

TS advised that under capped drawdown because JM was over 75 her pension would have to be reviewed on an annual basis. If she switched to the new flexi access drawdown pension basis where JM could take as much or as little as she likes and her pension would not have to be reviewed each year. It is recommended that her widow's pension fund is reviewed every three years under flexible access drawdown.

SM Taking Benefits

SM will reach 55 next year and may consider taking benefits. TS advised that 55 is the minimum age a member can take their own accrued benefits. SM can take up to 25% of his accrued fund as tax free cash. The remaining fund will then be set aside to provide a pension. SM could decide to purchase an annuity and secure his pension or he could decide to draw his pension directly from the fund under flexi access drawdown. SM can only take benefits under flexi access drawdown and capped drawdown will not be available to him.

SM does not have to take all his benefits in one go and it is possible to phase taking benefits. For example, SM could decide to set aside or crystallise £40,000 of his fund where 25% of this can be taken as tax free cash. After the £10,000 has been taken as tax free cash, SM could decide to take the remaining £30,000 as a pension or he could decide not to take a pension at all. SM's fund would then be split between those funds he had set aside for a pension (crystallised funds) and those funds which had not been used to provide benefits (uncrystallised funds).

TS advised that many members used the rental income received in order to fund their pension each year. A drawdown pension is not a secure and if underlying investments fall in value then this will reduce the pension that can be taken from the fund.

Any Other Business

SM advised that life cover is currently held in respect of this scheme. As the members have got older this has become more and more expensive and it might be the case that they want to start reducing the amount of cover available. TS advised he would look into this.

TS advised that he would prepare minutes in respect of the meeting. No further issues were discussed and the meeting closed at 10.50am