

# Affinity Water Pension Plan – General Notes

## Introduction

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The Affinity Water Pension Plan ('the Plan') is one of the most valuable benefits that the Company provides. It aims to provide financial security for you and your family on your retirement and death.

This booklet and the Plan guide give only a summary of the benefits provided by the Plan. They do not cover everything in the formal trust deed and rules. If there is any conflict between the provisions of this guide and the trust deed and rules the latter will prevail. If you want to see a copy of that document or current version of this booklet and other pensions-related publications, please log on to our pension web site, [pensionsWEB](http://pensionsWEB), at [www.affinitywaterpensions.co.uk](http://www.affinitywaterpensions.co.uk) If there is anything you are not clear about or you need more information, please ask the Affinity Water Payroll & Pensions Team. You may also contact the Trustee at:

Affinity Water Pension Trustees Limited  
Tamblin Way  
Hatfield  
Herts  
AL10 9EZ

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*You should keep this booklet and any other papers you are given  
about the Plan in a safe place for future reference*

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## A – Z of further details

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This booklet is based on current understanding of tax and pension scheme law, which is subject to change at any time in the future.

### ABSENCE FROM WORK

Most absences from work are for a relatively short time and do not affect your membership of the Plan. If you are absent for a long time, your membership may be affected.

If you are away from work for any other reason except maternity, paternity or adoption leave, the Company, with the consent of the Trustee, decides whether your membership should continue, whether you remain covered for the lump sum death benefit and, in each case, for how long.

At the end of the appropriate period, if you have not returned to work, you are normally treated as having left employment.

With the consent of the Company and the Trustee, your contributions may be continued in whole or in part or be suspended during your absence.

### ALTERATION AND TERMINATION OF THE PLAN

At present the Company intends to continue the Plan, but it has the right to alter or terminate it at any time. If your benefits are in any way affected you will be notified. If the Plan is terminated, the Trustee will use the trust fund in the way set out in the trust deed and rules.

### DIVORCE

If you should get divorced, the Trustee may be obliged to allocate or pay part of your retirement or death benefits to your ex-spouse to comply with any court order requiring this.

### FORMAL TRUST DEED AND RULES

Your rights to benefit under the Plan arise from the formal trust deed and rules. These documents are designed to meet the requirements of HM Revenue & Customs (“HRMC”) and other Government authorities.

This booklet and your copy of the Plan guide give only a summary of the benefits provided by the Plan and do not cover everything in the trust deed and rules. You can see a copy of this document on [pensionsWEB](#). If there is anything you are not clear about or you need further information, you should contact the Affinity Water Payroll & Pensions Team.

### GIVING UP YOUR BENEFITS

Except in the limited circumstances allowed by law and by the formal trust deed and rules, you are not allowed to give up, cash in or forfeit your benefits or use them as a security for a loan.

## HM REVENUE & CUSTOMS

The Plan is registered with HMRC as a tax approved pension scheme under the Finance Act 2004.

This brings important tax advantages for you but, at the same time, sets limits on the contributions that can be paid. This limit is set out below and does not confer any additional entitlement to benefits under the Plan.

### Contributions

The maximum amount of contributions that you can pay in any tax year is the lower of:

- Your total annual earnings
- The Annual Allowance as specified by HMRC.

### Lump Sum Death Benefit

There is no limit on the maximum lump sum death benefit payable on death before retirement. However, should the total value of your pension benefits and the lump sum payable exceed the Standard Lifetime Allowance (SLA) as specified by HMRC then supplementary tax will be payable on any amount paid above the SLA.

You should let the Trustee know who you wish to receive the benefits by completing an Expression of Wish Form. You can complete another form if you change your mind at any time – copies of the form can be found on [pensionsWEB](#).

### Pension Commencement Lump Sum

The maximum tax-free cash sum that you can take at retirement is an amount equivalent to 25% of your Personal Account at that time- blank copies of the forms are available on PensionsWEB

## INCOME TAX

If your total income on retirement exceeds your personal income tax allowance, your Plan pension will be subject to income tax.

## INHERITANCE TAX

Under present legislation your lump sum death benefits are not normally subject to inheritance tax as they are paid at the Trustee's discretion.

## MATERNITY, PATERNITY AND ADOPTION LEAVE

If you receive statutory or contractual maternity, paternity or adoption pay, your Pensionable Service continues as if you are working normally. Your benefits will continue and will be based on the Pensionable Salary or Earnings you would have received had you been working normally.

If you do not receive any statutory or contractual maternity or adoption pay, your Pensionable Service and benefits continue, as described above, for the basic statutory period of 39 weeks (this does not apply to paternity leave).

You continue to pay contributions but they are based on the pay you actually receive during maternity or adoption leave (rather than on your Pensionable Salary or Earnings).

If you do not return to work, your date of leaving the Plan is taken as the date any maternity or adoption pay stopped or, if later, when your unpaid statutory maternity or adoption leave ended.

## PART TIME SERVICE

If you switch from part time to full time service, or from full time to part time service, or change your regular hours of part time working, you will be advised of the effect (if any) on your contributions and benefits at the time.

## PERSONAL INFORMATION

A statement entitled “Personal Information and the Data Protection Act 1998” is included at the back of this booklet. This explains how your personal information may be processed and contains details of obligations of the Trustee under the Data Protection Act 1998.

It is important that you tell the Trustee of any changes in your personal details, especially your marital status and, once you have left the Company, your address, to help the Trustee to provide your benefits quickly.

## REPORT & ACCOUNTS

Each year the Trustee produces a report which includes details of the Plan’s progress and the formal accounts. Copies of the latest formal Report & Accounts are available on [pensionsWEB](#)

## YOU AND THE STATE PENSION SCHEME

At State Pension Age you receive your State Basic Pension provided that you have paid enough National Insurance contributions. The State Basic Pension is paid in addition to your Plan pension which may be paid at a different date

## Help and advice

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### QUERIES AND PROBLEMS

The Trustee aims to administer and manage the Plan to high standards. In the unlikely event that at some stage you are unhappy about something concerning your benefits or your membership of the Plan in general, there is a procedure for you to follow.

Most queries and problems stem from a misunderstanding of information and normally can be quickly and informally sorted out without the need to use any formal procedures. You should first of all refer any query or problem to the Affinity Water Payroll & Pensions Team.

If you are still unhappy about the matter, you may then wish to consider making a formal complaint through the internal dispute resolution procedure.

## INTERNAL DISPUTE RESOLUTION PROCEDURE

If you have not been able to resolve any complaint about the Plan informally, there is a formal procedure you may use. Full details can be obtained from [pensionsWEB](#).

You should put your case in writing to the Trustee so that it can be considered. If you wish, you may use a representative to act on your behalf.

The internal dispute resolution procedure applies to matters concerning the Plan that affect members and others who may have an interest in the Plan. They do not apply to disputes between employees and the Company, nor do they apply to disputes where court proceedings have started or that are being investigated by the Pensions Ombudsman.

## THE PENSIONS ADVISORY SERVICE (TPAS)

TPAS is an independent voluntary service that provides free help and advice to members and other beneficiaries of occupational and personal pension schemes. If you have any pensions queries concerning your Plan benefits or any problems which you fail to resolve with the Trustee or administrators of the Plan, you can contact TPAS at 11 Belgrave Road, London, SW1V 1RB  
Tel: 0300 123 1047

Web: [www.pensionsadvisoryservice.org.uk](http://www.pensionsadvisoryservice.org.uk)  
or through your local citizens' advice bureau.

## PENSIONS OMBUDSMAN

The Pensions Ombudsman may investigate and decide upon any complaint or dispute of fact or law referred to him. However, he recommends that the matter is first raised with TPAS and normally insists that the complaint has been investigated under the Plan's internal dispute resolution procedure and still remains unresolved before he will accept the matter for investigation. If you have any complaint or dispute that cannot be resolved by the internal dispute resolution procedure nor by TPAS, you can refer it to the Pensions Ombudsman at 11 Belgrave Road, London, SW1V 1RB or  
Tel: 020 7630 2200

Email: [enquiries@pensions-ombudsman.org.uk](mailto:enquiries@pensions-ombudsman.org.uk)  
Web: [www.pensions-ombudsman.org.uk](http://www.pensions-ombudsman.org.uk)

## THE PENSIONS REGULATOR

The Pensions Regulator is an official body that is responsible for overseeing the running of occupational pension schemes and is able to intervene where trustees, employers or professional advisers have failed in their duties. It may be contacted at Invicta House, Trafalgar Place, Brighton, East Sussex BN14DW or

Web: [www.thepensionsregulator.gov.uk](http://www.thepensionsregulator.gov.uk)

## DEPARTMENT FOR WORK AND PENSIONS (DWP) PENSION TRACING SERVICE

The Trustee has given information about the Plan, including details of an address at which they can be contacted, to the Pension Tracing Service.

This tracing service run by the DWP may be of help to you if you need to contact the trustees of a previous employer's pension scheme and cannot trace them yourself. They can be contacted at The Pension Tracing Service, Tyneview Park Whitley Road, Newcastle upon Tyne NE98 1BA  
Tel: 08000 271 300

Email: [enquiries@pensiontracingservice.co.uk](mailto:enquiries@pensiontracingservice.co.uk)

Web: [www.pensiontracingservice.co.uk](http://www.pensiontracingservice.co.uk)

## Personal Information and the Data Protection Act 1998

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By completing an Application Form to join the Plan, you and the Company will be providing the Trustee with personal information about you and any beneficiary (if applicable). Further personal information, such as details of your pay and service, will also be provided to the Trustee by the Company during your membership. The Trustee is required to comply with the Data Protection Act 1998 in respect of this personal information. This Statement describes:

- what kinds of information the Trustee will hold about you;
- where the Trustee obtains this information from;
- how this information will be used; and
- who this information will be disclosed to.

### WHAT KINDS OF INFORMATION WILL BE HELD BY THE TRUSTEE?

Apart from the information provided on your Application Form, the information held by the Trustee will generally be such as is necessary to calculate your pension and other benefits under the Plan and any associated insurance policies including, for example:

- service and pay details;
- tax;
- national insurance and social security details;
- marital status;
- age;
- circumstances of retirement or leaving service.

It may sometimes be necessary to obtain health information from you (for example, for life assurance purposes or to establish an entitlement to an ill-health benefit); if this is the case your specific consent may be sought to the handling of this health information.

The Pension Tracing Service

### WHERE DOES THE TRUSTEE OBTAIN INFORMATION ABOUT YOU FROM?

The primary sources of this information are:

- you (or anyone appointed to act on your behalf, such as a financial adviser);
- your employer; and
- (occasionally) the trustees or managers of any other pension scheme of which you are, or were, a member.

Information may be obtained from the latter either because this is needed to check compliance with HMRC maximum benefit limits or in connection with any transfer of entitlements to or from such an arrangement.

## HOW WILL INFORMATION ABOUT YOU BE USED?

This information will be used by the Trustee, the Plan's administration staff and by the Trustee's agents and advisers in administering and managing the Plan. In particular, the information will be used to establish your membership of the Plan and your entitlement to benefits under it, and in communicating with you as a member. Pension scheme administration is a highly complex process and it is not possible to describe all that is involved here, but if you have any questions about the uses to which this information may be put, please contact the Payroll & Pensions Manager, Affinity Water Limited, Tamblin Way, Hatfield AL10 9EZ.

## TO WHOM WILL INFORMATION ABOUT YOU BE DISCLOSED?

The parties to whom personal information may have to be disclosed in the course of administering the Plan fall into three categories:

- The Trustee, the Plan's administration staff and advisers: This would include the Trustee, the Company, the Trustee's actuaries, accountants, legal advisers, indemnity insurers, life assurers, investment managers, custodians and consultants, pension payment agents, Additional Voluntary Contribution providers, auditors, communication consultants, printers and any other professional or other service providers retained by the Trustee in the course of operating the Plan.
- Government and other bodies: This includes HMRC, the DWP, the Pensions Regulator and, potentially, the Pensions Advisory Service and the office of the Pensions Ombudsman.
- Other pension arrangements: This would include the trustees or managers (and any of their service providers and advisers) of any pension scheme, personal pension arrangement, stakeholder scheme, or other investment to which, or from which, your rights are, or are expected to be, transferred, or where it is necessary to investigate other pension benefits for the purposes of checking that HMRC maximum benefits are not exceeded; any independent financial adviser appointed by you in connection with such a transfer, and any insurance company or other investment provider with whom any part of your rights under the Plan may be or may prospectively be insured. In the event of a pension scheme merger or transfer, whether or not as a result of the transfer of ownership of the sponsoring employer, the Trustee may disclose information to the purchaser/transferee, or to the trustees/managers of any new pension arrangement.

## YOUR RIGHTS UNDER THE DATA PROTECTION ACT 1998

You have a number of important rights under the Act. These include:

- a right to information about who is responsible for controlling the personal information held about you (the "Data Controller") and the purposes for which it is processed or used;
- a right to a copy of the personal information held about you; and
- a right to correct any inaccurate or misleading information held about you.

If you are considering exercising any of these rights, or to make any other enquiry about the personal information held about you, you should contact the Payroll and Pensions Manager, Affinity Water Limited, Tamblin Way, Hatfield AL10 9EZ.

## YOUR CONSENT

Under the Act, the Trustee has the right to process personal information about you for the purposes of administering and managing the Plan, but is required to comply with the terms of the Data Protection Act. The Trustee would, however, prefer all new Plan members to be aware of the matters described in this Statement and of their rights under the Act, and to have given their express consent to the use of their personal information for the purposes and in the ways described above. For this reason new Plan members are invited to give written consent to this as part of the process of applying for membership of the Plan.