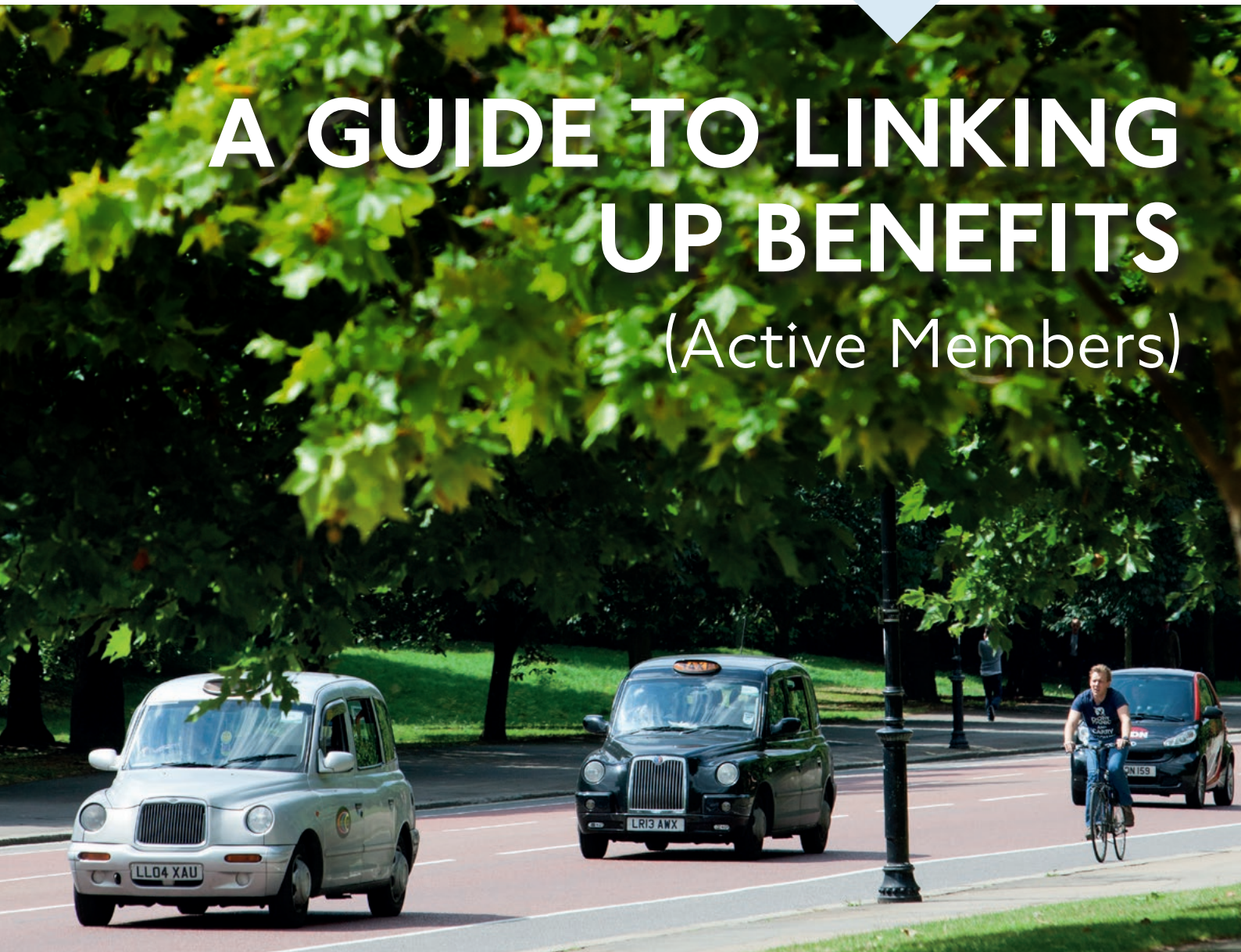


A GUIDE TO LINKING UP BENEFITS (Active Members)



Notice for the visually impaired

Copies of this guide in large type and in a text-only format are available from the Fund Office. Please write to TfL Pension Fund, 8th Floor, Palestra, 197 Blackfriars Road, London SE1 8NJ, or email the Fund Office at helpdesk@tflpensions.co.uk

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INTRODUCTION

This guide is for contributing members of the TfL Pension Fund who are considering linking up a past period of Fund membership to their current period of contributing membership of the Fund. The purpose of this guide is to provide you with some general information covering both the process and the things you should consider when deciding whether to go ahead with a link up. Asking for a link up illustration does not commit you to proceeding with a transfer.

IMPORTANT NOTE

The TfL Pension Fund (the Fund) is established under a Trust and the formal Trust Deed and Rules determine the benefits provided by the Fund except where they are overridden by legislation.

The guide attempts to summarise the provisions of the Trust Deed and Rules as at November 2023 that are relevant to active members looking to link up a past period of Fund membership. However, it is only a guide.

The Trust Deed and Rules are lengthy and technical documents, but they are available on the Fund's website (www.tflpensionfund.co.uk) or on request to the Pension Fund Office of TfL (the Fund Office).

In short, should there be any discrepancies between the information in this guide and the Trust Deed and Rules, the Trust Deed and Rules will always prevail.

If you have any questions about the Fund and the benefits it provides, you should contact the Fund Office. Please see the back cover for details.

USING YOUR GUIDE

Pensions can be complicated. This guide gives an overview of the benefits provided by the Fund. It makes things as clear as possible so that you can understand your benefits and options, no matter what you have planned for the future.

This guide is meant for you if:

- ◆ You are an Active member
- ◆ You are considering linking up a past period of Fund membership to your current contributing membership of the Fund

MY CHECKLIST

- Read the complete Guide
- If you have any questions contact the Fund Office
- If you wish to consider linking up a past period of membership, please complete a link up enquiry form and return it to the Fund Office
- Once we receive your application we will provide you with an illustration of the additional service this would provide. You should compare the benefits we are offering with those under your past period of membership taking into account the fact that different levels of pension increases may apply to your past period of membership and consider whether you need to take appropriate financial advice
- Confirm whether you wish to proceed with the link up

HOW ARE LINK UP CREDITS DETERMINED?

The deferred pension in respect of your former period of membership is valued and is converted to additional years of membership under your current membership of the TfL Pension Fund. It is unlikely that the service credit offered under the TfL Pension Fund will equate to exactly the same as your former period of membership for the reasons explained later in this guide.

Actuarial assumptions are used to calculate both the value of the deferred pension in respect of your former period of membership and the membership credit that the value would buy. The assumptions are determined by the Trustee having taken advice from the Scheme Actuary, and are subject to review from time to time.

The assumptions take into account up to date financial conditions to make sure that the service credit is consistent with the transfer value received.

The calculation of a service credit takes into account your age and pensionable salary; usual practice is that a link up credit quotation will be guaranteed for a limited set period subject to the following provisos:

- ◆ The transfer value in respect of your deferred pension does not change
- ◆ Your rate of pensionable salary remains unchanged
- ◆ The personal details on which the illustration is based do not change

An important point to note is that where your current rate of pensionable salary is likely to change as a result of a pending pay award, the final figures will be subject to change once any pay award has been implemented.

Please be aware that if you obtain a link up credit quotation from the TfL Pension Fund but decide not to proceed, the service credit offered in the TfL Pension Fund on any subsequent future request could differ markedly from the original quotation.

WHAT TO DO IF YOU WANT TO INVESTIGATE A LINK UP?

The flowchart on page 6 gives a high level overview of the process.

Before we can start looking at linking up your benefits under the TfL Pension Fund, you need to complete and return the Link up enquiry form to the Fund Office.

WHAT HAPPENS NEXT?

The Pension Fund Office team will then send you a link up illustration, this will tell you how much additional membership the value of your deferred pension would provide based on the terms of your current period of membership and how much this is as a pension.

It is unlikely that the service credit offered under the TfL Pension Fund will equate to exactly the same as your previous period of membership. This is because:

- ◆ The benefits for your current period of membership may be different to those from your former period of membership, such as a different definition of pensionable salary.
- ◆ The benefits from your former period of membership may be payable from a different date
- ◆ The link up value offered will be based on your benefits under your previous period of membership, which may have built up on a different underlying salary to the pensionable salary under your current period of membership of the TfL Pension Fund
- ◆ The level of increases to pensions may be different

! THINGS TO CONSIDER

Once you have an illustration of the additional service credit that will be provided under your current period of membership of the TfL Pension Fund, you should compare the benefit this additional service will give you with the benefits under your previous period of membership. You should consider:

- ◆ How your salary will increase between now and retirement compared to any increases that may apply to your benefits under your previous scheme
- ◆ The age at which the pension becomes payable

What is the benefit of linking up your periods of membership?

Firstly it's important to point out that for some members this might not be the best option, but for others it could be advantageous. You need to compare the benefits offered with those you would be giving up, and take appropriate financial advice to see whether it is best for you.

Need help deciding?

You may want and we suggest that you seek advice on linking up your periods of membership. Unfortunately neither the Fund Office staff nor your employer can advise you. We can give you plenty of information, but you must decide yourself whether or not to link up your periods of membership. You may wish to take appropriate independent financial advice before making a decision, as it is important that you make the right choice taking into account your own circumstances.

What if I have Additional Voluntary Contributions (AVCs) under my former period of membership?

If you have AVCs under your former period of membership and decide to link up your periods of membership, your AVCs would be transferred to the Fund's current AVC provider and linked to your current period of membership

What to do if you want to go ahead with a link up?

If you decide to go ahead, please read the letter the Pension Fund Office team sent to you with the illustration, this will tell you what forms you need to complete and any other requirements; these should be returned to the Pension Fund Office.

If the value offered has a guarantee period, the Pension Fund Office team will advise you of this as well as any deadline by which paperwork needs to be returned.



PROCESS OVERVIEW

Step 1

Send the completed link up enquiry form to the Fund Office.



Step 2

The Pension Fund Office team will prepare an illustration for you and post this to you at your home address.



Step 3

Seek independent financial advice.



Step 4

If you decide to proceed with linking up your periods of Fund membership, you need to complete and return forms requested to the Pension Fund Office within any guarantee period.



Step 5

The Fund Office team will make the arrangements to link up your periods of Fund membership and write to you once this has been completed.

FURTHER INFORMATION AND SUPPORT

- ◆ **The Fund's website.** If you have access to the internet, you can find plenty of information at www.tflpensionfund.co.uk
- ◆ **The Fund's Pension Web Portal.** Allows you to run your own retirement quotations online at <https://pensions.tfl.gov.uk>
- ◆ **Annual Review.** The Annual Review is a summary of the Trustees' Annual Report and Accounts and is sent to all members. It is also available on the website
- ◆ **Fund documents.** You can obtain a copy of the Trust Deed and Rules of the Fund and Statement of Investment Principles. These documents are available on request or on the Fund's website
- ◆ **Member guides.** These are available to download from the Fund website and contain details of the benefits payable under the TfL Pension Fund
- ◆ **Benefit statements.** Details of your benefit entitlement under the Fund and Additional Voluntary Contributions plan will be sent to you once a year
- ◆ **Pension Fund Office.** The team in the Fund Office will be pleased to answer any queries you may have. They cannot give financial advice or deal with tax matters but will be able to advise you who to contact for the assistance you need
- ◆ **AVC provider websites.** The Fund currently has three AVC providers; Standard Life and Clerical Medical are closed to new contributions. Their websites contain details of the Funds available and the investment performance of those funds
 - Legal & General
www.legalandgeneral.com/mya
 - Clerical Medical
www.clericalmedical.co.uk
 - Standard Life
www.standardlife.co.uk/1/site/employeezone/login
- ◆ **Government websites.** The Government have set up services to provide free, impartial money advice to everyone across the UK – online, over the phone and face-to-face. The website contains further details about the services provided and how to access them:
 - Money helper
www.moneyhelper.org.uk



PERSONAL DATA

The Trustee is committed to protecting and processing lawfully and fairly the personal data that it gathers, holds (either directly or through a third party) and uses about you and your family and your dependants. The Trustee needs this information so that they can administer the Fund and ensure that benefits are paid correctly and to the right person. The Trustee always ensures legal requirements governing the protection of personal data are met.

The Trustee has a privacy notice that sets out, amongst other things:

- ◆ More detail about the kind of personal data it holds
- ◆ How it gathers that personal data
- ◆ How that data is used
- ◆ How long the Trustee holds the data for and who it is shared with

This notice also sets out individuals' rights in connection with the personal data that the Trustee holds and who to contact if an individual wants to exercise those rights, make a complaint or has any questions. This privacy notice can be found online at www.tflpensionfund.co.uk

Alternatively, if you prefer a hard copy, please contact the Fund Office.

THE TFL PENSION FUND OFFICE

The staff in the Fund Office will be pleased to answer any queries you may have. They cannot give financial advice or deal with tax matters but will be able to point you to who to contact for the assistance you need.

They can be contacted at:

TfL Pension Fund
8th Floor, Palestra
197 Blackfriars Road
London SE1 8NJ

Email at: helpdesk@tflpensions.co.uk

If you are telephoning the team, you can reach the call centre on **01737 235 298**. Please have your Member number and National Insurance number to hand when you call.

Fund Office appointments

The Fund Office team are working on a hybrid basis so we are now able to see visitors in the office, but with fewer people in the office each day we require that you contact us to book an appointment by email or telephone to ensure that a member of the team is available to help you.

If you have access to the internet, you can access our Pension Web Portal and find lots of information, including forms and Fund documents, on the Fund's website at www.tflpensionfund.co.uk