

A major change to how we save for retirement

Volt Contractor Pension Scheme

Frequently Asked Questions

The following has been developed to help answer a number of questions you may have about the recent changes to UK pensions and how these changes affect you.

Simply click on a heading below and you will find an answer to each of the questions.

Q1: What is a pension?

Q2: Is everyone being enrolled into a workplace pension?

Q3: I meet the criteria – when will I be enrolled?

Q4: What if I don't meet the criteria to be enrolled?

Q5: Why is this happening?

Q6: Who will pay into the pension?

Q7: How much will I get from my workplace pension when I retire?

Q8: Will it be enough?

Q9: What if I move jobs?

Q10: What happens to my pension if I die before retiring?

Q11: Can I take the money out?

Q12: I had a workplace pension in a previous job, what should I do about that?

Q13: Can I refuse to be auto-enrolled?

Q14: What if I don't want to be in a pension scheme?

Q15: What if I opt-out, can I rejoin at a later stage?

Q16: Could I lose my pension if my employer goes bust?

If your question is not covered, please contact pensions@volt.eu.com

Q1: What is a pension?

A: A pension is a way of saving money to provide you with an income when you retire.

When people talk about their 'pension' they can mean either the way they are saving for their retirement and/or the income they receive when they're retired.

In this document, we use the term "pension scheme" to describe the way you save for your retirement.

Q2: Is everyone being enrolled into a workplace pension?

A: Starting from October 2012 with very large employers going first, every employer has to enrol into a workplace pension, workers who:

- are not already in a qualifying workplace pension scheme;
- are aged 22 or over;
- are under State Pension age;
- earn more than a minimum amount a year (£9,440.00 in 2013-14); and

- work or usually work in the UK.

Volt will be automatically enrolling eligible contractors from 1st May 2014.

Q3: I meet the criteria, when will I be enrolled?

A: If you meet the criteria above (Q2), you will automatically be enrolled in to the Volt Contractor pension scheme on 1st May 2014, if you were providing services to Volt before 31st January 2014. If your contract with Volt started on 1st February 2014, or later, we will write to you during the first month of your contract to advise you when you will be automatically enrolled.

Q4: What if I don't meet the criteria to be enrolled?

A: If you do not meet the criteria above (Q2), you will not be automatically enrolled into the Volt contractor pension scheme.

However, you may be able to join the pension scheme if you wish, so long as you're 16 or over, and under 75. If you would like to join, please contact pensions@volt.eu.com

If you meet the criteria at a later date, for example you turn 22 or you start to earn more, and you are not already a member of the pension scheme, we will then automatically enrol you.

Q5: Why is this happening?

A: A large number of the working population in the UK are not saving enough for retirement. We are living longer and have an increasing proportion of people of retirement age compared to those of working age. Auto enrolment is a part of a Government initiative to increase private retirement savings and ensure that we all save enough for our retirement.

Q6: Who will pay into the pension?

A: Both you and Volt will pay into the pension scheme.

Q7: How much will I get from my workplace pension when I retire?

A: This can only be calculated when you retire but you can obtain an estimate. Your annual pension statement from NEST will give you an indication of what you could get back from your pension. If you have more than one pension you may find it more helpful to get a forecast for all of your pensions from a financial advisor.

Q8: Will it be enough?

A: Being in a workplace pension means you've taken an important step providing for your retirement but what is "enough" will differ from person to person. You may want to start thinking about the things you will need money for in retirement such as paying bills, transport and buying food, and the things you may also want to do such as:

- Run a car
- Meet friends for lunch or drinks
- Buy gifts for your family or friends
- Go on days out/ holidays
- Do sport or other leisure activities

Once you have an estimate of how much you can expect to get from your workplace pension you can think about whether it will be enough. If you're concerned you will not have enough, you could think about contributing more to your pension, working longer, and/or saving in other ways.

Q9: What if I move jobs?

A: When you cease to provide services through Volt and move to a new company, you may be automatically enrolled into a new workplace pension. This will depend on the size of the new company, when you move, and if you meet the criteria listed in Q2.

As the Volt Contractor pension scheme is a personal pension you can continue to contribute to the plan after you have left Volt.

If you start a new pension, you may be able to combine your old pension with your new one. Your new pension scheme provider will be able to tell you if this is possible and, if so, how to go about doing it. You may wish to seek Independent Financial Advice regarding the transfer of your existing plans and there may be a fee for this advice.

Nowadays lots of people move jobs several times in their working lives, so it's important to keep track of the pensions you have. Keeping your statements will help you do this. If you have lost track of a pension, the government's Pension Tracing Service could help provide you with the contact details for that pension. Website: www.direct.gov.uk/pensiontracing

Q10: What happens to my pension if I die before retiring?

A: You can nominate someone to receive the money if you die and how much they would get. NEST should ask you to confirm in writing who that person is when you first join the pension – if they do not, you should ask them for a nomination form.

You can change your nomination at any time. It's important to review it if your circumstances change e.g. if you divorce, if a beneficiary pre-deceases you.

Please note: although in most cases the money will go to whoever is nominated, organisations who run pension schemes are allowed to pay it to someone else if this is needed. For example, if the person nominated cannot be found or has died.

Q11: Can I take the money out?

A: As this is a Group Personal Pension, the minimum age you can access your pension fund is currently 55. At this point, typically, the maximum you can take from the pension is 25% as cash - the remainder will be used to provide you with an income during retirement.

Q12: I had a workplace pension in a previous job, what should I do about that?

A: You may be able to combine your previous pension with the Volt Contractor Pension Scheme. NEST will be able to advise you if your previous pension is eligible for transfer. You may also wish to take financial advice as to whether or not combining pensions would be the best option for your specific circumstances.

If you have lost track of a pension, the government's Pension Tracing Service could help provide you with the contact details for that pension.

Website: www.direct.gov.uk/pensiontracing

Q13: Can I refuse to be auto-enrolled?

A: No. All eligible employees must be auto-enrolled. You will have one month after being auto-enrolled, to opt out of the pension scheme if you wish.

Q14: What if I don't want to be in a pension scheme?

A: You can choose to opt out of your scheme at any time if you want to. If you opt out within 1 month of auto enrolment, any payments already made will be refunded, as if you had never joined. If you opt out after this, the payments already made will not be refunded and will remain in your pension scheme.

If you opt out or you stop making payments, Volt will automatically enrol you back into the pension once every three years. You can choose to opt out again at this stage if you wish.

Q15: What if I opt-out, can I rejoin at a later stage?

A: You can start paying into the pension scheme again at a later date, if you decide you want to. We will accept you into the pension scheme once in every twelve month period. This means if you leave, join, then leave again within twelve months we do not have to accept you a second time in the same twelve month period.

Q16: Could I lose my pension if my employer goes bust?

A: The Volt Contractors pension scheme is not held within the company's assets it is held with an external provider called NEST so you will not lose your pension if Volt became insolvent.

Useful links

The Pensions Advisory Service is an independent voluntary organisation which provides free information about pensions: www.pensionsadvisoryservice.org.uk

If you're struggling with debts and would like advice on how to manage your money, you might find the Money Advice Service a good starting point. www.moneyadviceservice.org.uk

You can find out more about your pension options generally at: www.direct.gov.uk/pensions

For tracing missing or lost pensions: www.direct.gov.uk/pensiontracing

The Pensions Regulator regulates workplace pensions: www.thepensionsregulator.gov.uk

The Financial Conduct Authority (FCA) regulates the providers of personal pensions: www.fca.org.uk

This FAQ document is only a guide and does not cover every circumstance. For further information please email pensions@volt.eu.com