

# Useful information

The following gives some useful information about the Construction Workers' Pension Scheme (CWPS). All the information is current at the time of print. Please check our website at [www.cwps.ie](http://www.cwps.ie) for up to date information.

## Contribution Rates and Benefits

### Contribution rates payable to CWPS

The CWPS rates are based on the recommended contribution rates specified in the Sectoral Employment Order (SEO) for the general construction sector. Currently this contribution is 7% of the average basic construction wage. The employer contributes approximately 4.2% and the employee contributes 2.8%.

Below are the weekly rates for Pension, Death in Service and Sick Pay contributions effective from 1/02/2023.

	Employer	Member	Total
<b>Pension Contribution</b>	€29.22	€19.50*	€48.72
<b>Death in Service Contribution</b>	€1.17	€1.17*	€2.34
<b>Sick Pay Contribution</b>	€1.27	€0.63	€1.90
<b>Standard Contribution Total</b>	<b>€31.66</b>	<b>€21.30</b>	<b>€52.96</b>

\* Contributions for Pension and Death in Service are made before PAYE is calculated.

CWPS facilitates the collection of some voluntary industry deductions as set out below on behalf of the social partner entities listed and these can be paid voluntarily as a combined payment with the Pension, Death in Service and Sick Pay contributions.

Below are the weekly remittances charged by the Construction Workers Health Trust and the Benevolent Funds.

	Employer	Member	Total
<b>Construction Workers Health Trust</b>	€ 0.00	€ 1.00	€ 1.00
<b>Employer Benevolent Fund</b>	€ 0.19	€ 0.00	€ 0.19
<b>Employee Benevolent Fund</b>	€ 0.00	€ 0.50	€ 0.50

### Death in Service Benefit

All members who pay to CWPS are covered for Death in Service benefit of €100,000 (subject to certain rules). The benefit is payable to the family or next of kin of the deceased member along with the value of the deceased member's Pension Account, plus €5,000 for each eligible child under age 18.

The CWPS team can provide full details of the rules and benefits of Death in Service or visit [www.cwps.ie](http://www.cwps.ie).

### Sick Pay Benefit

All members who pay to CWPS are covered for Sick Pay benefit while they are absent from work due to illness or injury.

Sick Pay benefit of €48 per day (€240 per week) is paid from the fourth day of illness for 5 days each week up to a maximum benefit of 50 working days in a calendar year.

The CWPS team can provide full details of the rules and benefits for Sick Pay or visit [www.cwps.ie](http://www.cwps.ie).

## Deducting and Paying Contributions

### Deducting Contributions

Pension contributions are payable weekly and should be deducted from employees and then paid to CWPS at the end of each month.

Each month CWPS will send each employer a pension schedule for the previous month which will assess the contributions due from both member and employer based on the current number of members registered in CWPS.

**In order to comply with the terms of the Pensions Act 1990, as amended, all contributions must be paid to CWPS within 21 days of the end of the month in which contributions were deducted.**

Employers must also return their pension schedule to CWPS showing all employees registered in CWPS and their contributions due for the relevant month.

### Paying Pension Contributions to CWPS

There are two ways employers can pay and return their pension schedules to CWPS: (1) online at <https://employer.cwpsonline.ie/> or (2) by signing up for direct debit.

### Paying Online

The CWPS Online Payment System (OPS) is the easiest way to pay monthly payments to CWPS. Once employers have signed up they can update and pay their pension schedules online as well as registering new employees in CWPS. Payments are only collected from the employer's bank account when their pension schedule is updated online and submitted to CWPS. See [www.cwps.ie](http://www.cwps.ie) for details.

### Paying by Direct Debit

When employers sign up for direct debit, payment amounts will be collected from their bank account. CWPS will only request payment from the employer's bank account when their monthly pension schedule has been completed and returned to CWPS.

### Member Funds

Member funds are invested in the members' own individual Pension Account and accumulate on a defined contribution basis. There are no administration charges on pension contributions paid to CWPS. 100% of all contributions paid to CWPS are allocated to the member's Pension Account.

Members can also pay Additional Voluntary Contributions to enhance their fund at retirement.

See overleaf for information on investing CWPS funds.

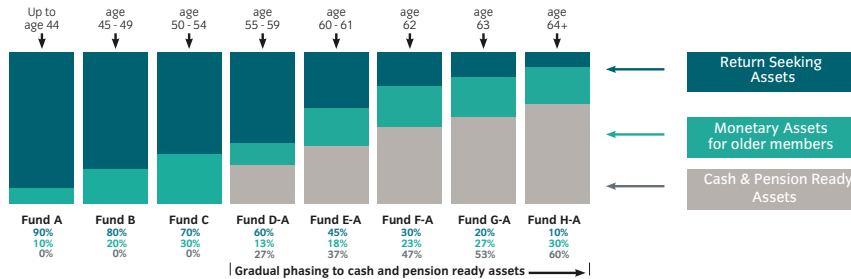
Employers can also make additional Employer Special Contributions which are tax efficient and would enhance member funds at retirement.

## Member Funds

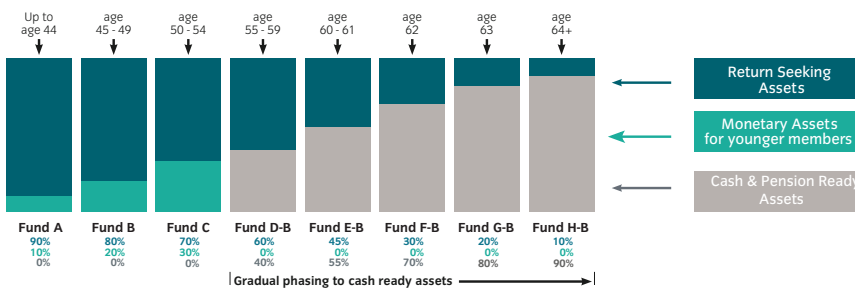
### Investing Member Funds

CWPS has a single investment strategy which phases members' Pension Accounts across a range of age-related investment funds. The Trustee invests members' Pension Accounts in a range of age-related investment funds - when a member is many years from retirement, their Pension Account will be invested in growth focused funds and then as they near retirement their Pension Account is gradually invested in protection focused funds. This strategy is called Lifestyling and is done to protect the value of their fund as the members approach retirement. Below is a graph of the various age related funds and the breakdown of how each of the funds are invested. Further information on the other funds is available on our website [www.cwps.ie](http://www.cwps.ie).

**Fig 1** At age 55, if a member is projected to have a balance of **more** than €30,000 by age 65 (after payment of their estimated tax free lump sum):



**Fig 2** At age 55, if a member is projected to have a balance of **less** than €30,000 by age 65 (after payment of their estimated tax free lump sum):



### Investment Advisors and Managers

CWPS take advice from investment advisors and the current CWPS Investment Advisors are Acuvest.

Day to day investment decisions are made by specialist investment managers. CWPS investment managers change from time to time, a full list of the current CWPS Investment Managers is available on our website [www.cwps.ie](http://www.cwps.ie).

The fund investment strategy is set out in a document called the **Statement of Investment Policy Principles (SIPP)**, which sets out the Trustee approach to investments and their aims for the fund. In setting the strategy, the Trustee receives expert advice from independent investment consultants, and the Trustee also reviews the SIPP regularly to make sure that it remains appropriate. A copy of the SIPP is available to view on [www.cwps.ie](http://www.cwps.ie) or on request from the CWPS team.

Each month the Trustee declares an investment return for each of the different funds. This return is based on the actual performance of the Scheme's assets and the overall funding level of the Scheme. This return is then applied to the member's account. A annual management charge of 0.35% p.a. is applied to members's fund value each year. Investments can fall as well as rise and providing for a pension for retirement is a long-term commitment. The aim is that if a fund performs badly in any one year, this will not prevent a positive outcome over the course of a member's working life.

### Retirement Options for Members

Normal retirement age is 65. However, a member can claim their retirement benefit from CWPS as early as age 50 (provided they have not contributed to CWPS in the previous 5 years) or continue to be a member up to age 70. When a member reaches normal retirement age (between ages 50 and 70) the value of their Pension Account can be used to provide them with one or more of the following options:

- Tax Free Lumps Sum available up to Revenue Limits.
- Monthly pension payable for life guaranteed for a minimum of five years.
- Spouses Pension - if a member is married at retirement date, a 50% spouses pension will be paid to their surviving spouse after the death of the member.
- Optional annual increases on pension amount of 3%.

### Scheme Administrators

CWPS is administered on behalf of the Trustee by CIF Pension Administration Services DAC trading as CPAS, a professional pension administration company.



CPAS is registered with the Pensions Authority as an approved Registered Administrator.

All information and figures contained in this document are correct at time of print - May 2023. Up to date information is available at [www.cwps.ie](http://www.cwps.ie).