

Puzzled By Pensions?

Morrisons Personal Retirement Scheme

What You Need To Know



What Is the Morrisons Personal Retirement Scheme?

It's a retirement savings scheme available to all employees of Morrisons.

A regular contribution is deducted from your pay and sent to the scheme provider. Morrisons's scheme provider is Aviva.

You can decide how you want your contributions invested. You build up your own individual retirement savings pot and when you pay in, so do Morrisons.

The earliest you can access your pot is currently from age 55 onwards and you have a number of choices as to how you can take money from your pot.

Will I Automatically Be Put in to the Pension Scheme?

Morrisons will automatically put you in to the Personal Retirement Scheme if you:

- earn over £10,000 a year and
- are between the age of 22 and your State Pension Age and
- you work in the UK.

If you work in the UK but fail to meet the other legal eligibility criteria mentioned above, you can still opt to join the Scheme and as long as you earn over the Lower Earnings Level threshold of £6,240 (2023/24), Morrisons must also pay a contribution for you.

What Will It Cost Me?

Morrisons will automatically put you in to the Standard Section.

In April 2019 contributions increased to a total of 8%, so your contribution increased to 3% and Morrisons now pay 5%.

Standard Section

	You Pay	Morrisons Pay	Total
From April 2019	3%	5%	8%

If you can afford to pay a higher contribution of 5% you can apply to join the more generous Step-Up Section at any time. If you join this better Section Morrisons will, at the very least, match your contribution of 5% (they will pay more depending on your work level).

Step-Up Section

Work Level	You Pay	Morrisons Pay	Total
1, 2 & 3	5%	5%	10%
4	5%	8%	13%
5 & 6	5%	10%	15%
7 & 8	5%	12%	17%

One of the main things that puts people off joining a pension scheme is they think they might not be able to afford the contributions.

We would therefore encourage you to find out exactly what it will cost you if you join.

Find out what a contribution of 3% would actually cost you in pounds and pence each month. Why not check with your pension department? Compare what 5% would cost you as well, to see if you can afford the higher contribution in the Step-Up Section. You might be surprised.

What Is Pensionable Pay?

Pensionable Pay is the part of your pay that your pension contributions are applied to.

The amount of your pay that counts for pension is different depending on which Section of the Scheme you join.

If you are in the Standard Section your total pension contributions will be applied to only a portion of your pay, known as Qualifying Banded Earnings. The Lower Earnings Level of £6,240 will be deducted from your pay before contributions are applied.

If you join the Step-Up Section, however, your pension contributions are applied to your Basic Pay (which is your normal pay for a basic working week excluding certain elements such as overtime and bonuses).

If you can afford the higher contribution of 5% not only will Morrisons pay more but the total contribution will be applied to a bigger portion of your pay meaning more money is available to be invested in your own pension pot.

What Happens if I Die?

If you are currently contributing to the Personal Retirement Scheme and you die before reaching your retirement age, your beneficiaries will receive a lump sum payment of 4x your pay and this is funded by Morrisons, not you.

Remember to complete a Nomination Form so that the lump sum benefit is directed to the beneficiaries of your choice, if the worst happens.

In addition your beneficiaries will receive whatever is the value of your retirement savings in your pension pot.

If you are not contributing to the Personal Retirement Scheme your beneficiaries are only entitled to 1x pay in the event of your death.

What Do I Get at Retirement?

The size of your pension pot will depend on many things, including how much is paid in, how long your money is invested for and how well your savings are invested.

You can access your savings currently from age 55 onwards (this will increase to age 57 from 2028) and you do not have to stop working when you access your pot.

Any entitlement to State Pension you have will be paid from your State Pension Age in addition to what you will receive from your Morrisons Personal Retirement Scheme.

Current tax rules allow you to take 25% (a quarter) of your pension pot as a tax-free lump sum, the balance of your pot will be taxed irrespective of whether you take this as cash, as a regular or ad-hoc payment, or if you convert your pot to a regular income for the rest of your life.

Disclaimer

This Usdaw publication is for educational and general information purposes only. It does not constitute any form of advice or recommendation. Visit www.unbiased.co.uk for details of independent financial advisers (IFAs) in your area. Usdaw has an affinity partnership with a group of IFAs but is unable to endorse any individual advice provided and is not liable for any subsequent business transacted directly with Usdaw members. Usdaw has endeavoured to ensure the information provided is accurate but cannot guarantee that the information is free from inaccuracies or typographical errors.

How Can I Find Out More?

More information can be found on the MyMorri website under the "MYPension" section.

You can call Aviva about the Personal Retirement Scheme on **0345 030 7385** or email morrisons@aviva.com

If you have any queries about any previous Morrisons pension schemes which have now closed you can contact the pension administrators via email on morrisonsadmin@mercero.com or telephone **0345 4506 564** between 9.00am - 5.00pm Monday to Friday.

Can I Speak to Usdaw?

If you are an Usdaw member you can speak to us about your Morrisons pensions or any other pension matters - ring us on **0161 224 2804** or email pensions@usdaw.org.uk