

# Trustee newsletter

## May 2018



For members of the  
Wincanton plc Pension Scheme

### DEFINED CONTRIBUTION SECTION



### An introduction from the Chair of the Pension Scheme Trustee Board

Welcome to your Trustee newsletter. Our aim again this year is to set out the most important developments that affect the world of pensions and our Scheme.

Last year we explained how the 2015 introduction of pension freedoms have impacted retirement choices, so this year we examine how your Defined Contribution (DC) Scheme and investment options actually work. We have again provided a 'snapshot' of how our investment funds have performed and we are pleased to confirm that all funds have met their performance targets.

You may have heard that the data protection laws are changing. The new law, called the General Data Protection Regulation (GDPR), will apply from 25 May 2018. On page 1 you can learn more about

the steps we take to protect your personal data and the rights that you have.

The implementation of a digital communication strategy is a key objective. On page 14 you can read about how we are now 'going digital'.

Indeed you will soon be able to access an interactive version of the newsletter on our website, but for now please send us any feedback you have about this one or our communications generally.

A handwritten signature in black ink, appearing to read "Quentin Woodley".

**Quentin Woodley**



**Road to  
retirement**

Your future, your choice

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# General Data Protection Regulation (GDPR) – Privacy notice

The EU General Data Protection Regulation or 'GDPR' is the most important change to data protection and privacy law for 20 years. It comes into force in the UK on 25 May 2018. Any business or organisation dealing with personal data will now have more demanding rules to follow.

As part of these new rules the Trustee is required to provide a 'Privacy notice' to all members and beneficiaries whose personal data is processed by the Scheme.



**For more detailed information** on how we use and disclose your personal information, the protections we apply, the legal basis for our use of your information and your data protection rights under the GDPR, please visit [www.wincantonpensions.co.uk](http://www.wincantonpensions.co.uk). If you would like a copy of the Privacy notice to be sent to you by post, please contact:

✉ Wincanton plc Pension Scheme  
Capita, Hartshead House  
2 Cutlers Gate  
Sheffield S4 7TL

☎ 0345 122 2032

@ [wincantonpensions@capita.co.uk](mailto:wincantonpensions@capita.co.uk)



# Running the Scheme

During the last scheme year there have not been any changes to the Trustee Board. The Board does work very closely with its professional advisers in the day to day running of the Scheme. These advisers are listed below.

Pensions Manager:  
**S Walters**

Solicitors:  
**Linklaters LLP**

Independent Auditors:  
**PricewaterhouseCoopers LLP**

Administrators:  
**Capita Employee Benefits Limited**

Bankers:  
**NatWest**

Investment Adviser:  
**Mercer Consulting Limited**

## The current Trustee Directors are...

**John Bowen**  
Transport Shift  
Manager,  
Wincanton plc  
(Member nominated)

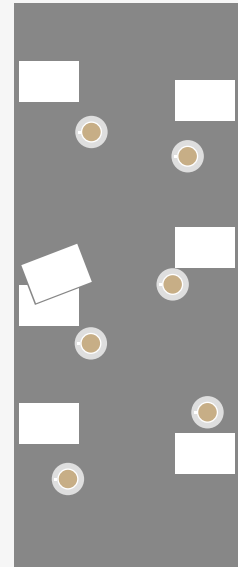
**Nicci Evans**  
Head of Corporate  
Reporting,  
Wincanton plc  
(Company nominated)

**Richard Goodman**  
(Company nominated)

**Quentin Woodley**  
– Chair  
Woodley Pension  
Trustees Ltd  
(Company nominated)

**Glenn Wellman**  
Independent Trustee  
Director  
(Company nominated)

**Conrad Wagstaff**  
Contract Engineering  
Manager,  
Wincanton plc  
(Member nominated)

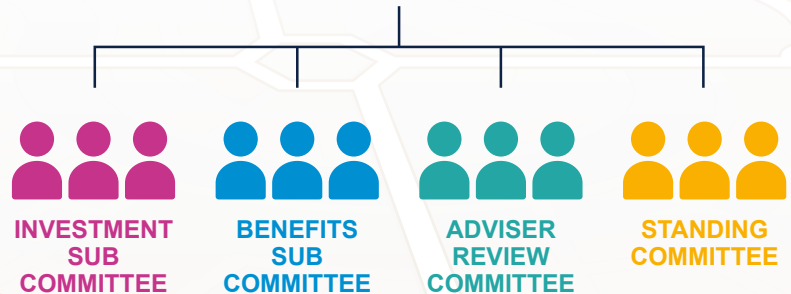
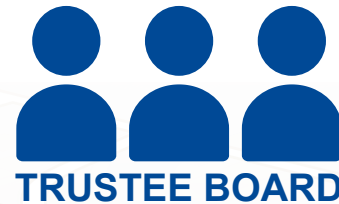


**Nicci, Conrad, John and Richard are all members of the Wincanton plc Pension Scheme.**

## Our structure

The Trustee Board meets at regular intervals throughout the year to discuss the affairs of the Scheme. The Board has delegated some of its powers to Sub Committees. For example, matters concerning the Scheme's investments are delegated to the Investment Sub Committee.

This Committee meets regularly with its advisers to review the investment strategy and monitor the performance of the appointed investment managers. In addition, the Board has a Benefits Sub Committee to determine death benefit payments to beneficiaries, an Advisor Review Committee to review the performance and compensation of the Trustee's advisers and a Standing Committee to deal with urgent or unexpected issues.

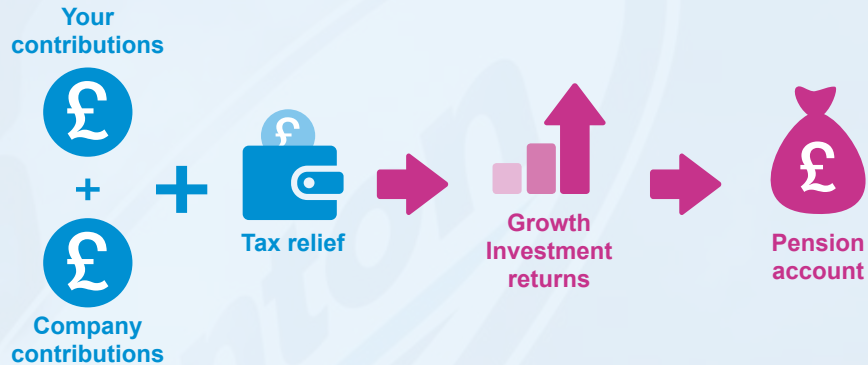


# How does your DC Section work?

As a member of the DC Section when you retire your retirement benefits are determined by the accumulated value of your pension account.

Each month the contributions received are invested in your chosen fund(s) and it is the accumulated value of these investments that determine the value of your pension account.

At retirement you may use your pension account to provide one or more lump sum payments or purchase an annuity policy which will provide a regular income.



## Nomination of beneficiary form

In the event of your death a lump sum may be payable from the Scheme to one or more of your beneficiaries. The Trustee has absolute discretion as to whom any benefits should be paid, which means that such payments are not included in your estate for inheritance tax purposes.

The Trustee will want to consider your wishes when deciding who should receive some or all of any lump sum. You can ensure the Trustee knows your wishes by regularly updating your nominated

beneficiaries via your online pension account or by completing a Nomination of beneficiary form (you can download a blank form from the Scheme website). **Remember:** Over time your circumstances will change, for example you may get married or have children. Therefore the individual(s) you wish to receive any lump sum if you die may change as well. It is therefore very important that you regularly inform the Trustee of your wishes by updating this information via your online pension account or by completing a new Nomination of beneficiaries form.

# Your 2018 Benefit Statement

Your 2018 Personal Benefit Statement will be available shortly and is intended to provide you with an overview of your pension account.

The statement provides you with up to date information about your Scheme benefits including details of your:

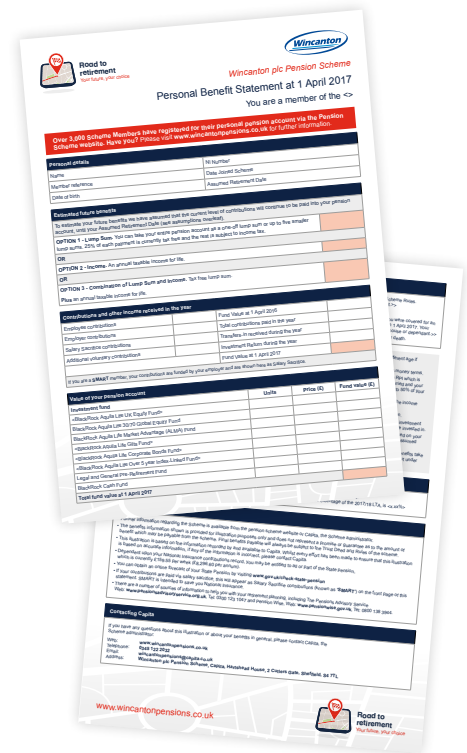
- Estimated future benefits;
- Contributions paid by you and the Company;
- Individual fund investments; and
- Benefits payable in the event of your death.

Planning for your retirement couldn't be more important and the online calculators available on the Scheme website will help you to find out how much your pension savings may be worth at retirement and how it could change, if you increase your contributions. If you are able to afford increasing your contributions, this will help to ensure that your pension account provides more when you plan to retire. As you are aware, contributions are invested in the Cash at Retirement Lifestyle fund by default, so if you are

invested in this Lifestyle fund, please take the time to make sure this is the right fund for you. You can find out more information about this and other funds or change how your funds are invested by logging in to your pension account.

Also, your Target Retirement Date will have an impact on the potential benefits available to you when you retire. Consequently, it is really important that if you are planning to retire earlier or later than age 65 then you let us know using the contact details on page 14.

Reviewing your retirement plan and your pension savings couldn't be easier – just access your pension account via the quick link on the Scheme website, [www.wincantonpensions.co.uk](http://www.wincantonpensions.co.uk), and you can see the information you need to make the right choices.



# Dashboard

## Accounts snapshot

£000

Section assets  
at 1 April 2016

154,459

What came in  
(contributions  
and transfers)

22,253

What went out  
(benefits to members)

(12,174)

Change to  
investment values

24,467

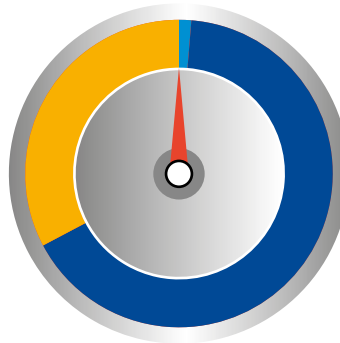
Section assets  
at 31 March 2017

189,005

Please note that the full 2017 audited Annual Report and Accounts is available upon request.

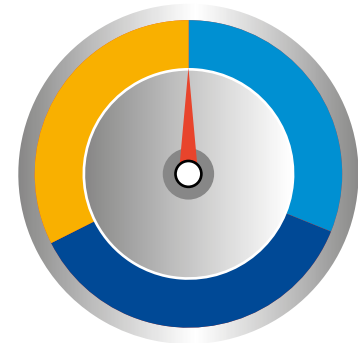
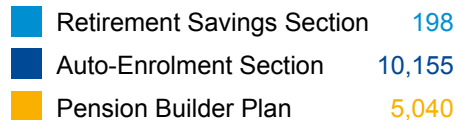
## Member profile

The DC Section of the Scheme is made up of three sections. At 31 March 2017, the DC Section overall had a total of 24,833 members. The dials below show you the membership numbers of each of the three sections.



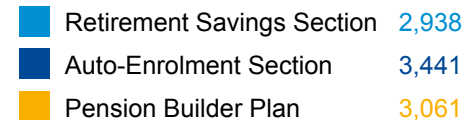
### Active members

(still building up savings in the DC Section)



### Deferred members

(former Active members with savings left in the DC Section)





Please see below a split of the membership in terms of which investment option their contributions are invested in:

Accounts snapshot	Retirement Savings Section	Auto-Enrolment Section	Pension Builder Plan
Cash at Retirement Lifestyle Option	83%	91%	75%
Income at Retirement Lifestyle Option	17%	9%	20%
Self-Select funds	0%*	0%*	5%

\* The Self-Select funds are not available under the Retirement Savings and Auto-Enrolment Sections.

The Cash at Retirement Lifestyle option is the default option should members not make a decision on where to invest their contributions. This option is used for members who wish to take their fund value as cash when they retire. The funds utilised for this option are the 30/70 Global Equity Fund, Market Advantage Fund and the Cash Fund. The allocations to each of these funds will change as the member nears their Target Retirement Date.

The Income at Retirement Lifestyle Option is used for members who wish to receive a regular income when they retire. The funds utilised for this option are the 30/70 Global Equity Fund, Market Advantage Fund, LGIM Pre-Retirement Fund and the Cash Fund. Again, the allocations to each of these funds will change as the member nears their Target Retirement Date.

All Funds with the exception of the LGIM Pre-Retirement Fund which is provided by Legal & General Investment Management, are provided via an investment manager called BlackRock.

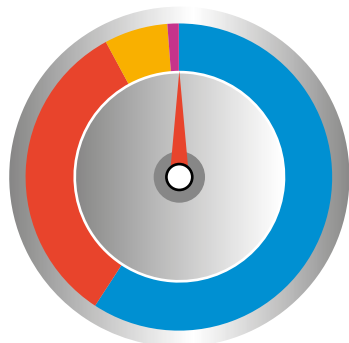


### Security of assets

Your contributions are invested on a platform provided by BlackRock Life Limited, with the underlying funds managed by BlackRock's asset management business and Legal & General Investment Management (LGIM). Your contributions that are invested in BlackRock and LGIM funds are held separately from their own company assets. Neither BlackRock Life Limited, BlackRock nor LGIM can use your investments for their own purposes. In the unlikely, but not impossible event of BlackRock Life Limited becoming insolvent, the Trustee Directors may be able to claim any losses from the Financial Services Compensation Scheme.

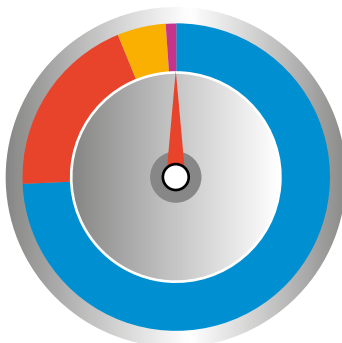
## Asset spread

These dials below show how members of the three sections were investing their pension savings at 31 March 2017:



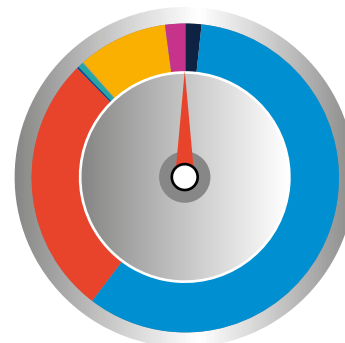
### Retirement Savings Section

<span style="color: blue;">■</span> 30/70 Global Equity Fund	59.2%
<span style="color: red;">■</span> Market Advantage	32.9%
<span style="color: yellow;">■</span> LGIM Pre-Retirement	6.7%
<span style="color: magenta;">■</span> Cash	1.2%



### Auto-Enrolment Section

<span style="color: blue;">■</span> 30/70 Global Equity Fund	74.3%
<span style="color: red;">■</span> Market Advantage	19.5%
<span style="color: yellow;">■</span> LGIM Pre-Retirement	5.1%
<span style="color: magenta;">■</span> Cash	1.1%



### Pension Builder Plan

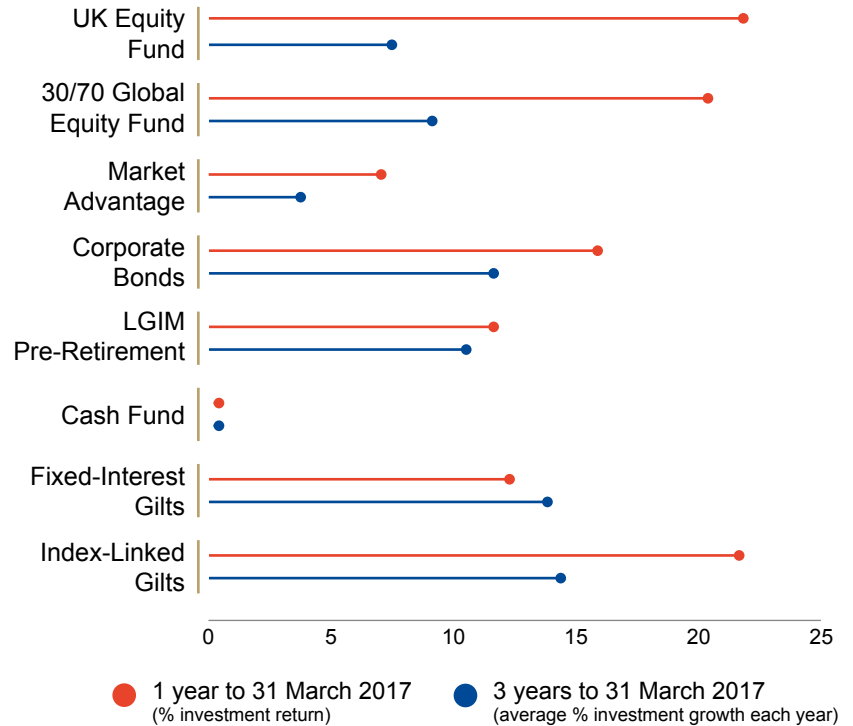
<span style="color: darkblue;">■</span> UK Equity Fund	1.7%
<span style="color: blue;">■</span> 30/70 Global Equity Fund	58.6%
<span style="color: red;">■</span> Market Advantage	27.3%
<span style="color: darkblue;">■</span> Fixed-Interest Gilts	0.2%
<span style="color: teal;">■</span> Corporate Bonds	0.6%
<span style="color: brown;">■</span> Index-Linked Gilts	0.1%
<span style="color: yellow;">■</span> LGIM Pre-Retirement	9.4%
<span style="color: magenta;">■</span> Cash	2.1%

## Investment update

As a DC Section member, you decide how to invest your pension account – either by choosing a Lifestyle option, or – if you belong to the Pension Builder Plan – making your own selection from the range of Self-Select funds available.

Here are the current funds – with their performance figures for the year to 31 March 2017. You will also see the yearly average performance for each fund over the three years to 31 March 2017, to give you a better idea of how the funds are doing over the longer term. As you can see, although 2016 saw difficult economic conditions (as reported in last year’s newsletter), the performance for the year ending 31 March 2017 saw much stronger returns with all funds providing positive returns. Consequently, this has had a positive effect on the average returns for the three year period ending 31 March 2017. If you would like more information about any of the individual funds, please contact Capita (their details are on page 14).

## Investment performance (net of fees)



# Our DC governance statement

In April 2015, the Pensions Regulator introduced a new series of governance standards for defined contribution pension schemes. The rules require our Chair of the Trustee Board to prepare a statement - which is printed in the Scheme's Annual Report and Accounts - outlining how we meet these standards in four main areas.

Here is a summary of the statement we published in 2017.



## Our investment approach

The Trustee Directors are responsible for investment governance. This includes setting and monitoring the investment strategy for the Scheme's default arrangement. We have chosen the Cash at Retirement Lifestyle Option as our default arrangement. Details of the investment strategy and investment objectives of the default arrangement are recorded in a document called the Statement of Investment Principles. This document is available to any member on request from Capita, the Scheme's administrators.



**Charges, costs and value for money** – We are required to explain both the charges (i.e. the underlying costs incurred by the investment managers in running the funds in which your money is invested) and the transaction costs (i.e. the costs of buying and selling investments in the Scheme) which are paid by members rather than the employer. We are also required to determine whether our Scheme offers value for money to members. As you may know, the employer pays many of the costs of running the Scheme. These include the administration costs and the costs incurred by the Trustee Board such as the costs of the advice the Trustee Directors take from their advisors. Having also taken into consideration the level of services, benefits and investment performance, the Trustee concluded that your Scheme does offer good value for money.

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**Knowledge and understanding** – The law requires the Trustee Board to possess, or have access to, sufficient knowledge and understanding to run the Scheme effectively. We take our training and development responsibilities very seriously and keep a record of the training completed by each member of the Board. This training record is reviewed annually to identify gaps in knowledge and understanding across the Board as a whole. This allows us to work with our professional advisors to fill any gaps.

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You can read the full statement in the Scheme's latest formal Annual Report and Accounts which is available upon request.

**Financial transactions** – The Trustee is required to report to you about the processes and controls in place in relation to the “core financial transactions”. The law specifies that these include the following:

- Investing contributions paid into the Scheme;
- Transferring assets related to members into or out of the Scheme;
- Transferring assets between different investments within the Scheme; and
- Making payments from the Scheme to or on behalf of members.

The Trustee Board must ensure that these important transactions are processed promptly and accurately. In practice, we delegate responsibility for this to the Scheme Administrator, Capita, and receive regular reporting from them to ensure this happens. To date, nothing has come to our attention in these areas which needs to be reported to members.



# In the news

## Auto-enrolment

The minimum contribution from auto-enrolment members increased to 3% in April 2018. The Company also increased its contribution to 2%. These contributions will increase again in April 2019.

Since the Government's introduction of auto-enrolment in 2012 the number of people contributing into a company pension scheme has now exceeded 20 million.

## TPAS, MAS and Pension Wise announce web chat facility

Ahead of the Government's planned merger in 2018 to combine the Money Advice Service (MAS), The Pensions Advisory Service (TPAS) and Pension Wise into a single consumer facing body, TPAS and MAS have launched an integrated webchat service. A key objective of this new initiative will be to re-direct individuals with queries to the right support more effectively.

TPAS aim to make pensions more understandable to everyone by providing independent and impartial guidance free of charge. MAS also offer free and impartial guidance but their remit is much wider than TPAS. Their aim is to improve money management in general for individuals.

Pension Wise also provides free and impartial advice, specifically to those over age 50 with defined contribution pension savings.

## The crack down on cold-calling intensifies

The crack down on cold-calling continues to intensify. The Pensions Regulator (tPR) in collaboration with the police, recently carried out a number of investigations into pension schemes that it suspects are linked to cold-calling firms.

A press release from tPR, announced it has concerns that members have been cold-called in a bid to 'transfer their funds into poorly-run schemes with the promise of higher returns and cash incentives upfront'.

Mike Birch, director of case management at tPR, said "cold-calling pension holders isn't illegal yet, but no reputable business does it. We would urge anyone to contact Action Fraud if they are phoned and offered the chance to transfer their pension. Our message is simple – a cold-call about your pension is an attempt to steal your savings."

The collaboration to undertake joint investigations between tPR and the police comes ahead of the Governments intended changes to legislation to ban cold-calling.

If you think you may have been a victim of pension fraud you can contact Action Fraud at [www.actionfraud.police.uk](http://www.actionfraud.police.uk) or call them on 0300 123 2040.

# Going online

## Have you visited our pensions website recently?

Our Scheme website contains a wealth of information about the Scheme and wider pension related topics. You can find:

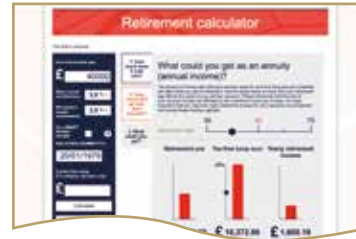
### Scheme information

- Benefits of saving for retirement; and
- Handy videos explaining pensions in plain language.



### Pension news

- Regularly updated with the latest developments – such as auto-enrolment.



### Help and support

- Modeller to help you see how different choices might affect your benefits; and
- Budget planner for retirement

### Forms you need - including

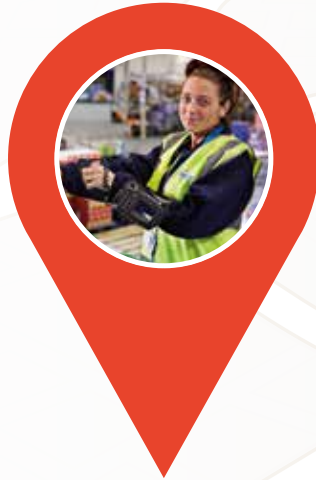
- Nomination of beneficiary form – keep the Trustee informed of your chosen beneficiaries in the event of your death.

Remember that you can access your pension account via the site, where you can keep track of your pension savings. You can also make changes to your personal details and investment choices for your savings – all in one place, online.

Go to [www.wincantonpensions.co.uk](http://www.wincantonpensions.co.uk) and choose 'Pension account login' from the list of 'Quick links'.



# Making contact



Please get in touch if:

- You have any queries about your Scheme benefits, or anything you have read in this newsletter.
- You would like to see any of the Scheme's official documents (for example, the formal Annual Report and Accounts).
- You need to let us know about any change to your personal details – especially if it affects the beneficiaries you have nominated.

☎ 0345 122 2032

@ [wincantonpensions@capita.co.uk](mailto:wincantonpensions@capita.co.uk)

✉ Wincanton plc Pension Scheme  
Capita  
Hartshead House  
2 Cutlers Gate  
Sheffield  
S4 7TL

## Going digital

Last year the Trustee announced its intention to reduce the amount of paper communications it issues, increase the effectiveness of the Scheme's website and utilise email where possible. The main reasons for doing so are:

- To reduce paper wastage;
- To issue member communications more speedily;
- To remove the need for you to store and retain paper communications;
- Reduce your recycling or shredding requirements; and
- To make it easier for the Trustee to stay in touch with you.

We are planning to launch our digital Trustee newsletter in 2019. It will contain all the information you have previously received in paper format and more. As a result from 2019 you will no longer receive the full newsletter as a paper document.

Please note that at this time, only general Scheme information will be sent digitally. Communications containing personal data will still be sent in paper format to your home address.