



Notice is given under section 1 of the Statistics of Trade Act 1947

Occupational Pension Scheme Survey

 Office for
National Statistics

This survey is carried out by the Office for National Statistics, the government department responsible for official statistics.

00102 1L 65300
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To be completed for:

THE PENSION SCHEME ABOVE

Please return your data using the online questionnaire.

Web address: <http://opss.statistics.gov.uk>

Reference: 49908465122 Password: SBP66L1A

Please return your data by: **3 October 2012**

Legal Requirement

You are required by law to complete this questionnaire for the scheme named above as at 6 April 2012.

Failure to do so can incur penalties (under section 4 of the Statistics of Trade Act 1947).

Additional Information

- If you have any queries, please telephone 01633 456018, quoting your reference 218 4990 8465 122L.
- Please call 01633 815044 if you would like to use our Minicom service for the Deaf.
- Alternatively please return this questionnaire to the address or fax to 01633 652707.
- To complete the questionnaire in Euros, please call your contact (see red box above).

Purpose of the Survey

The information you supply will help us to analyse the extent to which employees in the UK are covered by occupational pension schemes including the nature of the benefits provided and contributions paid. Results from the survey will be published in an ONS Statistical Bulletin and in a more detailed publication Occupational Pension Schemes Survey Annual Report. Both will be available on the National Statistics website.

Thank you for your co-operation.

Confidentiality

All the information you provide is kept strictly confidential. It is illegal for us to reveal your data or identify your business to unauthorised persons.

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Occupational Pension Schemes Survey 2012

Questionnaire for schemes with 11 or fewer members

Section 1 Scheme details

Scheme name:

Contact name:

Telephone number:

Email address:

Section 2 Scheme status

2.1 As at 6 April 2012, was the scheme:

Please ☒ one box only

OPEN, scheme admits new members ☒

CLOSED to new members but benefits still accrue, with or without contributions ☒

FROZEN, scheme is closed and no further benefits accrue ☒

If this scheme does not admit new members but has active members then please cross the CLOSED box.

If the scheme was winding up on 6 April please request a separate Winding up questionnaire.

2.2 In what year did the scheme start? Year

Please provide an estimate if the actual date is not known.
For merged schemes, please give the earliest year applying to any predecessor schemes.

Section 3 Contracting out

3.1 As at 6 April 2012 was the scheme, or part of it, contracted out of the State Second Pension (S2P)?

Yes ☒

No ☒ → Go to question 4.1

3.2 How was the scheme contracted out of the State Second Pension (S2P)?

Please ☒ one box only

COMPS (Contracted-Out Money Purchase Scheme
– protected rights basis) ☒

COSRS (Contracted-Out Salary-Related Scheme
– reference scheme test basis) ☒

COMBS (Contracted-Out Mixed Benefit Scheme) ☒



Section 4 Active employee members

For sections 4 to 7:

- Please exclude members outside the United Kingdom. The United Kingdom includes England, Scotland, Wales and Northern Ireland but excludes the Channel Islands and the Isle of Man.
- If exact figures are not available estimates will be acceptable.
- If figures for 6 April 2012 are not available values for a date close to the 6 April 2012 will be acceptable.

4.1 As at 6 April 2012 was the scheme frozen?

Frozen scheme is closed and no further benefits accrue.

Yes ☒ → Go to question 5.1

No ☒

4.2 What was the number of active members as at 6 April 2012?

--	--	--	--	--	--	--	--	--	--

Section 5 Pensioner members

5.1 What was the total number of pensioner members with pensions in payment, as at 6 April 2012?

Exclude those for whom annuities have been bought in their own names.

--	--	--	--	--	--	--	--	--	--

5.2 Of your total number of pensioner members with pensions in payment, in question 5.1:

a. How many were former employees?
Please leave blank if unknown, enter zero if none.

--	--	--	--	--	--	--	--	--	--

b. How many were widow(er)s or dependants?
Please leave blank if unknown, enter zero if none.

--	--	--	--	--	--	--	--	--	--

c. How many were pension credit benefit members?
Please leave blank if unknown, enter zero if none.

--	--	--	--	--	--	--	--	--	--

d. How many were in receipt of a pension from the scheme and still working for the employer?
Please leave blank if unknown, enter zero if none.

--	--	--	--	--	--	--	--	--	--

5.3 Including those for whom annuities were bought in their own names, how many pensions in total were taken out between 6 April 2011 and 6 April 2012?

Please leave blank if unknown, enter zero if none.

--	--	--	--	--	--	--	--	--	--



5.4 On which basis are benefits from the scheme calculated?

Please ☒ one box only

Defined contribution ☒

Sometimes known as "money purchase" whereby benefits are based only on contributions fixed according to the scheme rules and investment returns.

Defined Benefit ☒ → Go to question 6.1

Sometimes known as "final salary", whereby benefits are based on the employees' salary, or length of service, or both.

Other ☒

5.5 Of the pensions taken out in question 5.3, what percentage were:

a. Secured from the schemes own resources · %

b. Secured by a scheme preferred third party insurance administrator. · %

c. Secured by an insurance company following an open market election. . . · %

= %

Section 6 Members with preserved pensions

6.1 What was the total number of members with preserved pensions as at 6 April 2012?

6.2 Of your total number of members with preserved pensions, in question 6.1:

a. How many were former employees?
Please leave blank if unknown, enter zero if none.

b. How many were widow(er)s or dependants?
Please leave blank if unknown, enter zero if none.

c. How many were pension credit benefit members?
Please leave blank if unknown, enter zero if none.

d. How many held preserved pension rights in the scheme and were still working for the employer?
Please leave blank if unknown, enter zero if none.

Section 7 Eligibility for membership and entry to the scheme

7.1 As at 6 April 2012 was the scheme open?

Yes ☒

No ☒ → Go to question 8.1

7.2 Are new employees eligible for membership?

Yes ☒

No ☒ → Go to question 8.1



7.3 Are new employees automatically made members of the scheme, unless or until they opt out?

Please ☒ one box only

Yes, all eligible new employees are automatically made members

☒

Yes, some eligible new employees are automatically made members

☒

No, none of the eligible new employees are automatically made members

☒

Section 8 Normal contributions to the scheme

Please give the following information, based, where applicable on the schedule of contributions valid as at 6 April 2012.

8.1 As at 6 April 2012, were contributions made into the scheme?

Yes

☒

No

☒

→ Go to question 10.1

8.2 How are normal contributions payable by active members of the scheme?

Please ☒ one box only

As a percentage of pensionable earnings only

☒

As a percentage plus a fixed amount

☒

As a fixed amount only

☒

→ Go to question 8.4

No members contribute

☒

→ Go to question 8.4

8.3 What were the normal member contribution rates payable as a percentage of pensionable earnings for each group of active members?

Please provide an estimate where stated, if actual figures are unavailable.

Please provide all rates, including those schemes where the employer matches the employee contributions.

Rates

Please estimate the proportion of active members

No contribution

 . %

 %

a.

 . %

 %

b.

 . %

 %

c.

 . %

 %

d.

 . %

 %

e.

 . %

 %

= %



8.4 How are normal contributions payable by the principal employer of the scheme?

Exclude any special or deficit reduction payments.

Please ☒ one box only

As a percentage of pensionable earnings only



As a percentage plus a fixed amount



As a fixed amount only



→ Go to question 8.6

8.5 What were the normal employer contribution rates payable as a percentage of pensionable earnings for each group of active members?

Please provide an estimate where stated, if actual figures are unavailable.

Rates

Please estimate the proportion of active members

No contribution

0 . %

%

a.

. %

%

b.

. %

%

c.

. %

%

d.

. %

%

e.

. %

%

= %

8.6 Are contributions varied so as to reach the maximum level of benefits allowed with tax advantage under the rules of HMRC?

Yes



→ Go to question 9.1

No



8.7 Are contributions varied so as to follow actuarial advice, in that they target a particular level of benefit?

Yes



→ Go to question 9.1

No



8.8 Are contributions varied but on some other basis or to no fixed pattern?

Yes



No



Section 9 Pensionable earnings

9.1	Do the earnings on which contributions are paid include any of the following:	Please <input checked="" type="checkbox"/> Yes or No
		Yes No
a.	Earnings below the lower earnings limit?	<input checked="" type="checkbox"/> <input checked="" type="checkbox"/>
b.	Earnings between the lower and upper earnings limit?	<input checked="" type="checkbox"/> <input checked="" type="checkbox"/>
c.	Earnings above the upper earnings limit up to the earnings cap?	<input checked="" type="checkbox"/> <input checked="" type="checkbox"/>
d.	The definition of pensionable earnings is discretionary?	<input checked="" type="checkbox"/> <input checked="" type="checkbox"/>

9.2	Do the earnings on which contributions are paid include:	Please <input checked="" type="checkbox"/> Yes or No
		Yes No
a.	Basic salary?	<input checked="" type="checkbox"/> <input checked="" type="checkbox"/>
b.	Overtime payments?	<input checked="" type="checkbox"/> <input checked="" type="checkbox"/>
c.	Shift premium payments?	<input checked="" type="checkbox"/> <input checked="" type="checkbox"/>
d.	Bonus/incentive payments?	<input checked="" type="checkbox"/> <input checked="" type="checkbox"/>
e.	Other?	<input checked="" type="checkbox"/> <input checked="" type="checkbox"/>

Section 10 Normal pension age

10.1 What is the normal pension age for members of the scheme? Years

If there is more than one pension age please give the one that applies to the most number of members.



Section 11 Benefits other than on retirement on age grounds

11.1 Does the scheme generally pay benefits on any of the following: Please ☒ Yes or No

- | | Yes | No |
|---|-------------------------------------|-------------------------------------|
| a. The death of a pensioner?
For instance a pension to a surviving spouse/civil partner, other dependant or nominated person. | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| b. Retirement on ill-health grounds over and above any benefit available from the member's account? | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| c. Death in service, over and above any benefit available from the member's account?
For instance a pension to a surviving spouse/civil partner, or other dependant or a lump sum. | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |

11.2 Does the employer provide insurance to provide benefits other than through the scheme on any of the following: Please ☒ Yes or No

- | | Yes | No |
|---|-------------------------------------|-------------------------------------|
| a. On leaving service on ill-health grounds
For instance permanent health insurance. | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| b. On death-in-service
For instance to provide a pension or a lump sum to a surviving spouse/civil partner or other dependant. | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |

Section 12 Investment

12.1 How are investment decisions in respect of the scheme's assets taken? Please ☒ one box only

- | | |
|--|-------------------------------------|
| In common, with a decision taken jointly by all members | <input checked="" type="checkbox"/> |
| In common, with a decision taken on behalf of members by their trustees | <input checked="" type="checkbox"/> |
| Up to the individual choice of scheme members in respect of their accounts | <input checked="" type="checkbox"/> |

12.2 Does the scheme's investments include any of the following: Please ☒ Yes or No

- | | | |
|--|-------------------------------------|-------------------------------------|
| a. Holding of shares in the sponsoring employer. | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| b. Loans to the sponsoring employer? | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| c. Holding of property occupied by the sponsoring employer | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| d. Unlisted investments (other than those covered above) | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |



Section 13 Comments

13.1 In the box below please write any additional comments you would like to make.

Thank you for your time and co-operation in completing this questionnaire.



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Guidance notes for the OPSS 2012 questionnaire

Very Small Scheme: 11 or Fewer Members

These guidance notes relate to the questionnaire for “small schemes”, which ONS refers to as those with 11 or fewer members. This includes schemes where benefits are offered on defined-benefit ¹ or defined contribution ² basis, and schemes where benefits are the better of these two bases (sometimes known as “hybrid ³” schemes).

Introduction

The purpose of this document is to help you complete the questionnaire as quickly and accurately as possible. This document defines many of the terms used in the questionnaire; where this is the case, these terms are in **bold**. The definitions are based on those in the PMI/PRAG publication “Pensions Terminology” (6th edition, 2002), and ONS is grateful to the PMI for granting permission to use these.

Section 1 – Scheme Details

Please check that this information is correct, and make any alterations as necessary. This will allow us to verify our records, and to contact you if we have any queries about the information that you have given us. The **reference number** given on the questionnaire front page will be eleven digits long; it is your scheme’s unique ONS reference, please quote on any correspondence. The **reference number** is the key piece of information that allows us to distinguish data on your scheme from the data for other schemes. Please ensure you complete the contact name, telephone number and e-mail details.

Section 2 – Scheme Status

This information is very important, as it determines the questions you will need to answer at later stages of the questionnaire. You must complete all relevant parts of this section in respect of the scheme before proceeding to the remainder of the questionnaire for that scheme.

2.1 The definitions of the three possible **statuses** are:

- **open scheme** – a pension scheme that admits new active members; or
- **closed scheme** – a pension scheme that does not admit new members. However, the existing members of the scheme continue to accrue benefits (contributions may or may not continue); or
- **frozen scheme** – also a closed scheme, but one where no further benefits accrue to the existing members.

¹ These are schemes where the benefits are defined in the scheme rules as being independent of the contributions payable, and not directly related to the investments of the scheme. Such benefits are most commonly based on both earnings and length of service, or they may be based on one of these factors, or may simply represent a flat-rate level of benefit.

² These are benefits for an individual member calculated by reference to contributions paid into the scheme in respect of that member, and the investment return on those contributions. Schemes may offer defined-contribution (or “money-purchase”) benefits to some members without being defined statutorily as a DC scheme.

³ In this context, this is an occupational pension scheme in which the benefit is calculated as the better of two alternatives, for example, either on a defined-benefit or on a defined-contribution basis.

Section 3 – Contracting Out

- 3.1 This question asks about the relationship between your scheme and the **state second pension (S2P)** ⁴, formerly known as the state earnings-related pension scheme (SERPS). Many occupational pension schemes are “contracted out”, that is, their benefits are provided instead of S2P. A pension scheme is commonly said to be “contracted in” where it is not contracted out, that is, it provides benefits in addition to S2P.
- 3.2 Being contracted out allows the employee members and the employer to benefit from a **contracted-out rebate** ⁵ in return for not accruing benefits in S2P. For this to be possible, the pension scheme has to offer benefits of a certain standard, and different standards apply to defined-benefit and money-purchases schemes.

Definitions of the **types of contracting out** are as follows:

- **Contracted-out money-purchase scheme (COMPS)** – an occupational pension scheme, possibly a defined-benefit scheme, although more usually a money-purchase scheme, that is contracted out on a money-purchase basis, that is where the employer pays minimum payments towards **protected rights** ⁶;
- **Contracted-out salary related scheme (COSRS)** – an occupational pension scheme that is contracted out on a salary-related basis, by providing benefits (known as “reference scheme benefits” or “section 9(2b) rights”, a reference to section 9(2b) of the Pension Schemes Act 1993) which are broadly equivalent to or better than those specified under the reference scheme test. Before 6 April 1997, COSRS were contracted out by reference to the provision of a **guaranteed minimum pension (GMP)** ⁷;
- A **contracted-out mixed benefit scheme (COMBS)** – an occupational pension scheme that has separate defined-benefit and money-purchase sections and that contracts out on both bases (permitted by section 149 of the Pensions Act 1995).

Section 4 – Active Employee Members

- 4.2 The **active members** of a scheme are members of an occupational pension scheme who, at the date stated, were accruing benefits in respect of current service as employees of a participating employer.

Section 5 – Pensioner Members

- 5.1 This is the total of former employees, widow(er)s and dependants, pension credit benefit members and those receiving a pension who are still working for you. Please exclude from these numbers any people who did have rights under the scheme but for whom the trustees have discharged those rights by “**buying out**”, that is, buying annuities or deferred annuities in the names of those people. These people should be excluded because they do not represent ongoing liabilities to the scheme and are no longer members. However, please do include any members for whom the trustees have bought annuities in the *trustees’* name, in order to cover the ongoing liabilities for the trustees to make pension payments.
- 5.2a Please do not include employees receiving a pension who are currently working for you. These should be included under 5.2d.

⁴ The state second pension scheme was introduced with effect from 6 April 2002 to replace SERPS (“the state earnings-related pension scheme”), and supplements the basic state pension.

⁵ The amount by which the employer’s and employee’s NI contributions are reduced or rebated in respect of employees who are contracted out by virtue of their membership of an occupational pension scheme. The contracted-out rebate consists of a flat-rate rebate and an age-related payment.

⁶ The benefits from a scheme contracted out on a money-purchase basis deriving from at least the minimum contributions or minimum payments which are provided in a specified form as a necessary condition of contracting out.

⁷ The minimum pension which a salary-related occupational scheme must provide as one of the conditions for contracting out before 6 April 1997.

- 5.2b Under “**Widow(er)s and dependants** a”, please include the total number of dependants including widow(er)s where this is known. For example, if a member died leaving a widower and two children, each of whom receives a pension, then you should enter 3 dependants in this question.
- 5.2c If your scheme has any pension credit benefit members (arising from the divorce of a scheme member) as at the date stated, please also include these in your answer.
- 5.4 If your scheme doesn’t operate solely on a defined-benefit or defined-contribution basis you should answer “Other”. This would include schemes such as a “hybrid”, which offers benefits calculated as the better of two alternatives, for example, the better of defined-benefit and defined-contribution bases.

Section 6 – Members with Preserved Pensions

- 6.1 These questions ask for the number of members with preserved pensions; please exclude any members who have taken transfer payments in lieu of their rights to benefits.

The questions follow a similar format to those in Section 5.

Section 7 – Eligibility for Membership and Entry to the Scheme

- 7.1 *If you indicated that your scheme was “Closed” in question 2.1, you should also answer “No” to 7.1 and then skip to Section 8.*

If you indicated that your scheme was “Open” in question 2.1, you should also answer “Yes” to 7.1 and continue answering the questions in Section 7.

- 7.3 This question asks whether new employees automatically become members of your scheme. If an employee has to make a positive choice to join the scheme, you should answer “None”. However, if all new employees become members of the scheme (without having to choose positively to do so) then you should answer “All”. If this is the case for some, but not all, new employees (dependent on their personal characteristics, such as age or grade) then you should answer “Some”.

Section 8 – Normal Contributions to the Scheme

- 8.3 This question asks for the **rate of contribution** (as a percentage of pensionable earnings) payable by **active members**. This question asks for the **rate of contribution** (as a percentage of pensionable earnings) payable by **active members**. Please enter the various rates and corresponding proportions against all the boxes you require. If you need more boxes please contact us for an extra sheet. If no members contribute please write 100% against the ‘no contribution’ box. If all members contribute at the same rate please write this rate against the first group and put 100% in the corresponding proportion column. Please estimate to the best of your knowledge. **As a minimum**, please provide the member contribution rate that applies to the majority of members and put a proportion of over 50% in the corresponding proportion column.
- 8.5 This question asks for the **rate of contribution** (as a percentage of pensionable earnings) payable by the **principal employer** of the scheme. This question asks for the **rate of contribution** (as a percentage of pensionable earnings) payable by **principal employer**. Please enter the various rates and corresponding proportions against all the boxes you require. If you need more boxes please contact us for an extra sheet. If no members contribute please write 100% against the ‘no contribution’ box. If all members contribute at the same rate please write this rate against the first group and put 100% in the corresponding proportion column. Please estimate to the best of your knowledge. **As a minimum**, please provide the employer contribution rate that applies to the majority of members and put a proportion of over 50% in the corresponding proportion column.

⁸ *The Pensions Terminology* definition of a dependant is: “A person who is financially dependent on a member or pensioner, or was so at the time of death or retirement of the member or pensioner.” However, it notes that individual schemes may have their own definitions. For HMRC purposes, a spouse automatically qualifies as a dependant, and a child of the member or pensioner may always be regarded as a dependant until either reaching the age of 18, or ceasing to receive full-time educational or vocational training, if later.

Section 9 – Pensionable Earnings

- 9.1 This question asks how your scheme defines **pensionable earnings**. These are the earnings on which benefits and/or contributions are calculated under the scheme rules. You should put a cross in any of the six boxes that apply to your scheme.
- The **lower earnings limit (LEL)** is the minimum amount of earnings, approximately equivalent to the single person's basic pension, on which S2P accrues. It is broadly equal to the (flat rate) basic state pension. Alternatively, if your scheme makes a distinction between earnings below and earnings above the threshold for paying National Insurance contributions, please treat this as being the same as the LEL in answering this question.
 - The **upper earnings limit** is the maximum amount of earnings, equal to approximately seven times the lower earnings limit, on which NI contributions are payable by employees and on which S2P accrues.
 - The **earnings cap** is the limitation introduced by the Finance Act 1989 on the amount of remuneration on which the benefits and contributions of a member who is subject to the Inland Revenue post-89 maximum benefit limits may be based. The earnings cap in 2005-06 was £105,600.

Section 10 – Normal Pension Age

- 10.1 This question asks for the normal pension age of your scheme, which in this context is assumed to be the same as the scheme's normal retirement age.

The normal pension age (NPA) is commonly the age by reference to which the normal pension date is determined; this is the definition for the purposes of the survey questionnaire.

Section 11 – Benefits Other Than On Retirement On Age Grounds

- 11.1 "The death of a pensioner" and "Death in service" options both refer to benefits for a spouse, other dependant, or **another nominated person**, which means a person other than a spouse or a child of the deceased member.

The "Retirement on ill-health grounds" option relates to active members who took **ill-health retirement**, which is defined as retirement on medical grounds before the normal pension date.

- 11.2 This question asks whether, as a separate arrangement to the scheme itself, the employer has taken out insurance to provide benefits for retirement through ill-health, and/or death in service.

Permanent health insurance (PHI) ¹⁰ benefits are paid to a scheme member who becomes ill either for life, or until your scheme's normal retirement age. This applies whether this is a PHI-style benefit from the scheme (perhaps insured) or a benefit from a separate PHI policy provided by the employer. If the employer has arranged this (or a similar form of insurance), then please answer "yes" to this option.

Section 12 – Investment

- 12.1 Please choose one of the options that best reflects the investment practices of your scheme, in terms of how investment decisions are taken.
- 12.2 This question asks whether any of your scheme's investments are in the sponsoring employer. The term "shares" encompasses both ordinary and preference shares, while the term "loans" would include any form of loan, bond or debenture to the sponsoring employer.

Section 13 - Comments

- 13.1 Please insert any comments you may have on the survey in the box provided.

The Office for National Statistics would like to thank you for your time and co-operation in completing this questionnaire.

END

¹⁰ Permanent Health Insurance (PHI), also known as long-term disability insurance, is an insurance policy, which pays an income while an individual is unable to work as a result of accident or illness. It can be purchased by an individual or by a company for a group of its employees.