

PUZZLED BY PENSIONS?

PLADIS STAKEHOLDER PENSION PLAN ('THE PLAN')



What is the Pladis Stakeholder Pension Plan?

A regular contribution is deducted from your pay and sent to the pension provider. The company pays a contribution on your behalf as well. The pension provider for the Plan is Aviva.

You decide how you want your pension contributions to be invested. You will have your own individual pension pot – and when you decide to retire you will have a number of choices as to how you can access the money that has built up in your pension pot.

How do I join?

You will automatically be included in the plan as long as you meet the auto-enrolment criteria. This means you must be between the ages of 22 and your State Pension age **AND** you will need to earn £10,000 or more each year. If you do not meet the eligibility criteria you can still apply to join.

How much do I have to pay?

If you are automatically enrolled you will pay a minimum contribution of 3% of your pensionable pay and Pladis will 'double match' this at 6%. However, you can if you wish, step up to a higher contribution rate and Pladis will also increase their contribution (see the table below):

You pay	Pladis pays	Total
3%	6%	9%
4%	7%	11%
5%	8%	13%
6% (or more)	9%	15%

*pensionable pay is your annual basic salary plus other contractual earnings.

How much should I pay?

This is something we are asked about often and will obviously depend on what you can afford. However, generally the more money you can pay into your pension pot, the better the outcome will be.

Remember, if you are not in a pension scheme you are missing out on free money from your employer and Government!

This is probably best demonstrated by showing some example illustrations.

The examples below are based on someone earning **£20,000 a year**:

Your contribution:	3%
Pladis's contribution:	6%
Per month	
You pay	£40.00
Pladis pays	£100.00
Government top up (known as tax relief)	£10.00
	£150.00
If you earn £20,000 a year and opt for a contribution of 3% this would normally be equal to £50 per month, however because of tax relief you only pay £40 per month. So the actual total amount being invested for you is around £150 per month.	

If we use the same example to show what might build up in your pot if you pay a higher contribution, you can see how much more your money will work for you.

Your contribution:	6%
Pladis's contribution:	9%
Per month	
You pay	£80.00
Pladis pays	£150.00
Government top up (known as tax relief)	£20.00
	£250.00
If you can afford to pay 6% you will obviously pay more but the total amount being invested for you is now £250 per month.	

Continued overleaf ...

How much will I receive when I retire?

The size of your pot will depend on many things – how long you pay in for, how well your money is invested and how you take your benefits. However, as already mentioned one of the key factors will be the amount of money that is paid in.

Aviva has an online pension calculator which will also help you to understand what your contributions might provide from the Plan when you decide to retire. This will help to manage your expectations of what you might receive and how you can make a difference to your financial security in later life by rethinking the amount you contribute to your pension. To access the calculator go to: www.direct.aviva.co.uk/myfuture/RetirementPlanner/AboutYou

Alternatively speak to your Usdaw rep who will help you to get online if you are unsure.

What else is on offer?

Life Cover

A lump sum death benefit of 4 x your pay is available (tax free) to your dependants if you die whilst being employed by Pladis. This is funded by Pladis. In addition your beneficiaries will also receive the value of your retirement savings in the Stakeholder Plan.

Ill Health

If you meet the ill health criteria your retirement savings in the Stakeholder Plan will usually be returned as a lump sum, free of tax (after age 75 the rules change however, and tax will normally be applied).

Flexible Retirement

You can if you wish, apply for flexible retirement. This means you can access your retirement benefits and continue to work for Pladis. Your request is subject to Company and Trustee consent.

More Information

If you would like to find out more you can access the pension website with Aviva at www.aviva.co.uk/membersite or email NGPcustomerservices@aviva.com or call on 0800 068 1431.

Usdaw members can also contact the Union's Pensions Section for information and guidance regarding the Pladis pension arrangements or about pensions in general. Call 0161 224 2804 or email pensions@usdaw.org.uk



Stock photography. Posed by models.

Disclaimer

This Usdaw publication is for educational and general information purposes only. It does not constitute any form of advice or recommendation. Visit www.unbiased.co.uk for details of independent financial advisers (IFAs) in your area. Usdaw has an affinity partnership with a group of IFAs but is unable to endorse any individual advice provided and is not liable for any subsequent business transacted directly with Usdaw members. Usdaw has endeavoured to ensure the information provided is accurate but cannot guarantee that the information is free from inaccuracies or typographical errors.

