

Ombudsman's Determination

Applicant	Mr E
Scheme	Civil Service Partnership Pension (the Scheme)
Respondent	Cabinet Office

Outcome

1. I do not uphold Mr E's complaint and no further action is required by the Cabinet Office.

Complaint summary

2. Mr E's complaint against the Cabinet Office concerns the adequacy and timeliness of the notifications that he received when the provider for the Scheme was being changed.

Background information, including submissions from the parties and timeline of events

3. The sequence of events is not in dispute, so I have only set out the salient points. I acknowledge there were other exchanges of information between all the parties.
4. On 1 September 2006, Mr E joined the Civil Service and elected to have a partnership account with Standard Life. He left the Civil Service on 29 September 2006.
5. On 16 June 2008, Mr E started employment with the House of Commons, and he joined the House of Commons Staff Pension Scheme (**the HOC Scheme**). The HOC Scheme operated by analogy to the Principal Civil Service Pension Scheme (**the PCSPS**) and he was a member of the Nuvos by analogy section.
6. On 1 April 2014, the liabilities of the HOC Scheme were transferred to the Civil Service and Mr E became a member of the Nuvos section of the PCSPS. He elected not to link his previous HOC Scheme benefits with his latest benefits, and so his HOC Scheme benefits became preserved.
7. On 1 April 2015, Mr E moved automatically to the Alpha section of the PCSPS.

8. In 2016, Mr E opted to switch from the PCSPS to the Scheme. The Scheme is a defined contribution (**DC**) workplace pension. The stakeholder provider relevant to Mr E's investments was Standard Life. As Mr E already had benefits with Standard Life under a previous Civil Service arrangement, rather than create a new account for him, his previous account was re-activated.
9. In 2017, the Cabinet Office was considering changing the stakeholder providers for the Civil Service DC pension schemes to a single provider, Legal & General (**L&G**). The providers in place at that time were Standard Life, Scottish Widows and Prudential.
10. On 25 September 2017, a consultation was launched: 'Consultation on the appointment of a new provider for the Civil Service Defined Contribution Pensions Schemes' (**the Consultation**). An extract from the Consultation document can be found in Appendix 1. The Consultation was not in relation to the decision to move to one provider. It was in relation to the choice of the single provider.
11. On 25 October 2017, the Consultation ended.
12. On 5 June 2018, an HR officer in the House of Commons emailed Mr E concerning the appointment of L&G as the new provider of the partnership pension account (**PPA**). He said that the Cabinet Office would be writing to him in July 2018 to advise how the change would affect him. He asked Mr E to check that his address was correct.
13. On 6 June 2018, Mr E responded asking why the change had not been communicated earlier. He also asked for details of the benefit to the members of the change.
14. On the same day, the HR officer responded. He said that the Cabinet Office had asked him to ensure that members' addresses were up to date. He asked Mr E to defer any questions that he had until the Cabinet Office had issued its announcement.
15. On 29 August 2018, Civil Service Pensions (**CSP**) wrote to Scheme members concerning the appointment of L&G as the new provider of the PPA. It said:-
 - L&G would be appointed with effect from September 2018.
 - Contributions currently being directed to Standard Life would be redirected to L&G from 1 September 2018.
 - L&G would write to members in November 2018 to confirm how their existing investments could be transferred to L&G, should members want to select this option. It said that, as an alternative, existing investments could be left with the current provider. If this option was chosen, those investments would become part of a private pension plan which the member would control.
 - The new arrangements were part of the L&G master trust.

- Unless members advised otherwise, future contributions would be invested in L&G's default investment option called 'Pathway'.
 - The Investment charges payable by the members were a 0.17% annual management charge plus a fund management charge which would depend on the chosen investments. This charge was 0.19% for the default Pathway option.
 - The Pensions Advisory Service (**TPAS**) had agreed to provide support to members. In addition, further information was provided in a leaflet which was enclosed with the letter and on the Civil Service website.
16. On 1 September 2018, the change to the PPA provider came into effect.
17. On 8 October 2018, L&G wrote to Mr E. It provided him with a membership certificate together with confirmation that he could manage his investments online.
18. In October 2018, CSP wrote to Mr E. It apologised that he had not been sent its letter of 29 August 2018. It said that Standard Life's records incorrectly showed the House of Commons scheme as separate from the Civil Service scheme. It provided Mr E with a copy of the text of the 29 August 2018 letter.
19. On 15 October 2018, Mr E sent an email to CSP. He said:-
- Decisions had been taken which had financial implications for him and which were a potential risk to his investments. However, he had only just been notified of the changes.
 - He was previously paying a flat administration fee based on a legacy tariff from 2005. This had started prior to his current employment and was on more favourable terms than those for recent new joiners.
 - He had not been provided with any fund performance data or clear examples of the alternative investment routes.
 - The transfer of his Standard Life investments to L&G was not in his interests given the performance of his Standard Life investments over the last year.
 - He was not aware of the Consultation at the time that it took place. Nor was he made aware of the decision that was made or the tender process.
 - The introduction of the new arrangements was in the interests of the administrators, by reducing costs.
 - He instructed that his funds with Standard Life not be transferred to L&G. He also said that his future contributions should not be paid to L&G. He asked that his future contributions be paid to Standard Life, his funds being treated as a private scheme with the Cabinet Office having no involvement in its management. Alternatively, if that was not viable, he asked that the employer's contributions be accrued and paid annually to Standard Life. If neither of these options were viable,

he asked that he be paid compensation, based on his anticipated loss, due to the limited options available to him.

20. On 4 January 2019, Mr E re-sent his email of 15 October 2018 to CSP.

21. On 4 February 2019, the Cabinet Office wrote to Mr E in response to his email of 15 October 2018. It said that:-

- It apologised for the delay in providing its response.
- It, being the manager for the Civil Service pension arrangements, conducted a review of its DC pension schemes in 2016. The main drivers behind the review were the introduction of auto-enrolment and the development of digital delivery platforms.
- The review concluded that it would be beneficial for members to move to a single DC provider under a master trust arrangement. It could then leverage its size to get the best package of benefits for the members.
- Details of the Consultation had been provided on the gov.uk website. In addition, details had been provided to all Civil Service employers, directing them to ensure that as many Scheme members as possible participated.
- With limited exceptions, redirecting future contributions to L&G had enabled it to cut annual member charges significantly.
- It had the power to decide the organisations that it used to provide services to members. There were no regulations specifying what a new scheme must look like or to give members an option to opt out of the scheme.
- It had followed regulator and industry guidance in making the changes.

22. On 14 March 2019, Mr E completed an application for a stage two decision under the Cabinet Office's two stage Internal Dispute Resolution Procedure (**IDRP**). The form stated that the Cabinet Office had agreed that his complaint could go straight to stage two of the IDRP. As part of his submission, Mr E said:-

- The Cabinet Office had failed to abide by the Scheme's own rules in not providing one month's notice prior to implementing the change.
- An announcement on the gov.uk website was not a direct enough communication.
- The automatic response that he received to his email of 15 October 2018 said that he would receive a response in five to ten working days. There was a delay of nearly three months.
- If he had been closer to his retirement, his future contributions could have continued to have been paid to Standard Life. This was age discrimination.

- His Standard Life arrangement dated back to 2005 and it had more favourable terms and charges.
- He questioned how the Cabinet Office could make financial decisions if it was not able to provide or pay for financial advice for its members.

23. On 21 May 2019, the Cabinet Office provided its stage two IDRPs response. It did not uphold Mr E's complaint. It referred Mr E to its letter of 4 February 2019 and added that:-

- None of Mr E's preferred options in his email of 15 October 2018 were possible.
- It did not breach any legal constraints. The procurement process was robust, and the Consultation was as open and as thorough as possible.
- Mr E did not have to stay in the Scheme. His options included a switch to the Civil Service defined benefit scheme, Alpha.

24. Mr E made additional comments. He said that:-

- The Cabinet Office's stage two IDRPs response had not addressed all of his concerns.
- Under the previous arrangements, the increase in the value of his investments for the year to June 2019 was 13.5%. Under the new arrangements, the return was estimated to be 6% per annum.
- Under the new arrangements, he was automatically enrolled in the low-risk pathway option. Having tailored his portfolio to mixed risk funds, his investment fees would be, on average, 0.70% with a likely upper limit of 1.13%. This was higher than what he was paying under the old arrangements.
- The Government changed the law so that the changes could be easily implemented, without objection from the members.
- His arrangement was of a bespoke nature, including the operation of a legacy tariff. The Cabinet Office would not have been able to accurately model his benefits when considering the change of stakeholder provider.
- Section 8 of the Pensions Act 2008 covered a jobholder's right to opt out. He was not given this opportunity.
- L&G's policy booklet for its stakeholder pension scheme stated that, once a contribution had been paid to the Scheme and the 30-day cancellation period had ended, it would not be refunded. Due to the delays in him receiving CSP's letter of 29 August 2018, he did not have the opportunity to request a refund.
- Standard Life's QWPS notification form was completed in 2016 to indicate that his existing Standard Life pension scheme would be used as a qualifying workplace pension scheme to meet his employer's obligations under the Pensions Act 2008.

This form stated, in section 7.1, that changes to the terms and conditions must be notified to the employer, giving 28 days' notice. Section 3 stated that this information must then be passed from the employer to the employee. Extracts from the wording of this form can be found in Appendix 2.

25. The Cabinet Office made additional comments. It said that:-

- All future contributions to the Scheme were payable to L&G. The reference in the Consultation document to some members being able to continue contributing to their original provider's plans applied to those with Civil Service additional voluntary contribution accounts, not the PPA.
- It was satisfied that the investment charge level and range were appropriate. 96% of the members were likely to remain in the default fund.
- The agreements in place with employers stated that CSP would provide the vehicle for the PPA into which the employer would then make payments. There was no scope for the employer to fund private arrangements.
- The Scheme was not the auto-enrolment vehicle for CSP, but a secondary scheme provided as an alternative for those who opted-out of the main scheme. There was no legal requirement for it to provide a secondary scheme. It was within its remit to decide on the pension vehicle and the terms, and to arrange for contributions to be redirected to the Scheme.
- It was not required to provide one month's advanced notice of the redirection of contributions. It met its own internal deadline of informing members within 60 days of the change taking place.
- It did not consider that any compensation payment to Mr E was warranted.

Adjudicator's Opinion

26. Mr E's complaint was considered by one of our Adjudicators who concluded that no further action was required by the Cabinet Office. The Adjudicator's findings are summarised below:-

- The first detailed communication concerning the change to the PPA provider was on 29 August 2018, when CSP wrote to Scheme members. However, due to an issue with the way that the HOC Scheme was recorded on Standard Life's records, Mr E did not receive this communication until October 2018. The Adjudicator took the view that, while it was unfortunate that Mr E did not receive this communication in August 2018, his failure to receive such was not because of any maladministration by the Cabinet Office.
- The Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 2013 (**the Regulations**), dictate the timescales within which changes

of this type need to be publicised. An extract from the Regulations can be found in Appendix 3.

- In the Adjudicator's opinion, the change made to the PPA provider was a material alteration to the Scheme's basic information. The Regulations require that members be notified before, or as soon as possible and within three months after the change took effect. The notification was provided to Mr E well within this timescale. The Adjudicator acknowledged Mr E's comment that advanced warning of the change would have benefitted him. However, the Cabinet Office had taken steps to inform Scheme members of the change, prior to the change being implemented. The Adjudicator took the view that there was no legal requirement for the Cabinet Office to provide information earlier than it did.
- The Consultation concerning the choice of the new PPA provider took place for a month from 25 September 2017. In common with similar consultations, this took place on the gov.uk website. While employers had been asked to pass on details of the Consultation, the Adjudicator noted that Mr E said that he did not receive any details.
- The Adjudicator understood Mr E's frustration that he did not have the opportunity to take part in the Consultation. However, there was no legal requirement for the Cabinet Office to consult in advance with members, so it could not be held at fault in this respect.
- In the Adjudicator's opinion, the Cabinet Office had not breached any regulations in the way in which it communicated the change of PPA provider to Mr E. So, there was no maladministration by the Cabinet Office in this regard.
- Mr E said that he was paying a flat investment fee to Standard Life based on a legacy tariff dating back to 2005. He went on to say that, having adjusted his portfolio under the new arrangement, he was paying an average of 0.7% annual fees with a maximum of 1.13%. He said that these figures were higher than under the previous arrangement.
- The Adjudicator noted that, in the Cabinet Office's response of 4 February 2019, it said that redirecting future contributions to L&G had enabled it to cut annual member charges significantly. However, it did acknowledge that there were limited exceptions.
- In making a change to the PPA provider, the Cabinet Office had a responsibility to look after the interests of the members. However, with any large change of this type, it was not always possible to meet the needs of all individual members. There was likely to have been a degree of compromise which resulted in some members feeling that they had lost out.
- The Adjudicator took the view that, due to Mr E's legacy investment tariff, he was one of those who may have felt that he had not benefitted from the change to the same degree as the majority of the membership. The Adjudicator acknowledged

Mr E's frustration with this. However, his frustration did not prevent the Cabinet Office from doing what it did. In the Adjudicator's opinion, the actions of the Cabinet Office did not amount to maladministration.

- Mr E said that the transfer of his Standard Life investments to L&G was not in his best interest. He had also looked at the performance of his Standard Life investments over the last year in comparison with the performance of L&G's funds. While the Adjudicator noted the analysis that Mr E had undertaken, he was not able to comment any further on this as past investment performance was not always a guide to future returns. The Adjudicator also noted that Mr E did not have to transfer his existing funds to L&G if he did not wish to do so.
- Mr E said that the change of provider was in the interest of the administrator due to a reduction in costs. While this may be the case, in the Adjudicator's opinion, the majority of the members had benefitted from the change, due to lower investment charges. The Cabinet Office needed to consider the needs of the membership as a whole. However, it was not unreasonable for it to have also considered the value for money offered by the new arrangement.
- Mr E said that, had he been closer to his retirement, his future contributions to the Scheme could have continued to be paid to Standard Life. He considered this to be age discrimination. The Adjudicator took the view that there were no scenarios under which contributions to the Scheme after 1 September 2018 could have been paid to a previous provider. A small number of additional voluntary contribution (**AVC**) scheme members were allowed to pay contributions to their previous provider, and this may have been where the confusion had occurred.
- Mr E commented that the Cabinet Office did not provide him with any financial advice concerning the change of PPA provider. Nor was it willing to pay for him to receive financial advice. The Adjudicator took the view that it would not have been appropriate for the Cabinet Office to have directly provided Mr E with financial advice as it was not qualified to do so. It was also under no obligation to pay for Mr E to receive financial advice. However, in its letter of 29 August 2018, it said that TPAS had agreed to provide support to members. So, the Cabinet Office had informed members of where they could go to get further information concerning the change, notwithstanding that Mr E did not receive this letter.
- Mr E has referred to section 8 of the Pensions Act 2008, which refers to a jobholder's right to opt out. The Adjudicator took the view that this piece of legislation was not relevant to Mr E's circumstances for two reasons. Firstly, it related to automatic enrolment schemes and the Scheme is not such a scheme. Secondly, this legislation related to becoming an active member of a scheme. The change made in 2018 to the Scheme was the introduction of a new provider of the PPA. This did not result in Mr E joining a new scheme.
- Mr E referred to L&G's policy booklet for its stakeholder pension scheme. The Adjudicator noted that he had missed out on the opportunity to request a refund of

the initial employee contribution paid to the Scheme once the new PPA provider was in place. However, in the Adjudicator's view, Mr E was not placed in this position because of the Cabinet Office's maladministration.

- Mr E referred to Standard Life's QWPS notification form. He believed that this indicated he should have been notified of the change of PPA provider earlier. The Adjudicator was not persuaded that this was the case. Section 3.1 of this form refers to a notification to an employee that the Standard Life scheme is their qualifying scheme. It is specific to Standard Life and is not relevant to Mr E being notified that L&G was the new PPA provider.
- Mr E said that the Cabinet Office was slow in responding to his complaint. He initially sent his feedback on the introduction of the new PPA provider to CSP on 15 October 2018. After him re-sending this on 4 January 2019, the Cabinet Office responded on 4 February 2019. Mr E completed his stage two IDRPs application on 14 March 2019 and the Cabinet Office provided its response on 21 May 2019.
- The Adjudicator was of the Opinion that the 16-week delay before the Cabinet Office responded to Mr E's initial feedback was longer than would normally be considered to be reasonable. In relation to the Cabinet Office's stage two IDRPs response, an eight-week response time is the usual target. The Adjudicator noted that the response was provided in just over nine weeks. So, while there was a delay in providing this response, the delay was not excessive. The Cabinet Office considered Mr E's complaint directly under stage two of the IDRPs. This sped up the process following the initial delay in it responding to him.
- Mr E also said that the IDRPs response did not address all of his concerns.
- The Adjudicator took the view that not all responses were provided in a reasonable timescale and were not always complete. However, he was not persuaded that Mr E was caused distress and inconvenience, sufficient to warrant an award for redress in this instance. The Cabinet Office had apologised to Mr E for the delay in it providing its response to his email of 15 October 2018. This was consistent with what the Ombudsman would direct in the circumstances.

27. Mr E did not accept the Adjudicator's Opinion and the complaint was passed to me to consider.

28. Mr E provided his further comments which do not change the outcome. In summary he said:-

- The correspondence sent to him by L&G was received after the change of PPA provider came into effect. In addition, CSP's letter of 29 August 2018 had not been sent to him. He had not been made aware of how to request further information on the change of PPA provider.
- The change in provider had transferred the burden of having benefits in multiple schemes to the members.

- The Cabinet Office commented, in its letter of 4 February 2019, that the move to a single provider would enable it to leverage its size to get the best package of benefits for the members. This approach was based on volume and was unequal. Members' interests were not at the core as the new provider was a known bulk-purchaser of annuities.
- The investment charges under the default Pathway option did not provide an accurate comparison as it was the most basic investment choice available to members. It was questionable why such a high percentage of the membership would not change from this option, as it provided little growth. In addition, the remaining four per cent that the Cabinet Office had suggested were likely not to remain in the default fund would feel that they had been misled.
- The Cabinet Office's decision to allow a small number of AVC scheme members to continue paying contributions to their previous provider was discriminatory as that group had been given preferential treatment.
- Previous pension administration changes made by the Cabinet Office had resulted in further consultation being required. This was due to errors made at the inception of the changes due to a 'one size fits all' approach having been adopted.
- The Cabinet Office's maladministration had impacted his ability to withdraw from the Scheme when the change to the PPA provider took place.
- He was automatically enrolled in the L&G scheme by his employer without his consent. In addition, his consent should have been requested to re-direct the contributions deducted from his pay to L&G.
- His pension was being treated as part of the Scheme for ease of administration. His benefits were separate from the Scheme and were Civil Service Partnership by analogy. The Cabinet Office had taken a general view when implementing the change. This was discriminatory to him as he was outside of the general fit.
- He would like to see additional clarification from the Cabinet Office to justify the actions it had taken.

29. The Cabinet Office said that:-

- It had considered the overall package available to members along with aspects such as governance. The quality of the investment proposition was considered overall, and it was not required to look at members' individual positions when making its decision. It confirmed that L&G had scored well across all areas.
- A small number of AVC scheme members being allowed to continue paying contributions to their previous provider. These were members who were investing in with-profits funds which benefitted from capital guarantees that could not be replicated with L&G.

30. I note the additional points raised by Mr E, but I agree with the Adjudicator's Opinion.

Ombudsman's decision

31. Mr E's complaint concerns the timing and adequacy of the communications issued by the Cabinet Office in relation to a change to the PPA provider. He has also raised a number of other concerns in relation to the change.
32. Mr E said that correspondence sent to him by L&G was not received until after the change to the PPA provider came into effect. The change took place with effect from 1 September 2018 and L&G first wrote to Mr E on 8 October 2018. So, I agree that this was the case. However, CSP wrote to Scheme members on 29 August 2018, providing details of the change and confirmation of where further information could be found. The Cabinet Office has acknowledged that Mr E was not initially sent this letter. Mr E's failure to receive the August letter was not due to CSP's maladministration but because of how Standard Life had recorded the HOC Scheme. So, while it was unfortunate and disappointing that he did not receive this letter, CSP cannot be held responsible for this.
33. CSP did write to Mr E in October 2018 enclosing a copy of the text from the letter of 29 August 2018 and providing an email address where further information could be requested. While I understand Mr E's frustration that he did not receive the information earlier, I find that no legislative requirements were broken as a result of this delay.
34. Mr E said that the Cabinet Office's maladministration impacted his ability to withdraw from the Scheme when the PPA provider change took place. I acknowledge that Mr E did not receive details of the change of provider until October 2018, which was after the change took place on 1 September 2018. However, the notification of the change after it had occurred did not prevent him from having the same options that he would have had, had he been made aware of the change before it occurred.
35. I note that, as of mid-2019, Mr E was still an active member of the Scheme. While he may have missed out on the opportunity to withdraw from the Scheme at the point that the PPA provider was changed to L&G, he had the opportunity to do so shortly after the change was made. He chose not to take this opportunity.
36. Mr E commented that the change of provider had transferred the burden of having benefits in multiple schemes to the members. While this may be the case, the Cabinet Office's decision to do so did not amount to maladministration. If members felt unable to manage their investments in multiple schemes, they had the option to transfer all their benefits to L&G. This would have resulted in their benefits being managed in one place and would have removed the burden for them to manage their investments in several schemes.
37. Mr E referred to the Cabinet Office's assertion that moving to a single provider enabled it to leverage its size to get the best package for the members. He said that this approach was based on volume and was unequal. It is common for insurance companies to offer better deals as the total volume of investment increases. So, I consider the Cabinet Office's statement to be reasonable. Mr E said that member

interests are not at the core, since L&G is a known bulk purchaser of annuities. Insurance companies offer a range of services and L&G is providing specific services in relation to the Scheme as agreed with the Cabinet Office. What other services it is able to provide is not an area of concern.

38. The Scheme is a large scheme, and the Cabinet Office is not able to consider the impact that the change would have on each individual member. It considered that the change would have been beneficial to the majority of members. I find no fault with the Cabinet Office's decision in this regard
39. Mr E said that the investment charges under the Pathway option are not an accurate representation across the full range of options available to Scheme members. While I acknowledge that the Pathway option is not the only investment choice available to members of the Scheme, it is the default option which is used by the majority of the membership. These members may not wish to actively manage their investments and may value an option with less risk. Further, there was no requirement for members to stay under the Pathway option. They could decide what investment option was best suited for their circumstances and change to that option if appropriate.
40. I do not agree with Mr E's statement that the remaining four per cent of members that the Cabinet Office had suggested were likely not to remain in the default fund will feel that they have been misled. As acknowledged by the Cabinet Office, there will inevitably be some members who feel that they have lost out due to the change of provider. This is likely to include Mr E, due to the special arrangement that was previously in place for him with Standard Life. However, this does not mean that everyone who is investing their funds outside of the Pathway option will feel that they have lost out. Nor does it invalidate the decision that the Cabinet Office made to move to L&G as its sole PPA provider. I find that the Cabinet Office had the necessary powers to make this decision.
41. Mr E has alleged that he was discriminated against due to a small number of AVC scheme members being allowed to continue paying contributions to their previous provider. These were members who were investing in with-profits funds which benefitted from capital guarantees that could not be replicated with L&G. I find that the actions taken by the Cabinet Office to protect the guarantees for the impacted AVC scheme members were reasonable, given the nature of these funds. I do not agree that this amounted to discrimination.
42. Mr E mentioned additional consultation that he believes was necessary on other pension administration changes made by the Cabinet Office due to errors made at the inception of the change. The scope of my investigation is restricted to the change of PPA provider made on 1 September 2018. I am unable to comment on any other changes made by the Cabinet Office.
43. Mr E said that he was automatically enrolled in the L&G scheme by his employer without his consent. I find that this was not the case. Mr E was a member of the Scheme before the change to PPA provider on 1 September 2018 and he continued

to be a member of the Scheme after the change had been made. The change did not involve the introduction of a new scheme. It was a change to the PPA provider for the existing scheme. The Cabinet Office did not require Mr E's consent to make the change. Nor did it require his consent to re-direct his contributions to L&G.

44. Mr E said that his benefits are separate from the Scheme and are Civil Service Partnership by analogy. I note that the benefits accrued by Mr E during the period from 16 June 2008 to 1 April 2014 in the HOC Scheme are PCSPS by analogy. However, I do not agree that his current benefits are Civil Service Partnership by analogy. Mr E is currently a member of the Scheme. The Civil Service was looking to appoint a new provider for its DC arrangements. I do not agree that Mr E was outside the main scope of this initiative. Nor do I agree that he was discriminated against.
45. I do not uphold Mr E's complaint.

Anthony Arter

Pensions Ombudsman
23 November 2021

Appendix 1

Extract from the consultation on the appointment of a new provider for the Civil Service Defined Contribution Pensions Schemes

“1.8 Should the transition go ahead existing pensions would be dealt with as follows:

- Partnership members would have the opportunity to transfer their Partnership pension to the new arrangement
- Stand-alone Stakeholder members would have the opportunity to transfer their pension to the new arrangement
- AVC members would see their AVC pension with the previous provider transfer to the new provider except where doing so would cause financial detriment. Members would have the opportunity to opt-out of the automatic transfer.

1.9 On the same basis future member and employer contributions would transfer to the new provider from a (sic) September 2018 however a small number of AVC members would be allowed to continue in their existing plan where the change would create financial detriment.”

Appendix 2

Extracts from Standard Life's QWPS notification form

"3. Provide information to employees

- 3.1 The Employer must tell the Employee that the Scheme or Plan is their qualifying scheme by issuing Existing Member of Qualifying Scheme information to them.
- 3.2 In providing the information required to the Employee, the Employer may use the appropriate template notice made available on the Provider's website.
- 3.3 The Employer must satisfy itself that any template notice it uses under paragraph 3.2 contains all necessary information to meet the requirements of the 2008 Act."

"7. Other requirements

- 7.1 The Provider may amend or revoke any of these terms and conditions from time to time. Unless the Provider considers there to be exceptional circumstances, the Provider shall give the Employer 28 days notice of any changes to the terms and conditions."

Appendix 3

Extract from the Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 2013

“Part 3 Changes to Information [...]

8 Material alterations to basic scheme information

- (1) The information mentioned in paragraph (2) must be given in accordance with this regulation where -
 - (a) there is a change in relation to the scheme, and
 - (b) that change results in a material alteration in the information listed in Part 1 of Schedule 2.
- (2) The information is the information referred to in paragraph (1)(b) that has materially changed.
- (3) The information must be given to all members and beneficiaries of the scheme except for excluded persons and to a recognised trade union.
- (4) The information must be given before or as soon as possible after (and in any event within three months after) the change referred to in paragraph (1)(a) takes effect.
- (5) No information is required to be given under this regulation to -
 - (a) relevant persons, except a recognised trade union, unless it is relevant to the person's rights or prospective rights under the scheme, and
 - (b) a recognised trade union unless -
 - (i) it is relevant to the rights or prospective rights of persons who are in that recognised trade union, and
 - (ii) basic scheme information has already been given to the recognised trade union under regulation 6.”