Pace pension scheme

Your 2024 update

from Pace DC

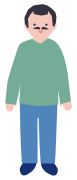
There are so many ways to get to grips with your Pace DC pension – let's find the way that works best for you. Read on to find out how to take control of your savings and make the most of one of your most valuable workplace benefits: your Pace membership.

Could you afford to pay in more?

What retirement lifestyle will you have?

The Retirement Living Standards, produced by the Pensions and Lifetime Savings Association, are designed to help people understand how much money they'll need in retirement, depending on the lifestyle they want.

The figures are updated each year; the most recent research released in January indicates you can expect to spend the following each year in retirement, depending on your lifestyle of choice:



Single		Couple
£14,400 p.a.	Minimum	£22,400 p.a.
£31,300 p.a.	Moderate	£43,100 p.a.
£43,100 p.a.	Comfortable	£59,000 p.a.

Find out more

www.retirementlivingstandards.org.uk

If you're thinking about paying more into your pension, have you tried the Pace DC modeller?

It's available on Legal & General's secure member portal, Manage Your Account, and uses your actual pay figures to show the difference that paying even just 1% more could make to the value of your retirement savings. Alternatively, you can access Legal & General's standard pension modeller through the Pace website and input the pension figures yourself.

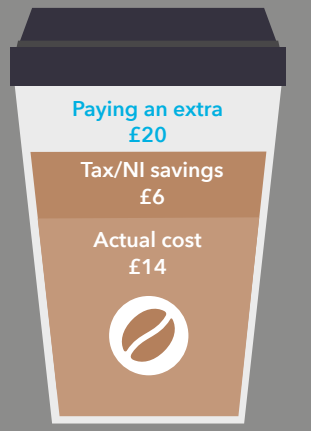
Find out more

https://coop.pacepensions.co.uk/dc-modeller

You should note that the benefits shown by the modeller will be different from the amounts shown in benefit statements provided by Legal & General, as they use different assumptions about how your account would be invested and also about what might happen in the future.

One less coffee a week?

Paying a little bit more costs less than you might think. Let's take the example of Sam, who earns £26,000 and decides to pay an extra 1%. It's an increase of £20 per pay period, but with tax and national insurance savings, it will actually cost Sam just £14* more – or the price of one cup of coffee a week. Sam's employer will also pay in money.



If you're currently employed with the Co-op, then the Co-op will match your contributions up to 10% – meaning you'll actually save DOUBLE the amount. The money stays in your account, even if you stop working for the Co-op.

**based on tax and national insurance rates applicable from 6 April 2024.*

One-off extra payments

You can also give your pension account a boost with a one-off payment. For example, if you get a bonus, you might decide to pay some of that into your pension.

- If you pay £500 into your Pace account, you get the full £500.
- If you take £500 as income, you'll likely pay tax and could give around £125 straight to the taxman.

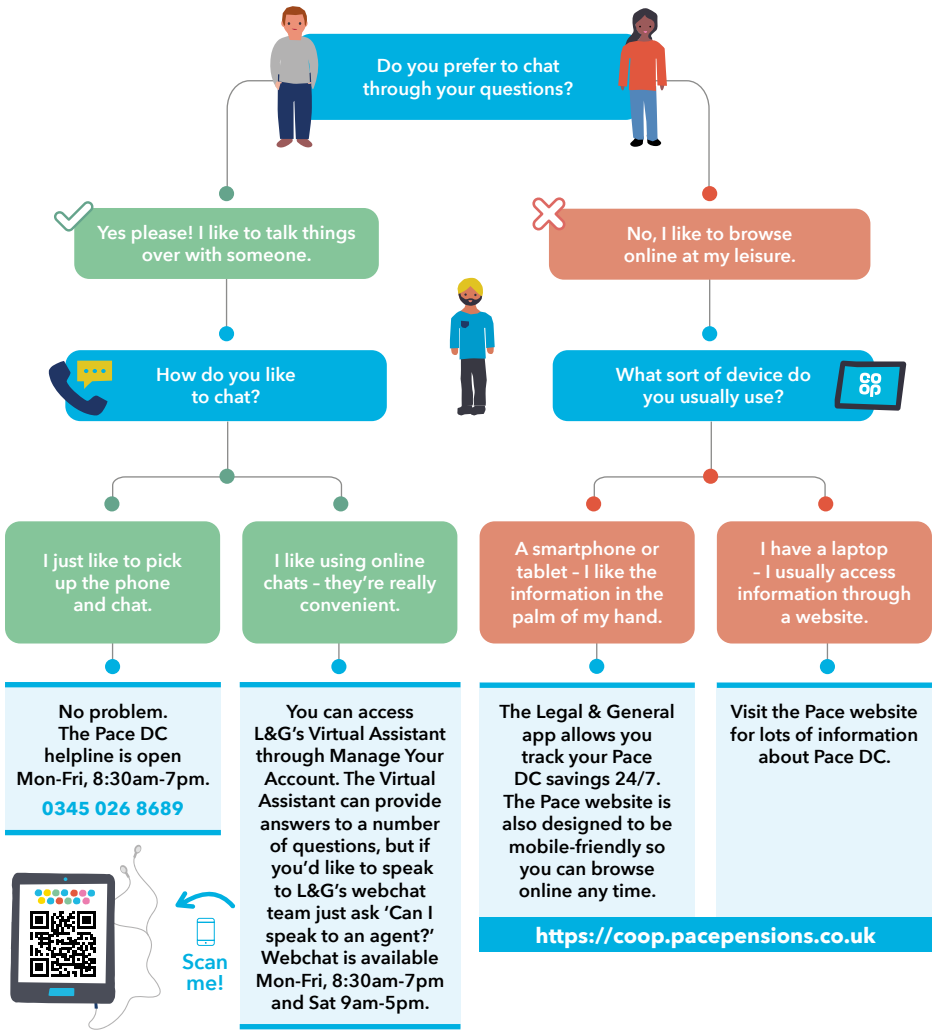
If you're currently employed with the Co-op, you can pay a lump sum into your pension account by contacting the Co-op Pensions Department on 0330 606 1000, or email staffpensions@coop.co.uk. If you've left the business, check with your new employer on how to pay additional contributions into your current pension arrangement.

Please note that the information provided in this communication does not constitute financial advice and is for information only. The tax impact on your pension will differ based on your circumstances. You are recommended to seek independent financial advice before making any pension planning decisions. The Co-op, the Co-op Pensions Department and the Pace Trustee are unable, by law, to provide you with advice.

Are you a talker or a texter?

Everyone has a preference for how they learn things. Some of us like to chat it through with a person who can answer our questions, but others would rather go digital and see what they can find out online, in their own time.

If you have a question about your Pace pension, take the quiz to see where you can go for the answer, based on your communication preferences.



Stay alert to the threat of pension scams

Anybody can become a victim of a pension scam, and the number of people being scammed out of their retirement savings is growing.

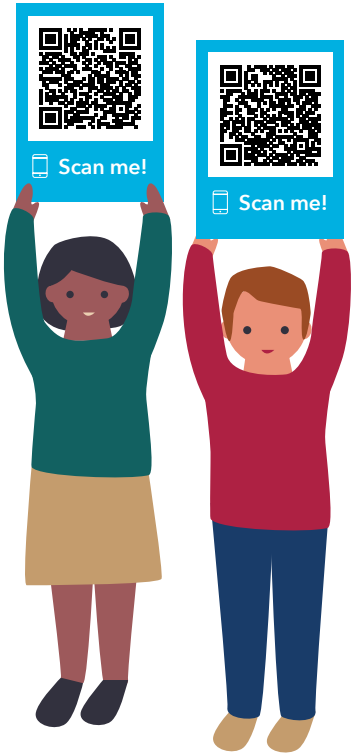
Pension scams offer seemingly attractive 'investment opportunities' to encourage you to transfer your retirement savings into their funds. These scams could result in the loss of all your retirement savings, and you could also face significant tax penalties.

Find out more at **www.fca.org.uk/scamsmart/how-avoid-pension-scams** or on the Pension Scams section of the Pace website where you can find links to other useful websites. We've enclosed a flyer from the Financial Conduct Authority, 'Don't let a scammer enjoy your retirement'. This includes useful tips on how to avoid pensions scams.

Don't sign up for anything that you don't understand. If you have any doubts, you should contact MoneyHelper on 0800 011 3797 to discuss your concerns.

Pace has recently signed up to the Pensions Regulator's Scams Pledge. The Scams Pledge is a voluntary commitment made by Pace, which recognises the extra steps we will take to help protect members from scammers. By signing up, the Trustee has pledged to raise awareness, educate and protect pension savers.

Please see the enclosed leaflet, 'We pledge to combat pension scams', for more information.



Take some of the stress out of care

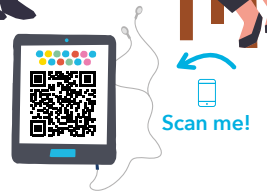
A 2021 survey found that 4 in 10 people were juggling work with looking after a loved one, which put them under enormous stress and in some cases had a negative impact on their careers.

The Co-op has signed up to Legal & General's Care Concierge service, which offers full and confidential advice and guidance, to help people plan ahead for the cost of long-term care or to manage their current caring responsibilities.

The service is run by experts who all have a background in social care, nursing and care home agencies, and it's available to all Pace DC members.

Find out more

https://care.legalandgeneral.com/workplace



Scan me!

Pensions dashboard update

Pension schemes are all working to connect to the new pensions dashboard framework. We'll keep you in the loop via the Pace website and in next year's update.

When it's launched, the dashboard will provide a single place where you can get information about all your retirement savings across all schemes, as well as track down any lost pension pots.

It's really important that we hold correct information for you so that the dashboard can connect properly to all your benefits held with different providers. Please take a few minutes to check your information on Manage Your Account.

Review your death nominations

A nomination form tells us who you'd choose to receive the money in your Pace DC account in the event of your death. We call these people your beneficiaries. What you write on the form is a key influence for the Trustee, who will use this information to make a decision about your benefits.

You can easily update your wishes through Manage Your Account. Once you've logged in and selected 'Manage my pension', click on 'Nominate beneficiaries' from the Pension Summary tab. You can add or remove a beneficiary, update their address details, or change how much of your pension pot you want each of them to receive.

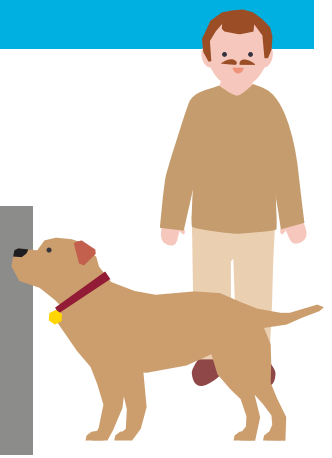
In brief

Aged 50+?

You can book a Pension Wise guidance appointment through MoneyHelper to talk through your retirement options. There's lots of info online to get you started. Find out more at **www.moneyhelper.org.uk/en/pensions-and-retirement/pension-wise**

Planning to retire early?

Remember that from 6 April 2028, if you joined Pace DC after November 2021, the earliest you can take your Pace benefit will be from age 57 (currently it's from 55). If you joined Pace DC before November 2021, you can still take your benefits from age 55.



Lost a pension?

If you think you may have lost a pension pot, the Pension Tracing Service is a free government service that can help. You can phone the service directly on 0800 731 0193, or search 'pension tracing' on the **GOV.uk** website.

Could you be affected by the new pensions tax rules?

The Lifetime Allowance (LTA) was scrapped earlier this year, and the government introduced two new allowances that put a limit on how much tax-free cash you can take from your retirement savings.

Most of our members are unlikely to be affected by the allowances.

We've added some information to the pensions website about these two allowances, for anyone who thinks they might be affected.

Find out more

https://coop.pacepensions.co.uk/useful-information/tax-information

Have you tried L&G's new app?

Manage your Pace DC pension from your pocket: introducing the L&G app

The Legal & General app puts your workplace pension in your pocket, making it easier than ever to manage your pension whenever and wherever you need to.

The Legal & General app is packed full of features to help you manage your retirement savings:

- **Safe and secure:** Use fingerprint, face or PIN technology to log in securely.
- **Easy to use:** Check your pension account, contributions and investments in just a few taps.
- **On the go**: Instant access to your Pace DC pension information, whenever and wherever you need it.

How to get started

Register for an online account to get started. You can do this at the same time as setting up the app – just follow these simple steps:

1. Download the app by visiting the App Store or Google Play and searching for 'Legal & General' or scan this QR code.

Scan me!

2. Log in or register for an online account.
3. Set up your PIN and any security features.

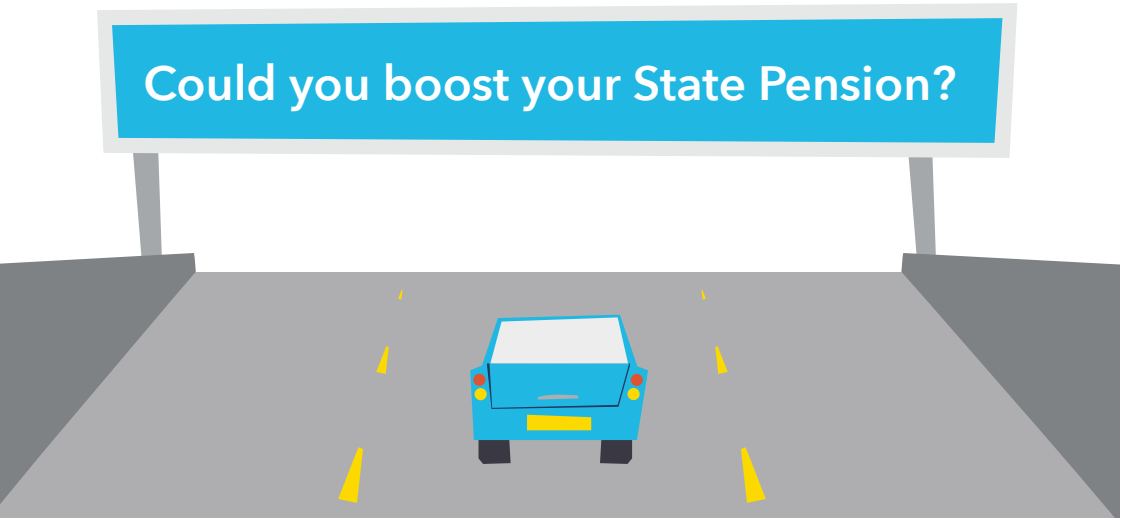
What can the L&G app do for you?

See how much your pension is worth.
Get a quick view of your pension pot and regular contribution amount or access your full transaction history.

See how your investments are performing.
Check and make changes to how your pot is invested.

Keep your details up to date.
It's easy to update your personal details if anything changes. You can also nominate or change your beneficiaries and manage your communication preferences. Plus, use our help centre to access support.

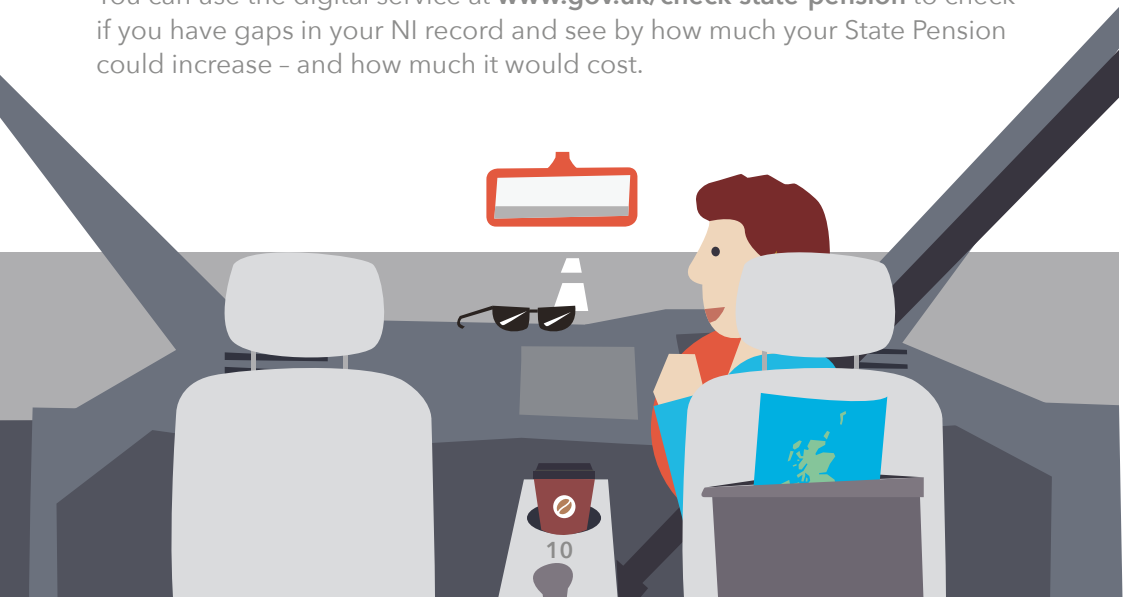
Boost your financial fitness.
Access tools and guidance to help explain your workplace pension and plan for your retirement. Legal & General will be adding more features to this soon, including a range of financial wellbeing tools.



The previous government extended a deadline allowing people to pay voluntary contributions to make up for gaps in their National Insurance (NI) record between April 2006 and April 2016. After 5 April 2025, you'll only be able to pay voluntary contributions for the past six years.

The extension allows people to rebuild their NI credits so they can get the full State Pension – a boost that is particularly useful for people who took time out to raise a family, carers and those who've worked abroad.

You can use the digital service at **www.gov.uk/check-state-pension** to check if you have gaps in your NI record and see by how much your State Pension could increase – and how much it would cost.



Pace investments

Remember, you're saving for the long term. Your retirement savings are built up over years (decades even), and during this time there will be economic ups and downs and periods of short-term market volatility.

Markets do generally recover over time, and making decisions during periods of high volatility, especially if you don't need to, could have a negative impact in the long run. What's important is that you keep an eye on where you're invested and make sure your choices are suited to your circumstances and retirement aims.

Climate reporting

Responsible and sustainable investment is a key factor considered by the Trustee when deciding on Pace DC's investment strategy, and when monitoring performance. As you may know, we provide an annual climate change report in line with the requirements of the Task Force on Climate-related Financial Disclosures (TCFD) – as part of this, we're targeting Net Zero by 2050 and a 50% reduction in carbon emissions by 2030, and we're pleased to note that the 2024 report shows that nearly all Pace DC's funds are ahead of where they need to be to meet this 2030 target. You can read the latest report on the Pace website under Useful information/Pace investments.

Value for members

The Trustee carries out an annual review to assess the extent to which Pace DC provides value for you, as a member.

How we assess the value you receive

- Benchmarking charges and costs against a peer group
- Analysis of investment returns after costs
- Administration quality
- Quality of the investment funds
- Member communications and other benefits such as online tools

The conclusion of the latest assessment, completed in June 2024, is that Pace continues to provide very good value for members.

Our pledge to
combat pension scams

We pledge to combat pension scams and protect savers

Pension scammers wreck lives and anyone can become a victim.

The pensions industry plays a vital role in protecting savers and helping fight pension scammers.

We will raise awareness, educate and protect pension savers. We pledge to combat pension scams. We will:

- Regularly warn members about pension scams
- Encourage members asking for cash drawdown to get impartial guidance from Pension Wise
- Get to know the warning signs of a scam and best practice for transfers by completing the scams module in the Trustee Toolkit and encourage all relevant staff or trustees to do so
- Study and use the resources on the Financial Conduct Authority (FCA) ScamSmart website, our scams information and the PSIG code
- Consider becoming a member of the Pension Scams Industry Forum by contacting PSIG
- Report concerns about a scam to the authorities and communicate this to the scheme member

What this means for you and your pension

Scammers can be difficult to spot and might seek to exploit your trust. We're already committed to protecting our members, but we want to go one step further. Working together, we will help protect you by pledging following the principles of the pledge to combat pension scams.

We have self-certified to The Pensions Regulator that we meet the standards of the pledge.