SAUL start
Your retirement savings

SAUL Start
Member Booklet

PLAIN LANGUAGE COMMISSION
CLEAR ENGLISH STANDARD

April 2023

Legal & General

Welcome to your workplace pension

Whether you're paying into a pension for the first time or topping up your existing savings, we want to make sure you have access to the tools and information you need to help you create your future.

SAUL Start is a savings plan. It's designed to help you build up a pension pot you can use to take an income and lump sums from your minimum pension age (currently age 55) or the date you want to access the money.

Your employer uses SAUL to provide your pension. SAUL Start is the savings plan for the first three years of your membership.

Once you've been a SAUL member for three years, you'll build up a different kind of pension based on your salary.

This booklet is about SAUL Start but you can find out more about what happens after three years at saul.org.uk.

Throughout this booklet, when we refer to the 'Plan' we mean SAUL Start.

The booklet explains how the Plan works and how to make the most of it. When we use a term that you might not be familiar with, we highlight it in blue the first time we use it on a page. We explain all these terms on page 22.

Please take some time to explore legalandgeneral.com/SAULStart as it's full of useful information, including tax relief limits, how to access your pension savings and what to do if things don't go to plan. Plus, you'll find links to other useful websites.

You'll join SAUL automatically if you start a job that offers you membership as part of your employment benefits.

What your workplace pension can do for you

Contributions

You and your employer pay in, so you can build up your pension savings faster.

Tax relief

The government helps out too in the form of tax relief. You can find out more about how this works for you under ‘How contributions work’ on page 6.

Access to your money

From the minimum pension age or at a later date of your choice, you can start to take the money you’ve built up. You’ll get some of it tax-free as well.

A portable pension

You can take your pension pot with you if you change employment.

How your pension pot works

Step 1: You'll join SAUL automatically if you start a job that offers membership as part of your employment benefits.

Step 2: If your employer offers salary sacrifice and you choose to take part in it, you'll give up part of your salary in exchange for a contribution to your pension pot.

If not, your contributions will be taken from your salary each month.

Your employer will also start paying in their contributions.

Step 3: Your contribution is taken from your pay before tax, so you benefit from tax relief straight away.

Step 4: You choose where to invest your pension pot (we'll tell you more about that on page 9). You can change your investment choices at any time. We recommend you review your decisions regularly.

Step 5: You'll be in SAUL Start for the first three years of membership. After that, you'll start to build up a different type of pension based on your salary.
You can find out more about this at saul.org.uk

Step 6: Manage your pension pot online to make sure you're getting the most out of it.

Step 7: Once you reach the minimum pension age, you can access your pension pot at any time. When you decide the time is right, you'll have plenty of options, including taking 25% of your pension pot tax-free. See pages 13 and 14 for more details.

If you decide you don’t want to be in the Plan

If you are automatically enrolled but decide it’s not for you, you can opt out.

If you opt out within 30 days of joining, you’ll get back any money you’ve paid in and you’ll be treated as if you never joined. Your joining letter will explain how to opt out.

If you leave the Plan at any other time, your money must stay invested until you reach the minimum pension age. You don’t have to stay with us; you may be able to transfer your pension savings to another pension provider.

Eligible employees who leave the Plan must be automatically re-enrolled every three years but may continue to opt out if they wish.

Before opting out, you should think carefully about the value of what you’re giving up.

You’ll give up money from your employer to help you save for the future and you’ll need to find other ways of providing for yourself when you retire.

As a SAUL Start member, you also get life cover from the day you join. If you die while paying in, your beneficiaries will get a tax-free lump sum of eight times your salary. This won’t be paid if you opt out.

Remember

If you stop paying in, your employer will stop too and you will no longer be covered for death-in-service or serious ill-health benefits.

How contributions work

You put 6% of your salary into SAUL

Each month, 6% of your salary automatically goes to SAUL instead of to you.

Your employer puts the equivalent of 15% of your salary into SAUL every month

When your employer pays you, they also put some money into SAUL to help pay for your income and lump sum when you retire. This amount is equal to 15% of your salary. So, if your salary is £25,000 a year, your employer would put £312.50 a month into SAUL for you.

Your employer also pays the equivalent of 1% of your salary to help cover the costs of running the Plan and of paying death-in-service benefits.

For example

If your salary is £25,000 a year:

- £125 goes into SAUL Start each month. Income tax isn't taken from this £125
- The difference to your take home pay is only **£101** because of the tax relief
- Your employer pays **£312.50** each month

So in total **£437.50** goes into SAUL each month.

Contributions explained

You'll pay 6% of your salary into SAUL Start and your employer will pay 15%. The actual cost of SAUL membership is less than 6% because you'll get tax relief on the contributions you make.

What is your salary?

The money you and your employer pay into SAUL is based on your salary including any overtime. Bonuses are not included.

If you're away from work

If you have a long period away from work due to sickness, injury, maternity or parental leave, your employer may continue their pension contributions depending on their HR policy.

Check with your employer for details.

Remember

The money you and your employer pay in to SAUL Start is invested to help it grow. The amount you'll have when you retire isn't guaranteed and the value of your pension savings can go down as well as up.

Salary sacrifice

If you pay into SAUL using salary sacrifice, membership will cost you less.

You might be able to pay into SAUL through salary sacrifice

If your employer offers salary sacrifice, you can agree to reduce your salary by 6% instead of paying this into SAUL. This means the money going into SAUL for you comes direct from your employer, rather than being counted as part of your salary. This is known as salary sacrifice.

Salary sacrifice means that the real cost to you of each monthly payment is even lower. This is because you save on National Insurance as well as income tax.

Salary sacrifice can have disadvantages

There can be disadvantages to salary sacrifice. Because your salary is lower, the amount of money you can borrow for a mortgage or other loan may be lower too. You'll also be paying less National Insurance, so it could affect your State pension, tax credits and any means-tested state benefits you get. And if you opt out of SAUL you won't get a refund because your employer has been paying contributions for you.

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Investing your pension savings

When you join the Plan, your savings will be invested in the default investment option.

The default investment option has been chosen by the Trustee as it aims to provide investment growth over the long term and is judged to be suitable for most members.

If you would like to make your own investment decisions, you can find more information about the choices available to you on the Plan website.

There is now more flexibility than ever when you come to take your money, so it's important to review your investment choice regularly to make sure it matches your retirement goals.

Changing where your pension savings are invested

You can change where your pension savings are invested at any time:

- **Online:** go to the Plan website, and log in to Manage Your Account. You can see the different funds available and change the way your pension savings are invested
- **By phone:** you can call Legal & General direct on **0345 026 0001**. Call charges will vary and calls may be recorded and monitored.

Quick tip

All investment involves a degree of risk. It's important to understand and be comfortable with these risks before making any investment decisions.

If you're thinking about switching funds, you may wish to talk to an independent financial adviser to make sure the funds you invest in are right for you and your future plans.

Charges

We apply two charges to your pension pot to keep it running smoothly and manage the funds you're invested in.

- **Annual management charge (AMC):** covers the cost of running your Plan as agreed with the SAUL Trustee. This is calculated daily and taken once a month by selling units in your pension savings.
- **Fund management charge (FMC):** covers the cost of managing the fund(s) you're invested in. It's made up of an investment management charge and additional expenses and includes accounting fees, administration fees and regulatory charges.

This charge is included in the unit price, which is calculated daily. The charge is reflected in the value of your pension savings.

You'll only see the AMC deductions on your annual statements. The FMC is included in the price of units in your chosen fund(s).

Here's an example of what the total charge could look like:

If your pension pot is worth £10,000 throughout the year, and you're invested in the default investment option, you'll pay the following charges:

AMC	0.33%	£33
FMC*	0.16%	£16
Total for the year	**0.49%**	**£49**

*This may be 0.10% to 0.16% if your money is invested in the Trustee's default investment option.

The fund management charges for the Trustee's default investment option range from 0.10% to 0.16% depending on your age and how close you are to retirement. That's because where your money is invested in the default option will change as you get closer to your chosen retirement date.

If you choose to invest in another fund, or funds, you'll have different charges from those shown above.

You can find out more in the Investment Guide and Fund Fact Sheets on the Plan website

Keeping track of your savings

You can check the value of your pension savings and review your fund(s) at any time by going to the Plan website and logging in to Manage Your Account

Each year we'll create a statement for you. Your statement will be available online in Manage Your Account and we'll let you know when it's available to view.

The statement will set out:

- the current value of your pension savings
- the fund(s) they are invested in
- an estimated projection of your SAUL Start benefits at your expected retirement age
- the transfer value if you were to move your pension savings to another pension plan
- total contributions paid into the Plan for you during the previous 12 months.

If you pay contributions by salary sacrifice, your contributions will be included with your employer's contribution. Your payslip will say how much you personally have paid into your pension.

You can find the Plan website here: legalandgeneral.com/SAULStart

When can you take your pension savings?

Until 5 April 2028, you can access your pension savings at any time from age 55 regardless of whether or not you've stopped working. The law is changing on 6 April 2028 when you'll need to wait until age 57 to take money from the Plan.

You'll need to think carefully about when is the right time so you can make sure your pension pot is big enough to last.

Unless you tell us something different, we'll assume you're going to take your benefits at age 66.

You can change your retirement age at any time. It's important that you choose an age that realistically reflects when you expect to take your benefits.

We'll use your retirement age to estimate the value of your pension pot, so when we send you our yearly forecasts, they'll be more realistic.

If you continue to invest in the default investment option, it will automatically adjust your investment depending on how far away you are from your chosen retirement age. If this isn't the age you actually want to access your pension savings, the investment strategy will be less effective.

Four months before you reach retirement, we'll send you a pack setting out all the options available to you.

You can always change your retirement age as your future plans become clearer. You can do this by logging into Manage Your Account and sending us a secure email.

Remember

If you're a SAUL member for more than three years, you'll build up a different kind of pension based on your salary. You can find out more about your options at saul.org.uk

Helpful hint

Your annual statement will show estimates of your projected benefits at retirement so you can see if you're on track and make changes if you need to.

You can check the value of your pension savings online using Manage Your Account

Your options when the time is right

Combine your pot with your future SAUL benefits

If you're a SAUL member for more than three years, you'll build up a different type of pension based on your salary. When you retire, you'll be able to take this other SAUL pension in addition to your SAUL Start pension pot. You can find out more about your retirement options at saul.org.uk

Take your whole pension pot in one go

You might be able to take your whole pension pot in one go. 25% would be tax-free – the rest may be taxed as income, depending on the size of the pot. It will be added to any other income you have over the tax year, for example money from work, savings and benefits.

Taking a large sum of cash from your pot can mean you pay a higher amount of tax.

If you're considering this option, you may need to plan how you'll provide an income for the rest of your lifetime.

Transfer your pot to another provider

Other pension providers might offer you more options. You could take several lump sums from your pension pot instead of taking it all in one go. Or you might be able to take an income from your pot, leaving the rest of it invested to give it a chance to grow.

We don't offer these options, so you'd need to transfer your pot to another pension provider.

Your options when the time is right

Get a guaranteed income

You can use your pension pot to buy a lifelong, regular income – also known as an annuity – to give you a guarantee that the money will last as long as you live or for a fixed term. You can also choose a guaranteed income that increases with inflation or continues to provide an income for a dependant (or both).

You can take a quarter of your pension pot tax-free but any other income you take will be taxed.

If you choose this option, you can't change your mind later.

You can choose one or more options

You can also choose to take your pension using a combination of options. You can find out more on the Plan website.

Your State pension

Your Plan benefits will be payable in addition to any State pension you will be entitled to.

Important

Whichever option(s) you choose, the first 25% is usually tax-free and the remainder is taxed as income.

When you take your benefits, the value of your pension pot will be tested against the lifetime allowance as set by the government. This is the maximum amount of pension benefits you can build up without paying a tax charge.

If your total pension benefits (not just the value in your SAUL Start Plan) exceed the lifetime allowance, a tax charge will be payable from your pension pot before benefits are paid to you.

You can find out more about tax rates and allowances in the Tax Year Rates and Allowances Sheet on the Plan website.

If you're ill or getting divorced

If you're seriously ill

If you become seriously ill, with a life expectancy of less than one year, it may be possible to take your whole pension pot as a cash lump sum. You can do this at any age.

You would need to provide medical evidence to show you're seriously ill.

The payment would currently be tax-free if it didn't exceed the lifetime allowance and you were under 75 when it was paid.

There would be nothing else payable to you or your dependants from the Plan.

If you're working for a SAUL employer and paying into SAUL Start when you get ill, other options may be available.

Divorce or dissolution

If you're getting divorced or dissolving your civil partnership and there's a financial settlement, you'll need to provide details of your pension.

What happens to your pension savings if you die

If you die before taking your benefits

If you die while you're working for your SAUL employer and paying into SAUL Start, we'll pay a lump sum of eight times your salary to your beneficiaries. They'll also get the money in your pension pot.

If you die after you stop paying in

Your beneficiaries will get the money in your pension pot.

Nominating your beneficiaries

The Trustee decides who will get the money in SAUL if you die but they'll take your wishes into account. This is so that your beneficiaries don't have to pay inheritance tax.

You can tell us who you'd like to receive money from SAUL by completing the Nomination of Beneficiary form on the Plan website.

It's a good idea to review your nominations regularly and update them if your circumstances change.

Important

The Trustee is not bound by your choice of beneficiary but will use your completed 'Nomination of Beneficiary' form as a guide.

Leaving the Plan

If you decide you want to leave the Plan or stop paying in, there are a number of options available to you:

Option 1 – Leave your pension savings in the Plan

Leave your pension pot invested with us until you choose to take your money (which can be at any time from the minimum pension age).

You can continue to choose which fund(s) to invest your pension pot in but you can't make any more contributions into it. If you choose Option 1, you can choose Option 2 or 3 in the future.

Option 2 – Transfer your pension pot

Transfer the value of your pension pot to another pension plan. You can do this any time before you start to take your pension savings.

Option 3 – Access your pension pot

If you are at the minimum pension age or over, you will be able to start taking your pension savings if you wish. See pages 13 and 14 in this booklet for the options open to you.

If you want to leave the Plan or stop paying in, you can complete a form to let us know. You can find it at www.landg.com/manageyouraccount

SAUL provides pensions to many organisations in the higher-education sector so you could join SAUL again in the future if you start a job that offers you membership.

Things to think about

If you choose to stop making contributions to your pension pot, your employer will stop contributing too. This could significantly reduce the value of your benefits when you come to retire.

If you leave within 30 days, you won't have a SAUL Start pension. You'll get a refund of any money you've paid in.

Important information

The Trustee

SAUL Trustee Company is the Trustee of SAUL. The Trustee is responsible for making sure that SAUL is well-run and well-managed. The Trustee Board is made up of employer representatives, Union representatives – who look after the interests of SAUL members – and independent pension professionals.

The Trustee has appointed Legal & General Assurance Society Limited to administer SAUL Start on its behalf. SAUL Start is the Plan for the first three years of your membership. After three years, you'll join a different Plan and build up a pension based on your salary. The Trustee looks after the whole SAUL Scheme.

Scheme changes

Your employer may, with the Trustee's consent, amend the terms of the Scheme at any time if they wish, in line with what's known as their 'Deed of Participation'.

The Scheme Rules may change in future, and you'll be notified of any changes that may affect you.

Your employer plans to continue the Scheme indefinitely. However, it's always possible that things will change in the future, which may lead to the Scheme being discontinued.

The Trustee also has the power to wind up the Scheme, which would mean your employer could no longer participate in it. Such a decision isn't taken lightly, and should it ever happen, you will be notified well in advance with details of all your options.

Important documents

The following documents are available on the Plan website at legalandgeneral.com/SAULStart
For details of who to contact, please go to the contact information on page 21.

- The Trustee's Annual Report which contains general information about SAUL
- The Trust Deed and Rules
- Deed of Participation
- Statement of Investment Principles which describes the Trustee's investment strategy

Changing your details

Make sure your personal details are up to date, so you always receive your annual statement and other important communications.

You can make your changes by using our online Manage Your Account facility or by contacting us directly using the Contact Information on page 21.

Remember to keep your nominated beneficiary up to date too.

Important information

Questions and complaints

If after reading this booklet you have any questions or comments, please call the Legal & General helpline on the number shown on page 22.

If we're unable to resolve your queries, or if there's something you don't agree with, there's a formal dispute procedure you can follow. The helpline can give you all the details. Formal complaints must be made in writing.

The Financial Services Compensation Scheme (FSCS)

The FSCS is designed to pay customers compensation if they lose money because a firm is unable to pay them what they owe for any reason.

In the event of a failure of the investments held with Legal & General, the Trustee may, on your behalf, be entitled to claim compensation. The maximum compensation available from the FSCS is 100%, without limit, of a valid claim for any loss incurred.

You can find out more about the FSCS on its website at fscs.org.uk or by calling **0800 678 1100.**

Legal note

This booklet is intended as a summary of the terms and conditions of the Plan. If the information in the Scheme Rules and this booklet ever conflict with each other, the Rules will be overriding. You can contact Legal & General for a copy of the Rules if you'd like to see them.

The information in this booklet is based on the Trustee's and Legal & General's understanding of current legislation, and HMRC practice. These can change without notice, but the Trustee will let you know as soon as it can if a change is made that significantly affects you.

This booklet is subject to review from time to time.

Data protection

Legal & General may use the personal information that you or your employer have provided to us for (among other things):

- dealing with your enquiries and requests for products or services (or both) from Legal & General
- administering your Plan
- carrying out market research, statistical analysis and customer profiling.

Our privacy policies set out more detailed information on how we use your personal information (including, our processing activities, the lawful basis for our processing, how we transfer and share your information and any information prescribed by data protection law). A copy of the Legal & General privacy policy is available at legalandgeneral.com/privacy-policy or otherwise upon request. Any changes to this privacy policy will be posted on the relevant website from time to time.

Important information

Preventing fraud

Legal & General may share your information (including personal information) with other insurance companies to prevent fraud. Your details will also be checked with fraud prevention agencies and if fraud is detected we will share the relevant details with fraud prevention agencies. Law enforcement agencies may also access and use this information.

Legal & General and other organisations may also access and use this information to prevent fraud and money laundering, for example, when:

- checking details on applications for credit and credit-related accounts or facilities or otherwise
- managing credit and credit-related accounts or facilities
- recovering debt
- checking details on proposals and claims for all types of insurance
- checking details of job applicants and employees.

If you would like to receive details of the relevant fraud prevention agencies, then please write to us at:

Legal & General Group Financial Crime
Brunel House
2 Fitzalan Road
Cardiff
CF24 0EB

Contact information

Plan administrator

First Contact
Legal & General
Ground Floor
Knox Court
10 Fitzalan Place
Cardiff
CF24 0EB

0345 026 0001
Monday to Friday 8.30am – 7.00pm
Call charges will vary and the calls may be monitored or recorded.

saul@landg.com

Employer

You can also speak to the person responsible for pensions at your employer if you've got any questions about SAUL Start.

Glossary

annuity

An insurance policy that uses the value of your pension savings to provide you with an income, which can be payable for the rest of your life, depending on the type of annuity you buy. The amount you receive will depend on several things including the value of your pension savings, your age, your health and the annuity rates available when you purchase one.

beneficiary

The person(s) you wish to benefit from your pension savings, should you die.

dependant

Your spouse, registered civil partner or any other person who in the opinion of the Trustee is financially dependent upon you.

lifetime allowance

The maximum amount of pension savings you can build up without incurring a tax charge.

If your pension savings exceed the lifetime allowance, you will have to pay a lifetime allowance charge on the excess. For more details, please see the Tax Year Rates and Allowances Sheet on the Plan website.

member

An employee, or ex-employee, who is entitled to benefits in the Plan.

minimum pension age

This is the earliest that you can commence taking your pension savings. Currently this is age 55 rising to age 57 from April 2028.

You may be entitled to take benefits from age 50, you can find out if this applies to you by contacting us directly using the Contact Information on page 21.

pension savings/pension pot

The value of all your contributions plus any investment growth, less charges.

salary sacrifice

An agreement with your employer where, instead of paying 6% of your salary into SAUL, your salary is reduced by 6% and your employer pays the money into your pension for you. This means the cost of being a SAUL member is less because you pay less National Insurance. Not all SAUL employers offer salary sacrifice.

tax relief

Some of your money that would have gone to the government as tax goes into your pension savings instead.

units

All investment funds are divided into units. Contributions are used to buy units in the funds you have chosen at the price applicable on the day we invest your money.

The price of units can rise and fall. The total value of your pension savings can be calculated by multiplying the number of units you hold by the price of each unit.