder of your fund (after you've taken any tax-free cash sum) is paid to an annuity provider who will promise to pay you an income for life, however long you live. The 'Freedom and Choice' reforms from April 2015 are bringing innovation to the annuities market – annuities will be able to go down as well as up and taxable lump sums could be payable depending on the product purchased (this could be used to fund social care in retirement, for instance).

- You are entitled to shop around for the best deal, and rates do vary between companies, so it's worthwhile comparing annuity providers. This is often referred to as an Open Market Option, or OMO.
- Capita has an annuity broking service, a specialist team that can assist you through this process.
- The Money Advice Service maintains a list of many of the rates on offer. To find out more go to; http://pluto.moneyadviceservice.org.uk/annuities

Q What happens if I die after buying an annuity?

A When you buy an annuity you can protect your dependants by selecting one of the following options:

- Part or all of your annuity payments can continue to be paid after your death to your spouse or partner. This is called a 'joint life' option. Often the income paid is reduced to half or two thirds of the original amount on the basis that one person doesn't need so much money.
- You can opt for your income to continue to be paid for a fixed number of years after your death. Commonly, people choose either 5 or 10 years. For instance, if you choose a 10 year guaranteed period and die 3 years after buying the annuity, the remaining 7 years' payments would continue to be made.
- It's possible to arrange your annuity so that on your death a lump sum is payable equal to the amount you originally paid for the annuity less the payments made to the date of your death.

The 'Freedom and Choice' reforms from April 2015 are bringing innovation to the annuities market, and these options are likely to change.

You should note that although Scottish Widows might offer a product that will provide you with the type of benefit you require at retirement there might be more appropriate products for you offered by other providers, especially if you are considering buying an annuity or flexible drawdown. You can transfer you fund to another provider at no cost. You are strongly recommended to seek independent professional advice as to the option most appropriate to you.

State pension benefits

Q If I join the plan does it affect my State pension benefits?

A Your State benefits may be affected by your membership of the plan if you elect to contribute via salary sacrifice.

For the 2015/16 tax year a salary sacrifice scheme could reduce your S2P accrual. From 2016/17 onwards the introduction of the single tier state pension means this is only an issue if your earnings fall below the Lower Earnings Level. This is £5,824 for the tax year 2015/16.

People on very low incomes are entitled to an additional payment from the State to bring them up to a minimum level of income in retirement. The additional amount paid is called 'Pension Credit'. If you feel you may fall into this category and qualify for Pension Credit, then you may not fully benefit from joining the plan.

You can find out more by clicking on the link below:

www.direct.gov.uk/en/Pensionsandretirementplanning/index.htm

Q What happens to my State Pension if I retire abroad?

A The good news is that your State Pension can be paid to anywhere in the world.

However, State Pensions are generally increased each year, but you'll only receive the increase if you choose to live in another part of the European Economic Area or any country that the UK has an agreement with to allow increases. For more information, click on the following link:

www.direct.gov.uk/en/Pensionsandretirementplanning/StatePension/DG_10026714

Q Where can I obtain a forecast of my State Pension?

A You can obtain a forecast at any time from www.gov.uk/state-pension-statement.

CAPITA

Common questions

Q What happens if I leave the company before taking benefits?

A The company will stop paying contributions to the plan when you leave, but all the contributions paid to the date of leaving (plus any investment growth), remain yours.

There are a number of options when you leave service. You can:

- Simply leave the money invested and continue to benefit from any investment growth.
- Transfer the fund to either a pension plan of your new employer or an individual pension arrangement.
- Continue to pay contributions into the plan (if you're entitled to do so).
- Start to take some or all of your benefits if you're over 55.

Q What happens if I die before I take the benefits?

A If you die before you start to take benefits and before age 75, the full value of your fund at the time of your death will be paid out. To make sure the payment is made to the people you'd like to receive it, please take the time to complete the Pensions Beneficiary Nomination form. Legally, the final decision about who receives the money must be made by Scottish Widows, but, unless there are exceptional circumstances, the money will normally be paid to the people you nominate. It's also important to make sure you keep your nomination up to date should your circumstances change (for example, on marriage or divorce). Simply ask the GPP provider for a new form if you want to change your nomination.

If the amount payable on your death exceeded the Lifetime Allowance, there may be a tax charge of up to 55% on the excess over the allowance.

Q Can I contribute to more than one pension arrangement?

A Yes you can. Any other pension plans would be independent of your company pension plan and you should take advice before setting up other arrangements. One point to bear in mind is that all pension contributions made in each scheme's annual allowance year (HMRC call this a Pension Input Period) ending in any particular tax year count towards your Annual Allowance in that year and all your pension savings ultimately count towards your Lifetime Allowance.

If you've just joined the company and are considering what to do with any existing pension plans you may have contributed to in the past (or are still contributing to now), you have a number of options. You can:

- Continue to pay contributions to any existing pension plans you may have and join the company plan.
- Stop paying contributions to any existing pension plan and start making payments to the company plan.

- Transfer the proceeds of your existing pension plan into the company pension plan. If you choose this option, you would stop any future contributions to the existing plan and start making contributions to the company plan.*

*There are a number of key factors you need to consider before you make a decision regarding transfer of any pension plan. Further information can be found on Orbit. However you are strongly advised to seek advice from a professional financial adviser before making any decisions.

Q How do I transfer my existing pension arrangements?

A The first thing you need to do is clarify whether or not the transfer can be made. You may not be able to transfer the benefits into your plan (most existing pension arrangements can be transferred, but you do need to check first).

You will also need to find out whether any existing pension arrangement is part of an occupational scheme or personal pension plan. If you're not sure, you can either ask your previous employer (their HR department will know) or, if it's an individual plan, you can ask the company managing your pension plan (usually a GPP provider). Of course, if you have a professional financial adviser, the easiest route may be to ask them to obtain this information.

Once you've found out, and our helpdesk has confirmed that the transfer is allowed, it's important to consider whether it's in your interests to transfer the money.

Here are a few points to bear in mind:

- Transferring from a personal pension. If you need advice, you will need to make separate arrangements with a professional financial adviser.
- Alternatively, if you don't feel you need any advice, the helpdesk will send you the forms you need to complete to proceed with the transfer.
- If you are transferring from an occupational pension plan, this can be a complex area, and Capita may not allow transfers to be made unless advice has been received on the transfer from a professional financial adviser.

Capita Employee Benefits has a helpdesk that can assist you in your enquiries, although it is important to recognise that the helpdesk is unable to provide you with professional financial advice.

Q What are the charges under the plan?

A There is a standard charge taken directly from the total value of your fund each year, this is known as an Annual Management Charge (AMC). This standard charge is applicable to many of the funds managed by Scottish Widows, but not all. The AMC on your plan is 0.32%. Further details can be found in the fund factsheet available on Orbit and in your Scottish Widows joining pack.

I you were to leave Sopra Steria and/or stop contributing to the GPP, the AMC will automatically increase to 0.62%. However, you will have the option to continue paying a minimum contribution of £20.00 per month in order to maintain the lower 0.32% AMC.

From 6 April 2015 the default arrangement charge cap for GPP plans will apply to all member-borne deductions paid to the pension provider or another third party, excluding transaction costs. The charge cap is currently 0.75% per annum of funds under management.

Some funds have their own charging structure and this may be higher than the standard charge. This is likely to be the case if you choose funds that are managed by external fund managers. That is, not the funds offered by the company that administers the plan, but the funds offered by other fund managers.

It is important to understand that these charges may be subject to change in the future.

Q What happens to my benefits if I choose to retire abroad?

A An increasing number of people plan to spend their retirement in another country.

The key attractions are usually the sun, the sea and an easier pace of life. There can also be financial advantages: property may be less expensive, the cost of living could be lower, and the taxes you pay may be less than in the UK.

The good news is that you can arrange for your pension benefits to be paid into either a bank account here in the UK or an overseas bank (though there may be extra charges to pay).

There is another approach: You may be able to transfer your pension into a special arrangement called a Recognised Overseas Pension Scheme ('ROPS' for short). This route can be more advantageous in certain circumstances.

You should seek professional financial advice if you are considering retiring abroad or transferring your benefits to an overseas scheme.

Q What happens during maternity/paternity (or adoption) leave?

A Please refer to your HR Department for details of the maternity/paternity policy. Sopra Steria will continue to contribute to the plan based on your salary when you started your leave. You will be asked separately at what level, if any, you would like to continue contributing to the scheme during your leave.

Q How is Capita paid?

A Capita operates on a fee basis for its services. These fees may be offset wholly or partially by commission generated from the pension plan providing it is within the charge cap for default funds. Any excess fees above and beyond any commission available will be met by [employer]. The commission determines the Annual Management Charge on the plan, however there is no additional cost to you as a member over and above the Annual Management Charge.

Q Where can I get more information?

A If you would like to speak to someone about the Plan, please contact your Lifestyle Helpdesk

Tel: 020 7207 1361

Email: Lifestyle@orbitbenefits.com

For more information about the Steria Group Personal Pension Plan, such as the value of your fund, an illustration of your estimated benefits at retirement, changing your funds or viewing your contribution history, please log into your Orbit account at:

https://orbit.orbitbenefits.com/login/login.html

Useful sources of information

Pensioners Guide, this leaflet tells pensioners about the help and advice they can get from the government and local councils.

www.gov.uk/government/publications/pensioners-guide-leaflet

National Insurance record
www.gov.uk/check-national-insurance-records

State Pension Forecast
www.gov.uk/state-pension-statement

Additional State Pension
www.gov.uk/additional-state-pension

Pension credit
www.gov.uk/pension-credit

Tracing Lost Pension
www.gov.uk/find-lost-pension

Living abroad – Pensions and benefits for people who live abroad
www.dwp.gov.uk/international

Pension Wise is a free and impartial service to help you understand what your choices are and how they work
www.pensionwise.gov.uk

Money Advice Service – Free impartial money advice, set up by the government
www.moneyadviceservice.org.uk

Age UK – Practical support and information on issues affecting older people. It also provides details of local Age UK support groups
www.ageuk.org.uk

The Pensions Advisory Service (TPAS)
http://www.pensionsadvisoryservice.org.uk/

The Pensions Regulator
http://www.thepensionsregulator.gov.uk

Orbit Pension Calculator
http://www.orbitbenefits.com/pensioncalculator.html

2. General information

This Guide is a direct offer financial promotion. This means a financial service product is being offered to you without a personal recommendation being made. The information contained within this guide is not a personal recommendation to join the plan, nor should it be considered a substitute for obtaining individual professional financial advice. The benefits may be amended, varied or withdrawn at Sopra Steria's absolute discretion at any time during employment and are not intended to constitute contractual entitlements.

The information in this guide has been produced by Capita Employee Benefits (Capita) on behalf of Sopra Steria and may not be reproduced, in full or in part, without Capita's express written permission. It is based on sources believed to be reliable and on Capita's understanding of the benefits, tax legislation and HMRC practices in force as of July 2015. These can change over time.

Capita Employee Benefits is a trading name of Capita Employee Benefits Limited and Capita Employee Benefits (Consulting) Limited. Part of Capita plc. www.capita.co.uk. Capita Employee Benefits Limited and Capita Employee Benefits (Consulting) Limited are registered in England & Wales No: 02260524 and 01860772 respectively. Registered Office: 17 Rochester Row, Westminster, London, SW1P1QT. Separately authorised and regulated by the Financial Conduct Authority. The FCA firm reference numbers for these companies is 115051 and 142484 respectively, and these details can be checked on The Financial Services Register by visiting the FCA's website, or by contacting the FCA on 0800 111 6768.

Any personal details provided to Capita Employee Benefits will always be handled in a way that complies with the Data Protection Act 1998.