

## Transfer value factsheet

This factsheet contains frequently asked questions and other useful information in relation to transfer values for members of the Scottish Enterprise Pension and Life Assurance Scheme ('the Scheme').

Words in **blue bold** are included in the **glossary** at the end of this guide.

### 1. What is a transfer value?

As an alternative to receiving **your benefits** from the Scheme, you can transfer your benefits to another **registered** pension arrangement. You cannot take this as cash. You may only transfer to a **registered** pension arrangement – at that point you can normally decide which form you wish to take your new benefits in when you reach retirement (e.g. pension drawdown, an annuity etc.). Your financial adviser can talk you through these options and how suitable they are for you.

If you choose to transfer your benefits out of the Scheme an amount will be paid from the Scheme to your chosen pension arrangement. This amount is called a 'cash equivalent transfer value' of your benefits. You can ask the trustees of the Scheme ('the Trustees') to pay some or all of your transfer value into another **registered** pension arrangement.

If you decide to take all of your benefits as a transfer value, you will give up all your benefits for you and your family under the Scheme. This is because any benefits will now be paid by your new pension arrangement.

If you would like to request a transfer value quotation, you should contact the SE Administration team at Hymans Robertson by email ([scenadmin@hymans.co.uk](mailto:scenadmin@hymans.co.uk)), via the Scheme website or by calling 0141 566 7655.

### 2. Who is eligible to take a transfer value?

Members with more than three months' **pensionable service** are eligible to transfer out of the Scheme. If you are currently an **active member**, you will have to leave the Scheme to take a transfer value. You normally can't take a transfer value if you've already retired. See **Q9** and **Q10** for more information.

### 3. What is a partial transfer value?

A partial transfer value is similar to a full transfer value (as explained in **Q1**) but it gives you the option to transfer some, rather than all, of your Scheme benefits to another **registered** pension arrangement. The remainder is left in the Scheme for you take as a pension at retirement.

### 4. Who is eligible for a partial transfer?

The option to partially transfer is available to **deferred members** of the Scheme who have left Scottish Enterprise and **active members** at the point of retiring in full (i.e. you can't partially transfer when you are partially retired). **Active members** will not usually be able to transfer part of the benefits they have accrued before retirement.

### 5. Why would I take a transfer value and move my benefits to another pension arrangement instead of taking my benefits from the Scheme?

It's a big decision to move **your benefits** to another pension arrangement. Whether it's the right thing for you to do is something only a qualified financial adviser can tell you (please see **Q14** and **Q15** for further details on obtaining financial advice).

The Scheme can only pay your benefits as set out in its rules. For example, the rules assume that the Scheme will always pay a pension to a **dependant** after your death. The rules don't allow you to give this up and receive a higher pension if you're single or your partner isn't financially dependent on you. Some other pension schemes may allow you to choose a pension that better suits your personal situation. For example, you might receive a

higher pension if you don't want a pension or lump sum for any dependants when you die, you don't want your pension to increase with inflation, or your life expectancy is less because, for example, you are a heavy smoker.

This flexibility comes at a price because in most cases these schemes do not have in-built promises like our final salary scheme. The benefits paid out rely on you making sound investment decisions or getting the best value for money when buying a guaranteed pension income. The risk moves from the Scheme, and the Trustees, to you.

## 6. How do I start the process of transferring?

If you wish to consider transferring [your benefits](#), the first step is usually to ask for a transfer value quotation.

If you would like to request a transfer value quotation, you should contact the SE Administration team at Hymans Robertson by email ([scenadmin@hymans.co.uk](mailto:scenadmin@hymans.co.uk)), via the Scheme website or by calling 0141 566 7655.

Before making a request, you should note the following:

### Taking advice

The Trustees recommend that you get independent financial advice regardless of the amount of transfer value. However, there is a legal requirement to take independent financial advice if the transfer value of your final salary benefits under the Scheme is worth more than £30,000. The Trustees will require evidence that you have received advice from an Financial Conduct Authority (FCA) registered financial adviser before they can allow a transfer to proceed.

### How often can I request a transfer value quotation?

You are entitled to request a transfer value quotation once per year free of charge. There will be a charge to provide any further quotations within a year of your last request. The amount of charge can vary depending on your circumstances. The SE Administration Team ([scenadmin@hymans.co.uk](mailto:scenadmin@hymans.co.uk)) can advise you of the current charge that will apply.

## 7. What kind of quote will I receive?

### Non-guaranteed quotation

While you are still an [active member](#) of the Scheme, we cannot quote a guaranteed transfer value. However, you can request an indicative transfer value quotation. This is not guaranteed and is for information only. You will not be able to transfer the quoted amount out of the Scheme to another [registered](#) pension arrangement. If you decide that you wish to transfer you must first leave the Scheme and then request a guaranteed quote. See [Q9](#) for more information about the process for requesting a guaranteed quote.

[Q16](#) has more information on why the guaranteed quotation transfer value may vary from the non-guaranteed quotation.

### Guaranteed quotation

Once you have left the Scheme and your benefit entitlement has been determined, you can receive a transfer value quote where the amount will be guaranteed for 3 months. This means you can transfer the quoted amount out of the Scheme to another [registered](#) pension arrangement provided you complete and return the discharge forms to the administrators within three months of the transfer value calculation date (this will be shown on your transfer value statement).

**The guaranteed quotation transfer value may vary from the non-guaranteed quotation.** See [Q16](#) for more information.

Further information on who receives a guaranteed and non-guaranteed transfer value quotation is provided under [Q8](#).

## 8. Who receives a guaranteed or non-guaranteed transfer value quotation?

**Deferred members** of the Scheme (those who no longer contribute to the Scheme but who have not yet taken their benefits) may receive a guaranteed transfer value quotation.

**Active members** of the Scheme (those who still contribute to the Scheme and who have not yet retired) may receive a non-guaranteed transfer value quotation. This is because they are still building up benefits in the Scheme.

If you are an **active member** of the Scheme and you wish to receive a guaranteed transfer value quotation you must notify the Scottish Enterprise AskHR Team ([askhr@scotent.co.uk](mailto:askhr@scotent.co.uk)) that you wish to leave the Scheme. Once you have left the Scheme, you can then request a guaranteed transfer value quotation from the SE Administration Team (at [scenadmin@hymans.co.uk](mailto:scenadmin@hymans.co.uk)).

The situation is different if you are less than three months away from your **Normal Retirement Date** or if you are over your **Normal Retirement Age**. Please find further information under **Q9** and **Q10**.

## 9. I am an active member of the Scheme (I still contribute to the Scheme and have not yet retired). How can I transfer all of my benefits out the Scheme?

- **Scenario 1 – if you are more than three months away from your **Normal Retirement Date**** you will need to become a **deferred member** to transfer out. Firstly, you must notify the Scottish Enterprise AskHR Team ([askhr@scotent.co.uk](mailto:askhr@scotent.co.uk)) about becoming a **deferred member**. Once you have left the Scheme, you should contact the SE Administration Team ([scenadmin@hymans.co.uk](mailto:scenadmin@hymans.co.uk)) to request a guaranteed transfer value quotation. This means that you can transfer the quoted amount out of the Scheme to another **registered** pension arrangement provided you complete and return the discharge forms to the administrators within three months of the transfer value calculation date (this will be shown on your transfer value statement).
- **Scenario 2 – if you are less than three months away from your **Normal Retirement Date**** you will receive a retirement pack soon (if not already) which will include a guaranteed transfer value quotation. This means that you can transfer the quoted amount out of the Scheme to another **registered** pension arrangement provided you complete and return the discharge forms to the administrators within three months of the transfer value calculation date (this will be shown on your transfer value statement).
- **Scenario 3 – if you are over your **Normal Retirement Age**** you must notify the Scottish Enterprise AskHR Team ([askhr@scotent.co.uk](mailto:askhr@scotent.co.uk)) about becoming a **deferred member**. Once you have left the Scheme, you should contact the SE Administration Team ([scenadmin@hymans.co.uk](mailto:scenadmin@hymans.co.uk)) to request a 'partially guaranteed' transfer value quotation. This means that you can initiate the transfer out process by completing and returning the discharge forms to the administrators within three months of the transfer value calculation date (this will be shown on your transfer value statement). At that point, your transfer value will be recalculated (using your actual benefits at your chosen date). If the resulting transfer value is within 10% of the initial transfer value quotation provided, the transfer value will be paid. If it is not within 10%, you have the opportunity to reconsider your decision.

Before requesting a transfer, you should check that the pension arrangement you intend to transfer into is both willing and legally permitted to accept a transfer payment.

The date you become a **deferred member** must correspond with the end of a pay period as leavers are processed on a 4 weekly basis. Therefore, you must give at least one month's notice of your opting out of the Scheme. The timescales for receiving your statement will vary depending on the date you notify the AskHR Team. See 'Important dates for transfer values' on the Scheme's website for more details.

#### 10. I am a deferred member of the Scheme (I no longer contribute to the Scheme but I have not yet retired). How can I transfer all of my benefits out the Scheme?

- **Scenario 1 – if you have not yet reached your [Normal Retirement Age](#)** you should contact the SE Administration Team ([scenadmin@hymans.co.uk](mailto:scenadmin@hymans.co.uk)) to request a guaranteed transfer value. This means that you can transfer the quoted amount out of the Scheme to another [registered](#) pension arrangement provided you complete and return the discharge forms to the administrators within three months of the transfer value calculation date (this will be shown on your transfer value statement).
- **Scenario 2 – if you are over your [Normal Retirement Age](#)** you should contact the SE Administration Team ([scenadmin@hymans.co.uk](mailto:scenadmin@hymans.co.uk)) to request a 'partially guaranteed' transfer value quotation. This means that you can initiate the transfer out process by completing and returning the discharge forms to the administrators within three months of the transfer value calculation date (this will be shown on your transfer value statement). At that point, your transfer value will be recalculated (using your actual benefits at your chosen date). If the resulting transfer value is within 10% of the initial transfer value quotation provided, the transfer value will be paid. If it is not within 10%, you have the opportunity to reconsider your decision.

Before requesting a transfer, you should check that the pension arrangement you intend to transfer into is both willing and legally permitted to accept a transfer payment.

#### 11. What happens after I receive my quotation?

You should take the appropriate advice and consider if you wish to transfer [your benefits](#) from the Scheme to another arrangement. You should also ensure that the pension arrangement you intend to transfer into is willing and able to accept the transfer.

If you received a non-guaranteed quote because you are an [active member](#) and you decide you wish to transfer out, you must notify the Scottish Enterprise AskHR Team ([askhr@scotent.co.uk](mailto:askhr@scotent.co.uk)) that you wish to leave the Scheme. Once you have left the Scheme, you should contact the SE Administration Team ([scenadmin@hymans.co.uk](mailto:scenadmin@hymans.co.uk)) to request a guaranteed transfer value quotation

If you have received a guaranteed transfer value, and wish to proceed, you will have three months to make your decision and have the relevant paperwork returned to the SE Administration Team. Your financial adviser will usually help with this.

#### 12. How can I transfer just some of my benefits out of the Scheme?

If you are considering taking a partial transfer value, you should request this from the SE Administration Team ([scenadmin@hymans.co.uk](mailto:scenadmin@hymans.co.uk)). As part of your request, you should specify what proportion of your full transfer value you would like to take. [Guaranteed Minimum Pension \('GMP'\) benefits](#) need to be transferred out in full.

Remember, the option to partially transfer is only available to [deferred members](#) of the Scheme who have left Scottish Enterprise and [active members](#) at the point of retiring in full. Employee members will not usually be able to transfer part of the benefits they have accrued before retirement.

#### 13. How often can I request a transfer value quotation?

If you are an [active member](#) less than three months away from your [Normal Retirement Age](#), you will receive a retirement pack soon (if not already) which will include a guaranteed transfer value quotation.

If you are more than three months away from your [Normal Retirement Date](#) or you are over your [Normal Retirement Age](#), you can request a transfer value quotation once per year free of charge. If you request more than one per year you will be charged. Please contact the SE Administration Team ([scenadmin@hymans.co.uk](mailto:scenadmin@hymans.co.uk)) to understand the charges that apply.

**14. Do I need to get independent financial advice if I take a transfer value?**

The Trustees recommend that you get independent financial advice regardless of the amount of transfer value. However, there is a legal requirement to take independent financial advice if the transfer value of your final salary benefits under the Scheme is worth more than £30,000. The Trustees will need to see evidence of you having received advice from a registered financial adviser before they can allow a transfer to proceed.

**15. Is financial advice available through the Scheme?**

No, financial advice is not available through the Scheme. If you don't already have your own trusted adviser, please refer to Money Helper (<https://www.moneyhelper.org.uk>). Their website has lots of tips and advice on finding an adviser, making sure they're qualified, what fees to expect and the advice process. All financial advisers must be registered with the Financial Conduct Authority (FCA). You can see if your financial adviser is listed on the FCA's 'Financial services register' by checking the FCA's website (<https://www.fca.org.uk>) or you can ring the FCA for free on 0800 111 6768.

**16. Why has my transfer value changed since the last time I received one? Why has my transfer value changed between my non-guaranteed and guaranteed quotes?**

Your transfer value quotation is based on a number of assumptions. These assumptions can vary with time due to (1) changes in market conditions and (2) any changes implemented by the Trustees following a review<sup>1</sup> of the assumptions. As such, transfer value quotations received now be higher or lower than quotations you can have received in the past.

Furthermore, if you have built up more benefits in the Scheme since you last received a transfer value quotation, this will also impact your quotation.

Want to know the details? Refer to the appendix 'More details for your financial adviser'.

**17. When is it beneficial to take a transfer value?**

There is no perfect time to take a transfer value, particularly given the reasons provided in **Q16**. Indeed, each individual's situation will be different, and the Trustees recommend that you get independent financial advice before you transfer to another pension arrangement. Please refer to **Q14** and **Q15** for further information.

**18. Does the Scheme accept transfers into the Scheme?**

The Scheme does not accept transfer payments from other workplace pension schemes.

**19. Can I transfer into any pension arrangement?**

Before requesting a transfer, you should check that the pension arrangement you intend to transfer into is both willing and legally permitted to accept a transfer payment.

When making a transfer, you should take care to make sure you don't fall victim to a pension scam. Pension benefits cannot normally be taken before age 55. If you do so, you are likely to be liable to a significant tax charge. There are bogus schemes offering seemingly attractive terms where members have lost their pension.

The Trustees will carry out checks to help safeguard your pension. In certain circumstances, they can prevent the transfer from going ahead or refer you for a guidance appointment with MoneyHelper. Ultimately, it is for you to make sure you don't fall victim to a pension scam.

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<sup>1</sup> The Trustees take professional advice from the Scheme's Actuary before making any changes to the assumptions.

## Glossary

### Active member

Individuals who still contribute to the Scheme and who have not yet retired. Contributions can be paid directly to the Scheme or via SE's salary sacrifice arrangement.

### CPI

Consumer Prices Index (CPI) is the Government's Index of Consumer Prices and is a measure of inflation. **Your benefits** will increase in line with CPI after retirement.

### Deferred member

Individuals who no longer contribute to the Scheme but who have not yet taken their benefits

### Dependants

Your spouse, co-habiting partner, or registered civil partner and any eligible children.

### Eligible children

A child who is under 17 (or under 23 and in full-time education or vocational training) and is:

- your child or adopted child; or
- wholly, or mainly, dependent on you.

There are some exceptions so please contact the SE Administration Team at [scenadmin@hymans.co.uk](mailto:scenadmin@hymans.co.uk) if you think your child may be eligible but doesn't meet the above criteria.

### Guaranteed Minimum Pension ('GMP') benefits

The minimum pension which the Scheme has to provide for you (and your **dependant**) for **pensionable service** completed before 6 April 1997 while you were contracted out of the Additional State Pension. If you have GMP benefits, the SE Administration Team will take this into account when calculating your transfer value.

### Normal Retirement Age

The Scheme's normal retirement age is normally:

- 60 if you joined the Scheme before 1 December 2006;
- 65 if you joined the Scheme on or after 1 December 2006 and before 1 February 2022; or
- your state pension age if you joined on or after 1 February 2022.

### Normal Retirement Date

The date at which you reach your **Normal Retirement Age**.

### Pensionable service

The time you have worked for SE since joining the Scheme. If you work part-time or have ever worked part-time, please contact the SE Administration Team at [scenadmin@hymans.co.uk](mailto:scenadmin@hymans.co.uk) for information about how your pensionable service is worked out.

### Registered

A pension arrangement is registered if it is registered with Her Majesty's Revenue and Customs (HMRC) or it is a qualifying recognised overseas pension scheme.

### RPI

Retail Prices Index (RPI) is the Government's Index of Retail Prices and is a measure of inflation.



### State Pension Age

If you would like to find out your State Pension Age, you may wish to use the calculator provided by the Government available at <https://www.gov.uk/state-pension-age>.

### Your benefits

Make sure you understand the benefits you will receive from the Scheme by looking at our pension guide on the Scheme's website (<https://sepensions.co.uk/>)

### Important

**While this factsheet explains how transfer values are calculated, it does not provide you with any advice on making decisions regarding your transfer value. The Trustees are not authorised to provide you with financial advice. Please refer to Q14 and Q15 for further information on how to obtain financial advice.**

**When making a transfer, you should take care to make sure you don't fall victim to a pension scam. Pension benefits cannot normally be taken before age 55. If you do so, you are likely to be liable to a significant tax charge. There are bogus schemes offering seemingly attractive terms where members have lost their pension.**

**Although this factsheet is intended to be accurate, the Trustees reserve the right to update or discontinue the factsheet at any time.**

**The Trustees will normally make transfers in the way set out in this factsheet. However, they sometimes have broader discretionary powers which they could exercise instead of following the process set out in this factsheet.**

**Your legal rights are governed by the Trust Deed and Rules of the Scheme. If there are any differences between the Trust Deed and Rules and this factsheet, the Trust Deed and Rules will override the factsheet.**

### Further information

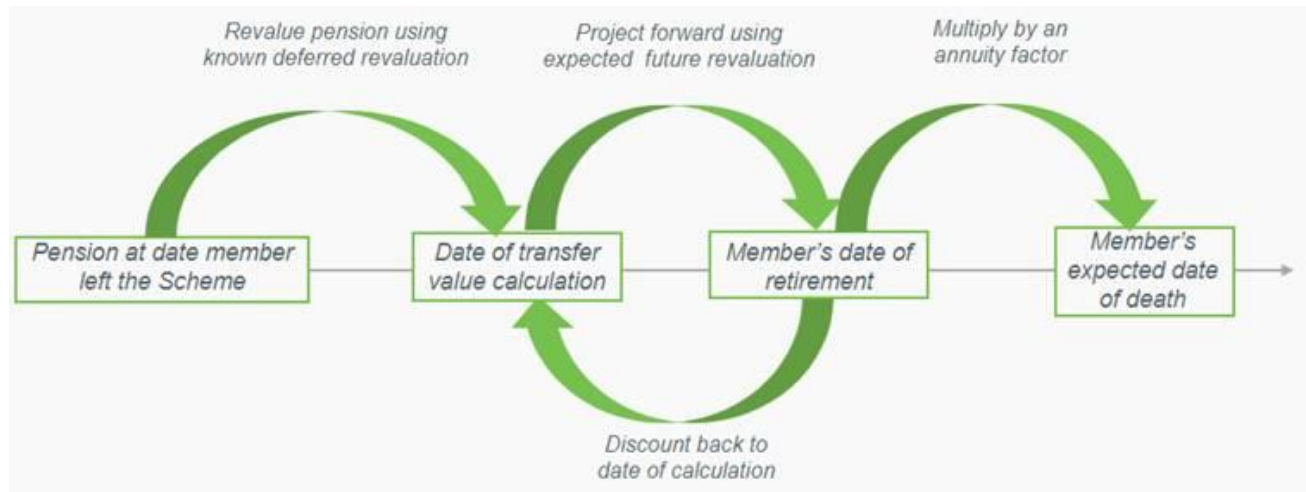
If you have any queries regarding transfer values, please contact the Scheme administrator:

Scottish Enterprise Pension and Life Assurance Scheme  
Hymans Robertson  
20 Waterloo Street  
Glasgow  
G2 6DB

[scenadmin@hymans.co.uk](mailto:scenadmin@hymans.co.uk)

## Appendix - More details for your financial adviser

A transfer value is calculated like this.



As mentioned above, your transfer value quotation is subject to a number of financial and demographic assumptions. These assumptions are provided overleaf. Your financial adviser may ask for a copy of these assumptions.

Financial assumptions*	
RPI increases	Market implied RPI curve
CPI increases	RPI curve less 1% p.a. pre-2030, RPI curve less 0% p.a. post 2030
Discount rate	Best estimate investment return calibrated on a quarterly basis
Demographic assumptions	
Postretirement longevity base tables	2022 VITA tables
Pre-retirement longevity base tables	120% of PNXA00
Longevity future improvements	CMI 2022 model
Proportion married	87% of male members and 53% of female members
Age difference	Male members are assumed to be 4 years older than their female dependants and female members are assumed to be 2 years younger than their male dependants

\*Your quotation will be based on market conditions on the last day of the month preceding the transfer value calculation date (which will be shown on your transfer value statement).

Note that if you are over your **Normal Retirement Age**, late retirement factors will also be applied. These are reviewed on a regular basis by the Trustees and are therefore subject to change at any point.