

Membership Benefits



www.shapsdc.org.uk



What is SHAPS DC?

SHAPS DC stands for Scottish Housing Associations' Pension Scheme Defined Contribution.

SHAPS DC is a defined contribution (DC) pension scheme. You and your employer contribute into your pension scheme to build up a fund with which you purchase a retirement income.

Go online www.shapsdc.org.uk and watch the animation to find out more about DC schemes.



How SHAPS DC works

Save: Contributions from you and your employer are paid in line with the minimum requirements set by your employer or the regulations, but you can decide to save more than these minimum amounts.

Your contributions also receive tax relief. So every £1 you contribute only costs 80p from your wage (for a basic rate taxpayer).

Invest: Your pension savings are invested in a fund of your choice until you retire. You can choose to invest in the default Target Date Funds (TDFs), or select your own funds.

TDFs are suitable for anyone who does not want to make their own investment decisions. You can find out more about all of the available investment funds on the SHAPS DC website in the 'Where to invest' section.

Retire: You may use the money you and your employer have invested to buy a pension (or annuity). This will give you an income for the rest of your life.

Please note that changes announced in the 2014 Budget may introduce increased flexibility with how your pension savings may be used at retirement, from April 2015.

You will usually also have the option to take up to 25% of the money you have saved as a tax-free cash lump sum when you retire.



Are there any member charges?

An annual management charge of 0.45% of the value of your fund (0.6% for the SmarterPensions Ethical Target Dated Fund) will be deducted each year to cover expenses and investment costs. However, further transactional charges may also apply up to a maximum of 0.07% a year.

If you choose to purchase an annuity through JLT's advised annuity process there will be a fee of £500.00. This will be deducted from your cash lump sum (or your fund value if you do not elect to take a cash lump sum).

What happens if I leave?

Depending on the length of your pensionable service you may be entitled to: receive a refund of the value of your own contributions less tax; transfer the value of the whole fund to another registered pension arrangement; or remain in the Scheme and leave your fund invested until you retire or decide to transfer the value of the whole fund to another registered pension arrangement.

What happens if I die before retirement?

If you were to die before your pension has started to be paid the value of your fund would be returned to your dependants.

You may be entitled to additional life cover if your employer has chosen this provision within the Scheme.



The UK support team can be contacted by telephone on **0845 072 6780**

Or, you can email **smarterpensions@jltgroup.com**



If you have not been automatically enrolled, get in touch with your employer and request them to complete the enrolment process with you.

Go online today to experience the DC member journey. You will be able to access: budget calculators; pension modellers to show how much annual pension you might get; animations explaining how a DC pension scheme works; and much more...

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