

# Consumers' Association Pension and Employee Benefit Scheme

## Changes to Defined Contribution Section and Hybrid Section AVC benefits

### Transfer to the Aviva Master Trust (the New Scheme) - Question & Answer Document

This Question & Answer (Q&A) document should be read alongside the attached Notice from the Trustees (the Trustees) of the Consumers' Association Pension and Employee Benefit Scheme (the Current Scheme) relating to the transfer of the value of your accrued Defined Contribution (DC) pension savings from the Consumers' Association Pension and Employee Benefit Scheme (the Current Scheme) to The Aviva Master Trust (the New Scheme).

This includes pension savings you may have under the Defined Contribution Section (DC Section) of the Current Scheme and also any Hybrid Section additional voluntary contributions (AVCs) of the Current Scheme, other than those invested with Prudential.

This document and the attached Notice (and all related documents) have been prepared with the help of our pension advisers for this project, Barnett Waddingham LLP, and are for guidance only, and should not be relied on. Nothing in this document, the attached Notice (or any other related documents) constitutes financial, pensions or tax advice. Barnett Waddingham LLP is authorised and regulated by the Financial Conduct Authority.

#### **1. Why has Which? asked the Trustees to transfer the value of members' DC pension savings from the Current Scheme to the New Scheme?**

Over recent years pension legislation has changed significantly, and this has provided members of DC pension arrangements (such as the DC Section of the Current Scheme) with much greater flexibility over their pension savings, which Master Trusts such as the New Scheme are specifically designed to provide.

At the same time, DC governance, administrative and regulatory requirements have increased, making it more challenging for employers and trustees like Which? and the Trustees to operate occupational DC pension arrangements like the DC Section of the Current Scheme.

A recent review undertaken by Which? (in consultation with the Trustees) focussed on offering its employees a market leading DC pension arrangement plus addressing the challenging governance and regulatory landscape for Which? and the Trustees. The New Scheme was selected as it meets these objectives. This includes:

- More flexibility and choice beyond a default investment option
- An improved member experience
- A 'responsible investment' approach
- Wider retirement options
- A 'to and through retirement' investment approach
- Consistent and improved member charges in most cases

The Trustees worked closely with Which? when reviewing the DC Section of the Current Scheme and provided input into the selection of the New Scheme. The Trustees believe that the New Scheme offers significant enhancements over the DC arrangements in the Current Scheme and has therefore agreed to transfer all members' accrued DC pension savings from the Current Scheme to the New Scheme. A separate exercise was carried out by the Trustees in conjunction with Barnett Waddingham in August 2023 to assess the suitability of moving the Hybrid Section AVCs and it was agreed AVC pension savings with Clerical Medical and Utmost should also be part of the transfer of DC funds to the New Scheme.

## **2. Can I keep my accrued DC pension savings including any Hybrid Section AVCs invested in the Current Scheme?**

No, the Trustees will transfer the value of all the accrued pension savings under the DC Section and Hybrid Section AVCs (but not those invested with Prudential) to the New Scheme.

## **3. Will I keep my minimum retirement age of 55 in the New Scheme?**

The statutory minimum retirement age is due to increase from 55 to 57 on 6 April 2028. Some members may be able to maintain a minimum retirement age of 55 in certain circumstances when this change comes into effect. This is being reviewed by the Trustees with their legal advisers. If age 55 is maintained under the New Scheme in certain circumstances for certain members, this will be confirmed to Aviva, ahead of the transfer on 20th March 2024. If you think this might affect you or have any queries on this, please contact [pensions@which.co.uk](mailto:pensions@which.co.uk).

## **4. Will this impact the benefits I have in the Hybrid Section of the Current Scheme?**

If you have Hybrid benefits in the Current Scheme, which are not DC AVCs, these will not be affected by this transfer. They will remain in the Current Scheme and will continue to be administered by Consumers' Association with oversight by the Trustees.

## **5. How will the transfer to the New Scheme work in practice?**

The transfer to the New Scheme is currently planned for **20th March 2024**. There are a number of things that need to happen before the transfer can take place and the Trustees are regularly reviewing the timing of the transfer with all parties to ensure the transfer can proceed and a final decision whether to proceed on 20th March 2024 will be made closer to that date.

Assuming that the transfer does take place on **20th March 2024**, a 'black-out period' will need to be applied as confirmed in the attached Notice. This black-out period is essential to ensure the transfer can be managed efficiently and effectively and during this period it will not be possible for benefits to be paid out, retirements to be processed or for fund switching to take place. You should therefore take this into consideration if you are planning to take benefits during this period. You will be able to view your transferred benefits when the black-out is lifted on your Aviva Master Trust account on 8th April 2024.

## **6. Can I transfer other pension savings into the New Scheme?**

Yes, normally you can. Some pensions may entitle you to valuable guarantees when you come to take your benefits and others may impose penalties for transferring elsewhere. There may be certain types of transfers that the New Scheme is not able or willing to accept.

You should consider obtaining financial advice in relation to any proposed pension transfer, so that you understand the implications of transferring, and in some circumstances you may be obliged to take such advice.

You can find guidance and information on finding an adviser and transferring your pension benefits on the MoneyHelper website:

<https://www.moneyhelper.org.uk/en/getting-help-and-advice/financial-advisers/choosing-a-financial-adviser>

<https://www.moneyhelper.org.uk/en/pensions-and-retirement/building-your-retirement-pot/uk-pension-transfers>

Which? Guide to finding a financial adviser:

<https://www.which.co.uk/money/investing/financial-advice/how-to-find-a-financial-adviser-afZ375F6BliC>

## **7. Will I still have the same options for my DC pension savings when I decide to retire?**

By moving your accrued DC pension savings from the Current Scheme to the New Scheme you should have greater flexibility at retirement subject to the rules of the New Scheme and any regulatory and legal requirements in place from time to time. As things currently stand, as a member of the New Scheme you will be able to:

- Take your benefits through drawdown. The New Scheme will allow you to do this directly from your account so there will be no need to transfer benefits to an alternative arrangement, albeit you can if you wish.
- Take your benefits as a one-off, or a series of cash lump sums directly from the New Scheme.
- Purchase a secure income for life (through an annuity) from any provider.
- Transfer your DC pension savings to another provider.

## **8. What charges apply to the New Scheme and how do these compare to the Current Scheme?**

Under the Current Scheme, you currently pay charges (referred to as a Total Expense Ratio or TER) to cover the cost of investment management and these depend upon the investment fund(s) you have selected.

As a reminder, current charges for the Current Scheme and New Scheme are noted below:

<b>Current Scheme</b>	<b>Provider</b>	<b>Charges (excluding transaction costs)</b>	<b>New Scheme - Aviva Master Trust</b>	<b>Charges (excluding transaction costs)</b>
Fund A	Legal & General	0.268%	My Future Focus Lifetime Investment Strategies	0.22%
Fund B	Legal & General	0.257%		
Fund C	Legal & General	0.224%		

Gilts	Legal & General	0.070%	Self-select funds	Between 0.16% - 0.97% depending on fund selected
Cash	Legal & General	0.110%		
Ethical UK Equity Index Fund	Legal & General	0.200%		
Managed Fund	Utmost Life	0.750%		
Balanced Managed Fund	Clerical Medical	0.500% - 1.60% depending on fund selected		
UK Equity Tracker Fund	Clerical Medical			
Ethical Fund	Clerical Medical			
The Halifax Fund	Clerical Medical			
Retirement Protection Fund	Clerical Medical			
Lifestyle Balanced Fund	Clerical Medical			
Lifestyle Non-Equity Fund	Clerical Medical			
Lifestyle UK Growth Fund	Clerical Medical			

The New Scheme will also bring wider benefits to members which we believe will further improve the value of the proposition. If you select your own funds, different charges may apply. Details of these charges can be found in under the New Scheme microsite: <https://workplace.aviva.co.uk/CARSP/>

#### **9. How do I access the Aviva Master Trust Microsite?**

You can find further information about the New Scheme through the microsite, which can be accessed through the following link: <https://workplace.aviva.co.uk/CARSP/>

From this link you can also register for, and login to, the secure online portal where you can see details of your own benefits in the New Scheme. As you are currently an Active Member of the Scheme you will receive your login details from Aviva on or around the 30th January 2024, once you have been registered as a member of the Aviva Master Trust by the Payroll team.

#### **10. Do I need to complete a new nomination of beneficiary form for the New Scheme?**

Yes. You will need to complete a nomination form for your membership under the New Scheme. Once you have joined the New Scheme, Aviva will write to you to confirm your membership details, including your account number. Once you have this information, you can log into your account online via the [microsite](#) and update your beneficiaries

As you are also a current employee of Which?, you are also entitled to a death in service benefit under the Which? Group Life Scheme. Please contact the People Team ([people@which.co.uk](mailto:people@which.co.uk)) if you would like to complete a new nomination form for this benefit.

#### **11. How will my personal data be shared?**

The Trustees will share personal data about you and your entitlements under the Current Scheme with Aviva. The Trustees will only share personal data that is necessary for the sole purpose of completing the transfer of your DC funds to Aviva and it will happen in a secure way. The lawful reason for this under data protection laws is legitimate interests (i.e. for Aviva to get ready for and give effect to the pension transfer).

The Trustees have considered your own interests and these legitimate interests as required. The Trustees' privacy notice is available here:

<https://www.which.co.uk/pension-scheme/information/4920/pensions-privacy-notice>

and Aviva's privacy notice is available here:

<https://www.aviva.co.uk/services/about-our-business/products-and-services/privacy-policy/>

## **12. What information will I receive about the transfer?**

After the black-out has lifted Aviva will contact you to confirm when the transfer has completed and how you can view your transferred amount online.

The value may be different to the disinvestment value from the Current Scheme because you will have been invested since 20th March 2024.

## **13. I do not want my pension savings to be transferred to Aviva, can I transfer these to another provider?**

Yes, however all forms must be completed and returned to [Pensions@which.co.uk](mailto:Pensions@which.co.uk) by 21st February 2024, to ensure this can be processed before the black-out period.

If you decide to transfer your DC pension savings in the Current Scheme to another pension arrangement instead of the New Scheme, contact [pensions@which.co.uk](mailto:pensions@which.co.uk) straight away.

We will send you a transfer statement for you to pass to your new pension provider and you will need to ask them to contact us straight away to arrange the transfer directly.

If your new scheme has a member portal, you may be able to request the transfer through this, but if you can't do either of these, please ask them to email [Pensions@which.co.uk](mailto:Pensions@which.co.uk).

Transferring can be a lengthy process. All the required paperwork must be completed and with the Pensions Team at Which? by midday 21st February 2024 for us to process your transfer before the transfer to the New Scheme.

If this is not possible, you will still be able to transfer once the black-out is lifted but you will need to start the process again with Aviva.

## **14. Can I take my benefits before the transfer?**

If you are aged 55 or more and wish to take your DC pension savings from the Current Scheme before the transfer, contact [pensions@which.co.uk](mailto:pensions@which.co.uk) straight away.

All the required paperwork must be completed and with the Pensions Team at Which? by midday 21st February 2024.

If this is not possible, you will still be able to take your benefits after the black-out is lifted but you will need to start the process again with Aviva.

## **15. How will I know that the value of my pension savings being transferred to the New Scheme is the same as the amount that I had on the transfer date in the Current Scheme?**

A statement will be issued to all current Which? employees detailing the value of their pension savings as of 4th March 2024 ahead of the transfer date. By this date transactions within the Current Scheme should have been finalised and the number of units being transferred to the New Scheme should be fixed.

Please note, the value of the pension savings on the date of the transfer will not be the same as the value on the statement issued. Values transferred may change due to market movements between 5th March and the transfer date of 20th March.

### **Help and support**

If you have any questions about the transfer process you can contact [pensions@which.co.uk](mailto:pensions@which.co.uk).

If you are unsure about the content of this letter then you may wish to consult a Financial Adviser. Please be aware that neither Which?, the Trustees nor Barnett Waddingham are able to provide you with any financial advice. If you want advice, you can find an independent financial adviser via [Money Helper](#). This is a Government service that provides help with choosing a financial adviser, questions to ask them and a guide to their fees:

Please note however that you will be responsible for meeting the costs of any advice.