PIE guide and Frequently Asked Questions – your options explained

In this booklet we have provided answers to some questions which you may have about the PIE option, how to get impartial help and advice and further important information.

Introduction

This guide and other information has been sent to you because you are eligible for a new and updated option called Pension Increase Exchange or "PIE" for short.

This guide provides further information on the PIE option and how you can get free impartial advice (or if you live overseas, guidance – please see question 3.10 for more details) from the Scheme's appointed FCA authorised financial advisers, Informed Pensions, at no cost to you. If you have any questions you can discuss this with Informed Pensions using the contact details later in this guide. Contacting Informed Pensions does **not** mean you are obliged to take up the PIE option, but you must take financial advice (or guidance, if you live overseas) from Informed Pensions if you wish to take up the PIE option. You can also discuss this option with your own financial adviser, but this will be at your own cost (please see question 3.8 for more details).

We are making the PIE option available for a number of reasons. This option enables the Firm to manage the financial cost and risk of running the Scheme, and at the same time gives you the flexibility to have a higher annual pension now, which might better suit your lifestyle needs.

In order to fully understand your options, please read this guide alongside your Personal Statement which accompanies it. This guide includes a lot of technical information. Please don't worry if you find this hard to get to grips with; Informed Pensions can talk you through this.

Terms used in this document

- The Scheme is the pension scheme you have received the offer from
- We, us or the Trustees means the Trustees of the Scheme. The Trustees are separate to the Firm and are responsible for making sure that the Scheme is run properly and for looking after members' benefits
- The Firm is CMS Cameron McKenna Nabarro Olswang LLP
- **Informed Pensions** is a national firm of financial advisers authorised by the Financial Conduct Authority ("the FCA"). They can help you understand whether this option is right for you.
- **Code of Good Practice** means the pensions industry voluntary Code of Good Practice on Incentives Exercises for Pensions

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Section 1 – the PIE option

1.1 What is a PIE option?

Your pension is designed to pay you a monthly income after retirement, for the rest of your life. Each year some of it (or possibly all of it) increases to offer you some protection from increases in the cost of living, for example when the prices of things like bread, milk and fuel go up.

The PIE option we're making available allows you to have a one-off increase to part (or possibly all) of your annual pension in exchange for giving up future pension increases on that part (or possibly all) of your pension. Any increases to the pension your spouse or dependants would be eligible for after your death are not included in the exchange and they would continue to receive inflation-linked increases based on your pension before you took the option.

Your Personal Statement included with your offer letter shows your pension, how this increases currently, and how this would change if you choose to accept the PIE option.

The PIE option may be beneficial for some people as it means a higher annual pension now. Other people may prefer to keep their pension as it is and continue to receive pension increases in future. This will be a matter of personal preference and circumstances.

1.2 How does the one-off increase from the PIE option compare to the value of the future pension increases I'm currently entitled to receive?

To help you judge the value of the one-off increase under the PIE option, we have provided you with information about the "Balanced Deal Percentage".

The Trustees and the Firm have set the Balanced Deal Percentage for this option at 85%. This means that the average value of the one-off increases to pensions under the PIE option across members eligible for the PIE option is 85% of the expected value of the future annual increases being given up.

If everybody eligible for the PIE option accepted, then the expected value of the additional benefits awarded to members would be 85% of the expected value of the future pension increases being given up.

As specified by the Code of Good Practice we have used the Scheme's 'Transfer Value basis' to calculate the Balanced Deal Percentage. The Transfer Value basis is the best estimate of the value of benefits provided by the Scheme.

The Balanced Deal Percentage is an average across all eligible members. Broadly, as the Balanced Deal Percentage is less than 100%, if Scheme members take up the PIE option, the costs and risks to the Firm of financing the Scheme are expected to reduce. Whether or not you take the PIE option, please be assured that the Firm remains committed to financing the Scheme's benefits and the security of the Scheme.

Informed Pensions will be able to explain what this means and whether this option is right for you, given your personal circumstances.

1.3 Could my decision be affected by how I want to, or need to, spend my money in retirement?

Yes - before making any decisions, you should think about how you spend your money now and how you might want to, or need to, spend your money in the future. There may be things you still want to do that require a bit more money now than you'll need later, such as holidays, home improvements or just spending time with family and friends.

In making a decision, you may ask yourself questions such as "Do you want to maintain a certain level of living?"; "Would the one-off increase to your pension prove more useful to you than annual increases in future?"; "Do you want comfort that you will be able to continue to afford the things you like to buy in the future?"

You may also want to think about your health. Are you healthy? Do you smoke? Do you expect to be healthy in the future? In later years, you may need to cover health and care costs on top of your normal outgoings.

Informed Pensions will be able to discuss your personal circumstances with you, to help you understand how they might impact your decision.

1.4 Do I have to accept the PIE option?

No. It's your decision, and if you decide it's not for you then you do not need to do anything. Your pension will continue to be paid from the Scheme in the normal way with its normal annual increases, and no change will be made to your benefits. The Scheme's appointed financial adviser, Informed Pensions, can provide you with impartial advice to help you make the right decision for you. If some members who are offered this option do not accept it, that will not prevent other members who are offered the PIE option from accepting it. Every eligible member is fully entitled to make their own decision. The amount Informed Pensions are paid for providing advice to you is not dependent on whether you choose to take the option and Informed Pensions will not receive any commission payments.

1.5 If I take up the PIE option when would my higher pension start?

Your higher pension would start being paid from October 2023. At the same time, you would also receive a back payment reflecting the missed higher pension payments between the effective date of the PIE option and your last pension increase. You can find out what this would be on your personal statement.

1.6 Will any parts of my pension still increase if I take up the PIE option?

The PIE option only relates to certain parts of your pension, and these are shown in your Personal Statement. This is due to the rules of the Scheme and legislation which set out minimum pension increases on different parts of your pension which cannot be changed. Please see your Personal Statement for more information.

1.7 I would like to take the PIE option. How do I do this?

It's important that you understand what taking the PIE option means, and the Code of Good Practice requires you to discuss this with a regulated financial adviser first and take advice (or guidance if you are based overseas) if you wish to take the option. You can take advice from Informed Pensions to meet this requirement.

You need to complete an acceptance form which Informed Pensions will be able to send you after you have received advice (or guidance if you are based overseas) from them. You should then sign and submit this form to them by the deadline set out in your offer letter and they will arrange to share your form with the Scheme administrators.

The Scheme administrators will confirm receipt of your acceptance form and will write to you to confirm your increased pension income before any changes are made.

1.8 If I take the PIE option, can I change my mind?

Yes. But only within 14 days from the date that the Scheme administrators acknowledge receipt of your signed acceptance form. After this, your decision to take the PIE option cannot be changed and you will not be able to change your decision in the future.

1.9 Why are you giving me this option?

This option enables the Firm to reduce the financial cost and risk of running the Scheme. At the same time, it gives you the flexibility to have more of your pension now, which might better suit your lifestyle needs.

1.10 What do the Trustees think?

The Trustees are separate to the Firm and are responsible for making sure that the Scheme is run properly and looking after members' benefits.

The PIE option is being introduced by the Trustees working in collaboration with the Firm. The Trustees have drafted these communications and have selected Informed Pensions to provide you with help and advice. The Trustees strongly recommend that you carefully read the advice (or guidance if you live overseas) provided by Informed Pensions, and make sure you fully understand the consequences of your choice, before deciding whether to accept the PIE option.

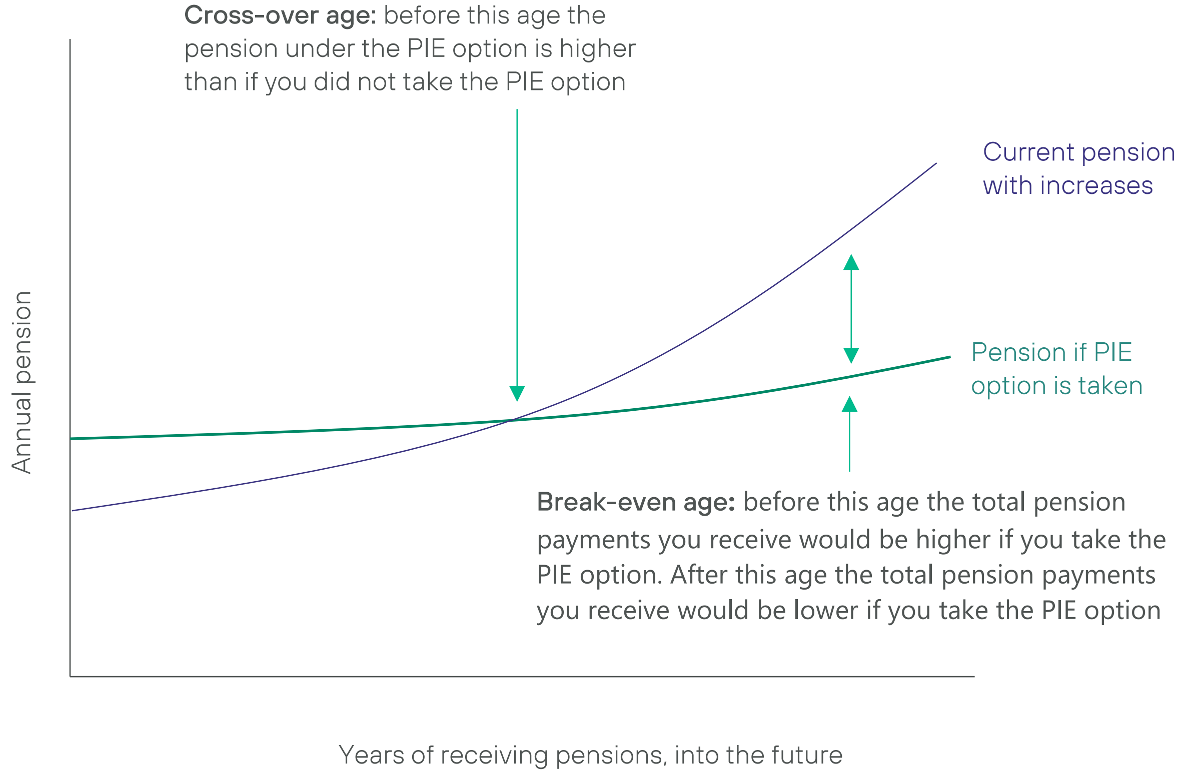
The Trustees are supportive of giving you the PIE option as they consider the additional flexibility will be in some members' interests, especially as this is supported with personal financial advice (or guidance for overseas members) which is provided at no cost to you.

The Trustees are not making any recommendation in connection with this PIE option. Neither the Trustees nor the Scheme administrator can advise you on which choice you should make.

1.11 What are the potential risks for me if I take the PIE option?

Informed Pensions will discuss this with you. The main risk is that if you choose a higher pension now which does not increase as much as your current pension, your pension later in life might not keep up with inflation (i.e. increases in the cost of living), which may impact your standard of living in the future. It is also possible that if you take the PIE option the total of all of the pension payments that you receive in future will be less than would have been the case if you had not taken the PIE option.

To help you consider when you might be "better off" or "worse off" under the PIE option, we have included the "cross-over" and "break-even" ages in your Personal Statement. Take a look at the chart below for an illustration of what these terms mean.



Another important risk to consider is how long you will live, comparing that to the "cross-over" and "break-even" ages. Individuals who live longer are more likely to be less well off if they take the option because they will have given up more inflationary increases than those who die sooner.

Life expectancy will vary significantly from person to person, and you may have a view on this based on your current state of health and family history.

None of us know exactly how long we will live for and there are lots of statistics published on life expectancy from various organisations which show different figures. However, to help you consider this matter we have provided a table below which shows the best estimate of life expectancy currently used by the Trustees when valuing your pension.

It is important to remember that these are both estimates and averages, and so some people will live beyond the ages shown and some will die before. This is why your personal circumstances are important when thinking about this option.

Current age	Male life expectancy (years)	Female life expectancy (years)
55	31	34
65	22	24
75	13	15

Source: The Scheme transfer value basis, calculated by Isio

Other important things to consider include any potential tax implications. More information on these areas is included later in this guide.

Section 2 – inflation

2.1 What is price inflation?

Inflation is the increase in the cost of living. When there is inflation, more money will be needed to pay for goods and services over time. There are several ways in which inflation is measured, RPI (Retail Prices Index) and CPI (Consumer Price Index) are two of these. Where parts of your pension increase in the Scheme, the increases are applied in line with RPI or CPI, up to a limit.

Your Personal Statement shows how the different parts of your pension increase currently. This reflects the rules of the Scheme, and the requirements of the law, as they've applied whilst you were accruing your pension.

Inflation varies from month-to-month and year-to-year and so is hard to predict. To illustrate this, the table below shows how RPI and CPI have increased each year for the last six years.

Year (to September)	Increase in RPI	Increase in CPI
2022	12.6%	10.1%
2021	4.9%	3.1%
2020	1.1%	0.5%
2019	2.4%	1.7%
2018	3.3%	2.4%
2017	3.9%	3.0%

Source: Office for National Statistics

It's important to understand that levels of inflation in the past might not be what we should expect in the future. The Bank of England's current target for CPI inflation is 2% per year. RPI inflation is currently expected to be higher than CPI inflation on average, and the amount of any difference varies over time as shown in the table above. Based on announcements by the UK Government it is expected from 2030 that RPI will become very closely aligned with CPI.

2.2 How does inflation affect me?

Over time, inflation reduces the value of money – the pound in your pocket will be able to buy less in the future because prices increase.

Currently, most (or possibly all) of the pension you receive from the Scheme has some inflation protection in the form of annual increases which are in line with inflation, up to a limit. These increases are designed to help to maintain the buying power of your pension. If you take up the PIE option, an important consideration for you will be the loss of some or all of this protection.

The table below shows how the purchasing power of £100 today may change over time, assuming different, constant rates of future inflation. These are only examples and inflation could be higher or lower than the range of inflation shown in the examples.

Future inflation	1%	3%	5%
Buying power of £100 in 10 years' time	£91	£74	£61
Buying power of £100 in 20 years' time	£82	£55	£38

Source: Isio Calculations

Section 3 – getting help and advice

As well as this PIE Guide and Frequently Asked Questions and your Personal Statement document, the Scheme has put other facilities in place to help you make an informed decision.

3.1 What is the process for getting advice?

Pensions can be complicated and it is important that you seek advice (or guidance if you are based overseas) from Informed Pensions when making a decision about the PIE option.

You do not need to meet the cost of the help and advice or guidance that Informed Pensions provide to you. Informed Pensions' fees will be met by the Scheme.

Important note: if you wish to accept the PIE option you must first speak to Informed Pensions.

3.2 What should I expect when speaking to Informed Pensions?

You can call Informed Pensions now to talk about your options, or you can call or email them to arrange a telephone appointment for a time in the future that suits you.

You will speak to one of their financial advisers who has all of the information about the Scheme and is able to access information about your current pension benefits and the PIE option available to you. They will explain the PIE option and make sure you understand the options available to you. They will also talk to you about your personal needs and your plans for the future. Your adviser will ask you about your health (and the health of your spouse or dependant, where relevant) – this is so they can understand how your own life expectancy might compare to the cross-over and break-even ages illustrated on your Personal Statement. They will also ask about any other income you receive (for example other pensions, property or rental income etc) and how you would manage in the future if your income was lower than it otherwise may have been. As a result, the advice (or guidance if you are based overseas) will be tailored to your personal circumstances. Nothing you discuss with Informed Pensions will be shared with the Trustees or the Firm.

It is important that you give your adviser accurate information so that they can advise or guide you properly. All of the personal information you give to Informed Pensions will be treated in strictest confidence and will not be shared with the Firm, the Trustees, or the Scheme administrator, or used for any other purposes save as identified in Informed Pensions' privacy notice (link below). It will take around 30 minutes for the adviser to work through the information they need from you.

Where you receive advice from Informed Pensions, your adviser will prepare a personalised recommendation report and will discuss the content with you to make sure you fully understand the information and answer any questions that you, or your family, may have. If you live outside of the UK, Informed Pensions will give you guidance and will prepare a guidance summary letter detailing all the relevant information required to allow you to make an informed decision.

Throughout the process you will have opportunities to ask any questions you may have and you can contact Informed Pensions as often as you like. You are welcome to have your spouse, partner or any other trusted person join you when speaking to Informed Pensions.

You are under no obligation to act on the recommendation of Informed Pensions. You can speak to them to find out more but it is ultimately your decision whether you choose to take up the PIE option, although you should carefully consider the advice or guidance you receive.

Informed Pensions and your personal data

Informed Pensions will have information about your pension from the Scheme and the PIE option. As part of being able to advise you, they will collect from you (and from the Scheme) certain personal data. Informed Pensions will be a "data controller" in this regard. Informed Pensions will be able to provide you with more information about how they process your personal data, and your rights in relation to that. You can also see a copy of Informed Pensions' Privacy Notice at: https://informedpensions.com/s/Privacy-policy-IP-Final.pdf.

3.3 Why were Informed Pensions chosen?

Informed Pensions is a specialist firm of financial advisers who are experienced at assisting people who have choices to make about their pension. They therefore understand the issues that you need to consider when making a decision. Their advisers have also been trained to provide them with detailed knowledge of the Scheme and the benefits it provides to you as well as the option made available to you.

The Trustees chose Informed Pensions following a thorough selection process. The final selection was based on a number of criteria, including their past experience and expertise.

3.4 What is the deadline for speaking to Informed Pensions?

We recommend calling Informed Pensions as soon as possible to make sure you have plenty of time to consider your options before you make a decision. The deadline for contacting Informed Pensions and returning your forms is set out in your offer letter.

3.5 What other documents might I need before I speak to Informed Pensions?

Before you speak to Informed Pensions you might want to have the following information with you to help get the most out of your discussion:

- Your Personal Statement that came with this Guide
- Details about your State Pension and your other income (and future income)
- Details about any other pension benefits you have (both in payment and yet to come into payment)
- Information about your spouse or dependant (if applicable), for example details about their pension benefits
- Information about other savings you have
- A recent bank statement

3.6 How do I contact Informed Pensions?

To find out more details about this option, please call Informed Pensions on 0800 788 0887. Alternatively, to arrange a call-back or obtain further information please email the address listed in your offer letter. Please note that you need to have contacted Informed Pensions by the deadline set out in your offer letter to give you enough time to make a decision.

Informed Pensions has special arrangements in place for people who have difficulty using the phone. To find out what they are, you can either send them an email to the address listed in your offer letter or write to them at:

1st Floor Postford Mill
Mill Lane
Chilworth
Surrey
GU4 8RT

3.7 Will Informed Pensions be able to give me any other advice?

Informed Pensions has been appointed to help you understand your pension benefits with the Scheme and to advise whether the PIE option is right for you.

You may also have other pension benefits outside of the Scheme that you want to understand, or have other questions about your Scheme pension that are not related to the PIE option. You will be able to discuss these with Informed Pensions, however you may need to pay a fee to Informed Pensions if you need advice on other benefits, depending on how complicated your circumstances are.

Informed Pensions will tell you in advance if extra advice would be useful for you and what the costs would be. For most people, the standard free level of advice should be enough to make a decision about whether you want to take up the PIE option.

3.8 Can I get my own advice or a second opinion?

Yes, however you will still need to go through the advice process with Informed Pensions should you wish to accept the option. The Scheme will only meet the costs for the standard advice you receive from Informed Pensions. This is because Informed Pensions have received training that gives them specific and detailed knowledge of the Scheme and the Code of Practice. This knowledge is important in enabling them to make an informed recommendation to you.

3.9 What if I want to accept the option and Informed Pensions has not recommended it?

If, after speaking with Informed Pensions, you wish to accept the PIE option but Informed Pensions has not recommended this, you will have to complete an additional declaration which will be provided to you by Informed Pensions. This will be to demonstrate that you are going against the recommendation made by Informed Pensions.

3.10 What if I live outside the UK?

You can participate in the PIE option wherever you live. However, a different procedure applies to members who live outside the UK.

If you live and pay tax in a country outside of the United Kingdom of Great Britain and Northern Ireland, Informed Pensions will not be able to give you advice in relation to regulatory requirements and tax laws applying in other jurisdictions. However, Informed Pensions can give you financial guidance on the PIE option to help you understand it in more detail. This means that although they will not be able to give you a tailored recommendation on whether or not to take the PIE option, they will answer your questions on how the PIE option works and the risks associated with it, provide information and explain the relevant issues to you.

You must contact Informed Pensions for this guidance before you can accept the PIE option.

In addition, we would strongly recommend you seek appropriate tax and pension advice from an adviser in the country in which you live to see how accepting the PIE option may impact your tax position and any state benefits in that country. You will need to arrange and meet the cost of this advice yourself though Informed Pensions can put you in contact with an advisory firm on request. Informed Pensions do not take responsibility for advice provided through any third parties.

The Code of Good Practice requires us to provide you with access to financial advice in relation to this option. Because we are unable to provide this, we are unable to comply with the Code of Practice on the PIE option for members who live outside of the UK.

Section 4 – tax considerations

4.1 Will I have to pay more tax if I take the PIE option?

Pensions are taxed as income and all payments will continue to be taxed in line with UK legislation. If you take the PIE option your increased pension may mean that you pay more income tax.

It is important for you to be aware of the tax implications in broad terms. Here are some situations where, if you took the PIE option, you are likely to pay additional tax (although note that this is not a complete list):

- If the increased pension causes you to move into a higher income tax band.
- If the increased pension causes your annual income to rise above £100,000.

The income tax bands for the 2023/24 tax year are as follows:

Income tax band (tax rate %)	
Personal Allowance (nil)*	£12,570
Taxable income above your Personal Allowance	
Basic rate (20%)	£1 to £37,700
Higher rate (40%)	£37,701 to £112,570
Additional rate (45%)	Over £112,570

Source: H M Revenue & Customs (HMRC)

* The Personal Allowance reduces where the income is above £100,000 – by £1 for every £2 of income above the £100,000 limit. This reduction applies irrespective of age.

There are different income tax rates and bands for the 2023/24 tax year in Scotland, and these are as follows:

Income tax band (tax rate %)	
Personal Allowance (nil)*	£12,570
Taxable income above your Personal Allowance	
Starter rate (19%)	£1 to £2,162
Basic rate (20%)	£2,163 to £13,118
Intermediate rate (21%)	£13,119 to £31,092
Higher rate (41%)	£31,093 to £112,570
Top rate (46%)	Over £112,570

Source: H M Revenue & Customs (HMRC)

* The Personal Allowance reduces where the income is above £100,000 - by £1 for every £2 of income above the £100,000 limit. This reduction applies irrespective of age or date of birth.

4.2 Will my spouse or dependant have to pay more tax if I take the PIE option?

For members who retired after 5 April 2006 an additional tax charge can sometimes apply for your spouse if they start to receive a pension on your death. This will not apply in most cases but as the likelihood increases if you take the PIE option, we are taking this opportunity to tell you about it.

Broadly speaking, the tax charge may apply if you die after age 75 and your spouse's pension is a similar size to the total of your own pension payments over the 12 months before your death plus 5% of any tax free cash lump sum you took when you retired. If your pension is lower than £25,000 this tax charge will not be applicable to you.

Informed Pensions will speak to you to help you assess whether you will be impacted.

4.3 If I take the PIE option, will I incur any additional tax charges because of the Lifetime Allowance?

The Lifetime Allowance (LTA) was a limit set by HMRC on the maximum amount of pension and retirement benefits you can build-up over your lifetime without incurring an additional tax charge. From 6 April 2023 the tax charges associated with exceeding the Lifetime allowance have been abolished.

Informed Pensions can help you understand the recent LTA changes and how you are impacted.

4.4 Is there any effect on means tested state benefits?

If you choose the PIE option, your pension will increase. As some "means tested" State benefits are based on your income and savings (which includes your monthly pension), choosing the PIE option may reduce your means tested State benefits. If you receive means tested State benefits you should check the position before making your decision, for example by speaking to Informed Pensions, the agency which pays your benefits or your local Citizens Advice Bureau.

Section 5 – the impact on spouse's and dependant's benefits

Important note: If you are the spouse or dependant of a former Scheme member, and are receiving a spouse's or dependant's pension, then this section does not apply to you.

5.1 What happens to the pension that may be payable to my spouse or dependants?

Under the Scheme rules, a pension may be payable to your spouse or dependant after your death.

If you take up the PIE option, any spouse's or dependant's pension will not reflect the one off-increase. They will therefore receive and continue to receive the pension and pension increases in the future in the way your own pension would before you took this option.

You may wish to consider having your spouse join you when you discuss the PIE option with Informed Pensions.

5.2 What happens to other death benefits my spouse or dependants are entitled to?

Taking the PIE option will not impact the benefits due to any eligible dependants in the event of your death.

Informed Pensions will be able to explain the impact on your spouse's or dependant's pension if you take the PIE option.

Section 6 - other important information

6.1 Will this option be available again in the future?

We do not currently have any plans to offer the PIE option again in the future.

6.2 I have more than one pension from the Scheme. Does this information about my options cover all my pensions?

If you have more than one pension from the Scheme, then you will be contacted separately about each pension which is eligible for the PIE option. However, the PIE option does not apply to any separate entitlement you have to money purchase/defined contribution benefits from your employment with the Firm.

6.3 Will the PIE option mean that I cannot receive any discretionary pension increases?

By taking up this option, you would still be eligible to be considered for any discretionary increases if these are granted in future. Any such increases, including the level and type of increase, would be granted at the discretion of the Trustees and the Firm. There are currently no plans to provide any discretionary increases in the Scheme to members.

6.4 What happens if I die before the implementation date?

If you take the PIE option of a higher pension but die before the expected higher pension start date of October 2023, your spouse or dependant's benefits will be paid as if the PIE option had been accepted. In most cases this will have no impact on your spouse's pension as this is calculated based on your pension prior to you accepting the option.

6.5 Is the Scheme in trouble?

No, the Scheme is not in any trouble. We are making the PIE option available because it provides members with greater flexibility about how they take their pension benefits, and at the same time it enables the Firm to manage the financial costs and risks of running the Scheme.

6.6 What type of protection exists for pension schemes?

The Firm is committed to support the Scheme and will continue to support the Scheme in the future, but in the unlikely event that the Firm becomes insolvent, the pension you would receive from the Scheme would depend on how much money was in the Scheme at the time of the Firm's insolvency.

For the Scheme, as with other final salary pension schemes, compensation may be paid by the Pension Protection Fund (also known as the PPF) if the Firm became insolvent and there was not enough money in the Scheme to secure members' benefits with an insurance company. More details are available at www.ppf.co.uk .

If the Firm decided to wind up the Scheme in the future and end the responsibility for paying into the Scheme, UK law requires the Firm to top up the Scheme's assets to cover the full cost of covering all Scheme benefits with an insurance company.

If you take the PIE option, it may affect the level of compensation you would be entitled to from the Pension Protection Fund.

If the Scheme were to enter the Pension Protection Fund within the next three years, the Pension Protection Fund may choose to unwind this option. If this were to happen, your pension would be adjusted as though you had not taken this option (which might mean it would reduce initially, but then increase at a higher rate in the future, subject to the PPF's compensation caps).

6.7 Who makes sure my pension is properly looked after?

The Trustees have primary responsibility for making sure your benefits are looked after properly and paid to you at the correct time and in the correct manner.

In addition, pensions are a regulated area and there are a number of parties that provide protection in different ways. Here is an overview:

- The Financial Conduct Authority (FCA) – the FCA (formerly the Financial Services Authority or FSA) regulate financial advisers, like Informed Pensions, to ensure that they provide impartial and appropriate advice.

  Web: www.fca.org.uk | Phone: 0800 111 6768

- The Pensions Ombudsman – the Pensions Ombudsman is appointed by the Secretary of State for Work and Pensions. The role of the Pensions Ombudsman is to investigate complaints about how pension schemes are run and to provide an impartial process to resolve these complaints. Their service is free and open to members who have a complaint against those responsible for the running or administration of pension schemes.

- If you have a complaint you should first speak to the Scheme Administrator, Isio. You can contact Isio via the details shared in your offer letter.

  Web: www.pensions-ombudsman.org.uk | Phone: 0800 917 4487

- The Pensions Regulator – The Pensions Regulator is the UK regulator of work-based pension schemes. It works with Trustees, firms, pension specialists and business advisers, giving guidance on what is expected of them. It has contributed to the Code which sets standards for exercises like this to follow. It also monitors schemes to ensure members' interests are looked after.

  Web: www.thepensionsregulator.gov.uk

- Money Helper - MoneyHelper joins up money and pensions guidance to make it quicker and easier to find the right help, MoneyHelper brings together the support and services of three government-backed financial guidance providers: the Money Advice Service, the Pensions Advisory Service and Pension Wise.

  Web: https://www.moneyhelper.org.uk/en

Section 7 – Key issues to consider

We have set out a summary of the key issues people typically consider when reviewing a PIE option below. Please consider this carefully alongside your Personal Statement, the rest of this PIE guide and FAQs document and the advice you will receive from Informed Pensions to support you in making a decision.

Factor	Why it's important	Why you may want to ACCEPT the PIE option	Why you may want to DECLINE the PIE option
Your financial needs	You may prefer a higher pension now to meet your current lifestyle or financial needs. Alternatively, your current pension with higher future increases every year could be more suitable to your circumstances.	If you feel you would value a higher pension now and are less concerned about future financial commitments.	If you prefer the long-term security of receiving increases to your pension in the future to help meet your needs in later life. If you do not have any particular need for a higher income now.
Your health and lifestyle	Your health now, and in the future, can have an effect on how long you may live.	If you don't expect to live for a long time, the one-off increase to your pension now may be more valuable to you than the future increases. If you are in poor health now or expect to be in poor health in the future, this may affect how long you may live.	If you think you will live for a long time, the total of all future increases to your pension may be more valuable to you than the one-off increase to your pension now. If you are in good health and expect to continue to be in good health in the future, this may affect how long you may live.
Effect of inflation	Inflation increases the cost of goods and services you buy on a regular basis. This reduces how far the pound in your pocket can go. The Scheme helps to protect the purchasing power of your pension by providing	If you think the one-off increase to your pension now is likely to be more valuable to you than future annual increases. If you have other pensions outside the Scheme which will increase with inflation or if other parts of your Scheme pension will still increase. If you think that inflation will be low over the period of your life.	If you prefer to receive all future increases to your pension. If you think that inflation will be high over the period of your life.

	increases every year in line with inflation (up to a limit).		
Other income	Depending on how significant your Scheme pension is compared to other sources of income, the option may have a higher or lower impact on your financial situation.	If your Scheme pension is relatively small compared to other income and/or if your other income is linked to inflation you may prefer to take up the PIE option and benefit from an increase to your pension now.	If your Scheme pension is the main income in your household and you would struggle to cope if your pension did not keep up with the cost of living in the future.
Income Tax considerations	Pension income is taxable. If you take the option and your pension increases, you may end up paying more income tax.	If you will not start paying income tax at a higher rate or exceed your personal allowance by taking the option. If you live outside the UK, there may be other tax considerations you need to take into account.	If you would have to pay a higher rate of income tax. High earners or members entitled to significant pension amounts from other sources are more likely to be affected. If you live outside the UK, there may be other tax considerations you need to take into account.
State benefits	The increase to your pension now may affect your entitlement to any means-tested State benefits you currently qualify for.	If your means-tested UK State benefits are not materially affected by taking up this option.	If your means-tested UK State benefits are materially affected by taking up this option.

Section 8 – Key contacts and other information

To find out more details about this option, please call Informed Pensions on 0800 788 0887. Alternatively, to arrange a call-back or obtain further information please email the address included in your offer letter.

If you have any questions about your existing pension, please contact the Scheme administrators at the email address listed in your offer letter or:

Telephone: 0161 5184 699 (lines are open Monday to Friday, 9am to 5pm)

Write to: Isio c/o SPS
PO Box 721
Salford
M5 0QT
United Kingdom

If there is any conflict between this document and the Rules of the Scheme, the Rules in operation from time to time will prevail. This Guide has been prepared in accordance with the law and practice applying to the Scheme at the date of its publication.