



A guide to your retirement savings if you're **leaving the Company**

If you are a member of the AHBRSP or AE Scheme, both managed by L&G, there are a number of things you'll need to consider when you leave the Company – either due to a change in employment status or to retire.

This guide aims to provide an overview of your options to help you through that process.



First let's look at your circumstances and your different options.

Leaving your current employer

If you have savings built up in either the AHBRSP or AE Scheme, you have the following options:

- Leave your pension pot 'as is' without making any further contributions until you decide how you want to take your benefits.
- Continue making personal contributions (although you will no longer receive contributions from the Company).
- Transfer out to another retirement savings scheme of your choice (either a personal pension or one provided by your new employer).

Approaching retirement

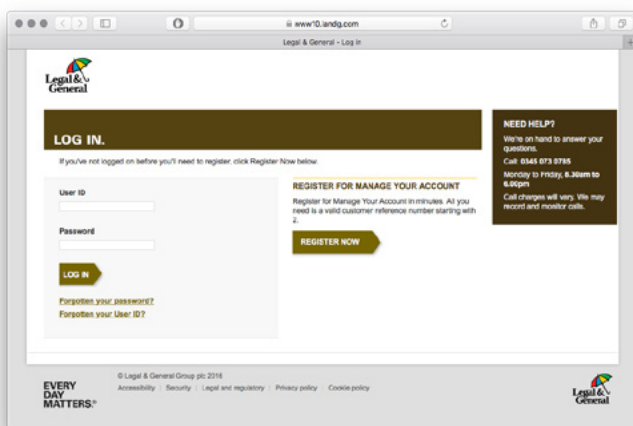
If you are approaching retirement, you can access your money in various ways:

- Take your retirement savings as a cash lump sum, some of which may be paid tax free.
- Receive regular income via an annuity or some form of flexible access, often referred to as a 'drawdown'.
- Receive mostly income, topped up by occasional lump sum payments as and when required.

There's more information about your options on L&G's [website](#).

A good place to start would be by finding out how much your pension pot is worth and reviewing your investments.

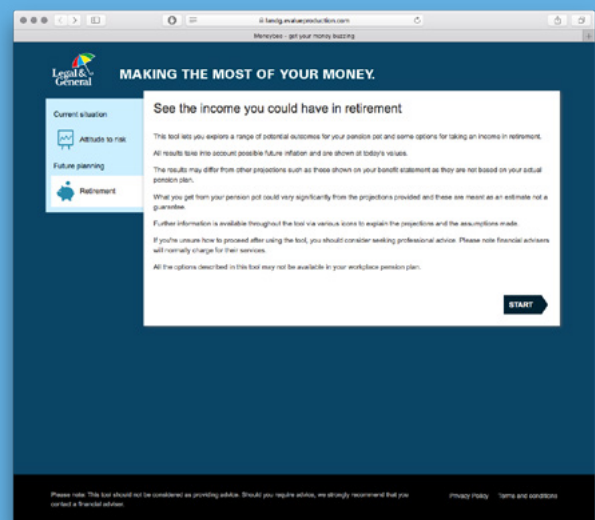
To do this, you can simply login to L&G's **Manage Your Account (MYA)**, where you will also find useful tools to help with your retirement planning.



If you have not done so already, registering for MYA is easy. If you'd like some help, L&G has produced a **step-by-step guide** that explains how to do this, or you can watch this [video](#).

L&G also offers an online tool called the **3-1 Retirement Planner**, which allows you to:

- estimate how much your savings might be worth at your selected retirement date
- calculate the level of income you'll need to maintain your desired standard of living
- explore options for taking your money.



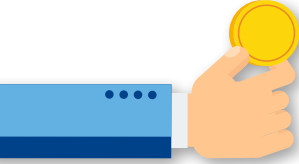
Milestones

Leaving your current employer

L&G will write to you within 12 weeks of you leaving the Company to explain your options.



While the Company will stop making contributions into your retirement savings account, you can continue to make personal contributions or transfer the money to another scheme.



Normally, the earliest you can start taking some or all of your retirement savings is at age 55.



Remember, if you're in the AHBRSP and you leave the Company, your life assurance cover will cease.

Approaching retirement



L&G will send letters to your home address 10 years, and then again four years, before your selected retirement date.



The letter will set out what you need to think about as you head towards your selected retirement date – including whether to make any changes to the L&G fund(s) in which your money is invested.



A maturity pack is issued 4-6 months before your selected retirement date explaining the options for taking your money.



Depending on your instructions, L&G will then issue a 'quote pack' outlining your choice and explain what you need to do next.



Things to consider when leaving the Company

If you are leaving the Company, there are number of things you should consider depending on your employment status.

New employer

If your new employer offers a retirement savings or pension plan, you may wish to join that. Remember that they may have to automatically enrol you in a workplace pension if you meet certain criteria.

Self-employed

If you will be self-employed you can still contribute to your retirement savings account with L&G. However, the Company will no longer make any contributions once you leave our employment.

Not working

If you won't be working once you leave the Company, you can still pay up to £3,600 a year into your retirement savings account and benefit from tax relief.

Tax relief

Each year you can contribute 100% of your relevant UK earnings or £3,600 (whichever is greater) and receive tax relief. You can pay in more, but you won't benefit from tax relief on any amount above this. If you are a higher-rate taxpayer you will need to contact HMRC to claim the extra relief, but basic-rate tax relief is automatically added to your payment.

Members of the AHBRSP (but not the AE Scheme) benefit from life assurance cover while working for the Company, so you should consider taking out alternative cover once you leave or retire.

Things to consider when retiring

As you get closer to retirement, there are number of things you should consider before making any decision, such as tax and State benefits.

Income tax

You may be able to take some of your retirement savings as a tax-free lump sum (currently up to 25%). Any further payments you receive will be taxed as income. If you have income from other sources, the combined amount may increase your tax rate. Please refer to **Pension Wise** or the **Money Advice Service (MAS)** guide for more information on how this might affect you.

State Pension

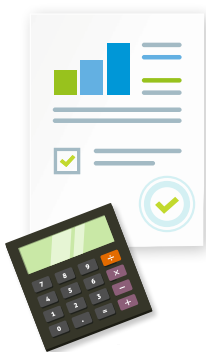
You should contact the Department for Work and Pensions (DWP) to find out how much pension you are likely to receive from the State. You can do this in a number of ways:

Visit the DWP website www.gov.uk/check-state-pension and use the online form. Call the Future Pension Service on 0345 3000 168 (Monday to Friday, 8am to 6pm) or write to them at The Pension Service 9, Mail Handling Site A, Wolverhampton WV98 1LU.



State benefits

If you or your partner are entitled to State benefits (such as universal credit or child benefit), where the amount received depends on how much you earn or have in savings, you will need to tell HMRC about any money you take from your retirement savings. There is more information on the **Government website**.



Other things to consider

Pension scams

Beware of any unsolicited calls, texts or emails, especially if they mention things like 'early access', 'loans', 'loopholes' or 'one-off deals' – if it sounds too good to be true, it probably is. Unscrupulous companies and individuals are targeting members of pension schemes and you could stand to lose your retirement savings.

Money Purchase Annual Allowance (MPAA)

This will affect you if you take money out of your pension pot in a flexible way (which you can do from age 55), but continue to make contributions. The MPAA is currently £4,000 per annum (as of April 2017).

Annual Allowance (AA)

The Annual Allowance is the maximum amount of pension savings that you can build up every year without incurring tax and is £40,000 for the current tax year. However, your Annual Allowance will be reduced if your income exceeds a certain level, so it is important to understand how you might be affected.

Lifetime Allowance (LTA)

If the total benefits from all of your registered pension schemes (excluding any State Pension) exceeds the LTA, a tax charge of up to 55% may be payable. The LTA is currently £1m, but set to rise to £1.03m from April (2018/19 tax year).

If you think you may be affected by these allowances, you should consider speaking to an independent financial adviser (IFA).

Special circumstances

If you are seriously ill, it may be possible to cash in all of your retirement savings free of income tax. However, you would still have to pay tax if you go over your Lifetime Allowance. Your decision could have inheritance tax implications so we would recommend you seek financial advice, either by booking an appointment with **Pension Wise** or by speaking to an IFA.

Questions & Answers

➔ How much are my retirement savings worth?

If you are a member of the AHBRSP or AE Scheme, you can visit [MYA](#). As well as finding out what your retirement savings may be worth, you can also use the service to switch investment funds and change your selected retirement date or contribution levels.

➔ When can I take my money?

You can take your money at any time from age 55, regardless of whether or not you've stopped working, but it is important you let L&G know your selected retirement age.

➔ How can I take my money?

Depending on the size of your pot, you have a number of options available, such as taking your savings as cash, using them to provide a regular income or a combination of options.

➔ How can I trace an old pension?

If you think you may have retirement savings built up in an old pension scheme, but are having difficulty tracing your benefits, you can contact the Pension Tracing Service on 0800 731 0193 or visit www.gov.uk/find-pension-contact-details

➔ Are there any costs associated with the options for taking my benefits?

There may be costs involved, so you should contact L&G directly to find out what they are (or any other provider that you may decide to use).

➔ Where are letters sent?

Correspondence is sent to your home address, which is why it is important that we hold the correct information. Once you have left the Company you will need to inform L&G directly of any changes to your address or circumstances (such as marital status).

➔ What should I do if I think I've been scammed?

Visit [The Pensions Regulator](#) for guidance or use [The Pensions Advisory Service's online tool](#) to help identify a scam. If you have any doubts, but have already signed the paperwork, contact your pension provider immediately. They may be able to stop a transfer if it hasn't yet gone through. You should then call [Action Fraud](#) on 0300 123 2040 to report it.

Help

While we're unable to offer financial advice, the Government offers free and impartial guidance at [Pension Wise](#). You can also visit the [Pensions Advisory Service](#), who provide free, independent information on pensions.

You might also wish to speak to an independent financial adviser (IFA). To find one in your local area please visit www.unbiased.co.uk or call them on 0800 023 6868.

If you have specific questions about your investment options or have reached a decision about what you'd like to do with your retirement savings, you should contact L&G on 03450 265006 or visit www.legalandgeneral.com/ahbrsp

(Requires Internet Explorer 7 or higher.)

L&G have also published a [helpful guide](#) to investing your pension savings as you approach your retirement date.