

Pension scheme details for the Lothian Buses Group Personal Pension scheme and the pension salary exchange arrangement



This document provides details of the pension arrangements for Lothian Buses Limited ('the Company'), known as the Lothian Buses Plc Pension Plan ('the Workplace Pension Scheme').

Who is my pension scheme provider?

The provider is Scottish Widows.

What is the Scheme's reference number?

The scheme reference number is N17937.

Where can I find details of my pension scheme provider?

<https://www.scottishwidows.co.uk/retirement/>

Where can I register for online services with my pension scheme provider?

<https://www.scottishwidows.co.uk/register/>

What type of pension scheme is it?

The pension scheme is a Group Personal Pension (GPP). Please refer to the Pensions FAQ for further information.

What is my Normal Retirement Age (NRA)?

When your pension scheme was set up, you were automatically enrolled with the default NRA, which is age 65. You may have changed your NRA by informing Scottish Widows Plc.

What am I required to pay into the Workplace Pension Scheme?

Contributions to the Workplace Pension Scheme are calculated on your basic earnings which includes contractual overtime, shift pay, weekend premium where rostered work is carried out on a weekend day, holiday pay & sick pay. All overtime payments are excluded, which is referred to as your Pensionable Pay.

Scheme Membership

(Pensionable Service from point of enrolment)

Lothian Buses Employer Contribution

0 – 1 year	3%
1 – 5 years	4% only if employee contributions are increased by at least 1% or more.
5 – 9 years	6%
9 years and over	10% maximum

The above rates are based on pension scheme membership from date of entry into the scheme.

Please note that you may choose to pay more into the Workplace Pension Scheme, however the maximum contribution from the Company will be dependent on your length of service. Please see the section below on increasing contributions.

How are my contributions deducted?

If you are a member of the pension salary exchange arrangement your pension contributions will be taken using this method.

Further details of how salary exchange arrangements work are provided in the Salary Exchange FAQ.

If you decide not to be a member of the pension salary exchange arrangement, your pension contributions will be taken out of your net pay (after you have paid income tax). This is called the relief at source method. Your pension provider will then claim 20% basic rate tax relief on your behalf from HMRC. If you pay income tax above 20% then you will need to reclaim any additional tax relief from HMRC.

Please refer to the Pensions FAQ for further information.

How can I increase my contributions?

You may choose to pay more into the Workplace Pension Scheme by completing the necessary change of pension contribution form. Please see below for details of how to obtain the required form.

Please refer to the Pensions FAQ for information about how much you may pay into the Workplace Pension Scheme and receive tax relief, and also the Salary Exchange FAQ if you are, or decide to, become a member of the pension salary exchange arrangement and pay contributions using this method. Please also see the section later on increasing contributions through salary exchange.

Where are my contributions invested?

All pension contributions will automatically be invested in the default investment strategy which is the Scottish Widows Balanced PIA (Targeting Flexible Access), unless you have chosen to invest in your own choice of fund(s).

Please note that depending upon when you joined the Workplace Pension Scheme, you may not be invested in the default investment strategy. If you are registered with your provider, you can go on-line and check where your pension funds are invested if you are unsure, or if you wish to find out more information. Please see the links provided above to help you with this.

Please refer to the Pensions FAQ which provides further general information on how money may be invested.

What are the member charges on the Workplace Pension Scheme?

Scottish Widows quotes a single Annual Management Charge (AMC) which covers both the cost of administration and investment services. The AMC on the Company Pension Scheme is 0.36% and is applied to the value of your fund. If you choose to invest in a fund other than the default fund then the charges applied may differ.

Details of the pension salary exchange arrangement

Am I eligible for the pension salary exchange arrangement?

The pension salary exchange arrangement is available to all members of the Workplace Pension Scheme with a salary in excess of the eligibility threshold. Please see the Salary Exchange FAQ for information on why a minimum salary level has been set for eligibility. If you would like to know the current eligibility threshold please contact HR.

If you are not eligible to be a member of the pension salary exchange arrangement you will continue to be a member of the Workplace Pension Scheme on a non-salary exchange basis. If you later become eligible, you will have the option to participate in the pension salary exchange arrangement.

New employees: How do I join?

If you satisfy the eligibility criteria for the pension salary exchange arrangement, you will be automatically included unless you instruct us that you do not wish to participate by filling in a 'Pension Salary Exchange Non-Participation Form'. Please refer to the end of this document for details of how to obtain this form.

If you choose not to become a member of the pension salary exchange arrangement, you will remain a member of the Workplace Pension Scheme, but on a non-salary exchange basis.

Existing pension scheme members not on salary exchange: How do I join?

If you are not already a member of the pension salary exchange arrangement, and you satisfy the eligibility criteria, you may join by completing a 'Pension Salary Exchange Participation Form'. Please note that membership of the pension salary exchange arrangement will not start until the beginning of the month following receipt. Please refer to the end of this document for details of how to obtain this form.

If you choose not to become a member of the pension salary exchange arrangement, you will remain a member of the Workplace Pension Scheme, but on a non-salary exchange basis.

How do I stop being a member of the pension salary exchange arrangement?

If you are a member of the pension salary exchange arrangement, and later wish to cease your membership and instead pay your pension contributions from your net pay, you will need to complete a 'Pension Salary Exchange Non-Participation Form'. Please refer to the end of this document for details of how to obtain this form.

Please note that stopping your membership of the pension salary exchange arrangement will not stop your membership of the Workplace Pension Scheme.

Will the amount of my salary exchange vary?

If you agree to pension salary exchange, your salary/earnings will be reduced by the gross amount of employee pension contribution that you are required or elect to pay. The contribution structure for the Workplace Pension Scheme is outlined above. Please note that

the amount of the salary exchange will vary in accordance with changes to your Pensionable Pay and is defined in “What I am required to pay into the Workplace Pension Scheme?”.

You can choose to pay more into your pension if you wish and increase the amount of your salary exchange. Please refer to the next section for information on how to do this.

How frequently can I make amendments to the amount of my pension salary exchange?

You may choose to pay more into the Workplace Pension Scheme by completing the necessary change of pension contribution form.

If you wish to change the amount of your pension contribution and pension salary exchange, you will need to complete a ‘Pension Salary Exchange Change of Contribution Form’. Please refer to the end of this document for details of how to obtain this form. Please note that a signed form will be actioned from the start of the next pay period.

Please refer to the Pensions FAQ for information about how much you may pay into the Workplace Pension Scheme and receive tax relief, and also the Salary Exchange FAQ if you are, or decide to, become a member of the pension salary exchange arrangement and pay

What is the maximum % I can pay into my pension using salary exchange?

The maximum % you can pay into your pension using salary exchange is 25%, provided this does not reduce your salary to below the National Living/Minimum Wage.

Please refer to the ‘Salary Exchange FAQ’ for details of the National Living/Minimum Wage.

Are any of my other salary related employment benefits affected by salary exchange?

The Company will continue to use your salary before salary exchange (referred to as your Reference Salary) to calculate the following benefits:

- Death in service payments

Where can I obtain copies of any forms?

All forms are available from pensions@lothianbuses.co.uk

Further information

Pensions FAQ

Salary Exchange FAQ

Annual Allowance Employee Guide 2025/26

Lump Sum Allowances for Pensions Employee Guide 2025/26

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