



extra:

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Do you know what your pension pot's worth?



You've got preserved benefits in the railways pension schemes.

Keen to find out what they're worth?

Register online today and get instant access to your Rail pension account. It's as quick and easy as checking your bank balance.

You can see:

- The value of your scheme benefits
- Your BRASS investments (if you have any)
- Current nominations
- What your dependants may get if you die, and more.

Register to find out now!

Over 50,000 of your colleagues in the Rail industry already have!

Sign up using your:

- Email address
- National Insurance number
- Pension reference number (this is on the address note enclosed with this newsletter).

Your website:

Railways Pension Scheme members - sign up for a myRPS account at railwayspensions.co.uk

BTPFSF members - sign up for a myFund account at btppensions.co.uk



Already registered?

It's time for your pension check-up. **See inside for more!**



Chairman's message...

A very warm welcome to Extra, your annual Rail pension newsletter.

You have 'preserved' benefits in the railway pension schemes, which means you are no longer making a financial contribution to your Rail pension.

But this doesn't mean you can't contribute to your pension in other ways!

Please try our pension check-up on page 3 – it's a quick and easy way to see if your retirement plans are on the right track.

You can also keep an eye on your rail pension benefits with a personal online account – it's free, secure and very easy to use. Registration details for myRPS and myFund are on page 1.

I'd also quickly like to draw your attention to the leaflet enclosed with Extra. The new General Data Protection Regulation (GDPR) is now in force and gives you much more control over your privacy rights. Please take a minute to read the leaflet and find out how RPMI uses your information to help manage your rail pension.

JOHN CHILMAN
Trustee Chairman

Facts and figures

At the end of 2017, the Railways Pension Scheme had:

Total assets: £27.5bn
Members: 340,419
Benefits paid out: £1,035m
 (including pensions, lump sums and death benefits).

The BTPFSF had:

Total assets: £1.31bn
Members: 6,805
Benefits paid out: £53m

All the schemes' latest stats and figures can be found in the annual report and accounts at railwayspensions.co.uk/resources or btppensions.co.uk/resources.

Counting your benefits

Your benefits are 'preserved' as you are no longer contributing to the scheme. When you decide to take them, you may get all – or some – of the following:

- a pension for life
- a tax-free lump sum
- a lump-sum payment to your beneficiaries if you die before claiming your pension
- pensions for your two youngest eligible children
- a pension for your eligible or legal spouse, and
- a pension for eligible dependants

Every April, you may also get a benefits increase. See page 4 for this year's increase. For most sections the increase stops when you reach your Normal Retirement Age.

Your retirement options

You can:

- take your preserved benefits as normal
- claim your benefits early at the Trustee's discretion. They will be reduced as they are being paid for longer
- delay taking your benefits. Late retirement factors will work out how much extra will be added to your benefits when you decide to take them (up to a maximum age of 75)
- transfer your benefits to another scheme.

Getting your benefits

If you haven't taken early retirement, RPMI will contact you six months before your Normal Retirement Age (NRA).

- 1 You will be asked to complete a verification form
- 2 An estimate of your benefits will be sent out
- 3 You must then fill in an Application for Benefits form stating if you want to take – or postpone – your benefits.

Know your BRASS

You may have paid additional voluntary contributions, called BRASS, into your Rail pension.

You **can't** pay any more contributions into BRASS, but you **can** change your BRASS investment funds if you want to.

For instance:

- you may not be happy with how your investments are performing, or
- your retirement plans have changed and you want to retire earlier or later.

Please take independent financial advice before making important decisions about your future. Investments should be viewed as a long-term option, and can go down as well as up.

Check your value

Check the value of your BRASS account and switch funds quickly and easily online by registering at railwayspensions.co.uk or btppensions.co.uk. There's lots of other useful information about BRASS there too.

When can I take my BRASS?

You can take your BRASS savings with your other scheme benefits when you retire, or you can transfer them out to another pension scheme. You may need to get independent financial advice before RPMI can agree to a transfer.

Give your retirement plans a check-up



Gone are the days when work ended at a set age. You can now tailor retirement to suit you. Work out if your pension plans are meeting the grade.

1 What you'll need



- Basic living costs for a single person – such as food, bills and transport – are currently estimated at £9,700* per year
- Plus there's rent, holidays, nights out. Work it all out with our online Lifestyle Calculator (sign into your online account first. Registration details are on page 1).
- You should aim for a pension income of around **2/3rds your final salary** to maintain a comfortable retirement. For example, if you earn £25,000, you might need a pension pot that will give you an annual income of £17,000.

*(Source: Standard Life, 2017)

2 When you can retire



- Basically, when you want to... if you can afford it!
- By 2020 the State Pension age will be **66**. The UK average life expectancy is **82**, so you may need to fund at least 16 years of retirement – or more if you retire early!
- You can see your Normal Retirement Age and when you can claim your State Pension in myRPS or myFund (details on page 1).
- Check how much State Pension you may get at gov.uk/check-state-pension.

4 Now for the reality check...



...how's your pension shaping up?

- It's looking good
- Could do with some attention

3 Paying for it



- The full annual State Pension is currently £8,546.20
- **+** any other pensions you may have (e.g. company pensions). Sign in to myRPS or myFund to see what your preserved Rail pension is currently worth.
- Lost track of a pension? Gov.uk/find-pension-contact-details can help.

5 It's never too early or too late to get your retirement plans in order



So please keep an eye on your Rail pension by registering for an online account with myRPS or myFund (see page 1 for details).

Other helpful tools



There's another useful calculator at moneyadvice.service.org.uk.

It produces an estimate based on when you plan to retire, the value of all your pension pots and your basic State Pension. It will also identify any pension shortfall and how to remedy it.

What's your limit?

Your pension savings enjoy tax relief but there are limits. Go over the limit and you could face additional tax charges.

Find out more about the different allowances in our Read As You Need guides on the railways pensions websites.

Gov.uk/tax-on-your-private-pension also has up-to-date information about tax limits.

Increase to your pension

Your preserved railways pension and lump sum have increased by up to 3% for the 2018/19 year.

The increase was applied to your benefits on 9 April 2018, based on statutory orders made under the Pensions (Increase) Act 1971. The amount of the full increase this year is based on the rate of inflation from September 2017.

If you left the scheme and became a preserved member before 25 April 2017, you'll get the full 3%.

If you became a preserved member on or after 25 April 2017, you won't get the full amount because your benefits have been preserved for less than a year.

You can check the increase you'll receive in the table.

Date you left the scheme and became a preserved member:	Increase to your pension
24 April 2017 or before	3%
25 April - 24 May 2017	2.75%
25 May - 24 June 2017	2.5%
25 June - 24 July 2017	2.25%
25 July - 24 Aug 2017	2%
25 Aug - 24 Sept 2017	1.75%
25 Sept - 24 Oct 2017	1.5%
25 Oct - 24 Nov 2017	1.25%
25 Nov - 24 Dec 2017	1%
25 Dec - 24 Jan 2018	0.75%
25 Jan - 24 Feb 2018	0.5%
25 Feb - 24 March 2018	0.25%
On or after 25 March 2018	No increase

State Pension age review

After an independent review into the State Pension age (SPA), the government is recommending that:

- SPA should rise to age 68 over a two-year period starting in 2037 and ending in 2039, seven years earlier than previously planned. This change will only affect you if you were born between 6 April 1970 and 5 April 1978. In this case, your current SPA is 67, which will increase to between 67 years one month and 68 years, depending on your exact date of birth.
- SPA should not increase more than one year in any 10-year period, assuming no exceptional changes.
- Early access and regional or individual variations in SPA should be rejected on the grounds of complexity.

You can find further information at gov.uk/state-pension-age, and obtain a forecast of your State pension benefits at gov.uk/check-state-pension.

Getting in touch...

There's lots of help online. Visit railwayspensions.co.uk or btppensions.co.uk and go to the 'No longer paying in' section or 'Resources/FAQs'.

If you can't find the answer you need, drop us a line at csu@rpm.co.uk or contact the helpline on 0800 2 343434.

Tell us what you think:

Complete our online survey at www.surveymonkey.co.uk/r/Extr18 or scan this QR code.



Helpful contacts

- **The Pensions Advisory Service:** Offers free, impartial advice on topics such as early retirement, ill-health, divorce, and any other issues which may affect your pension. Go to pensionsadvisoryservice.org.uk.
- **Money Advice Service:** Learn more about retirement choices, budgeting and retirement planning at moneyadviceservice.org.uk
- The government's website, gov.uk, offers easy-to-understand information about pensions, tax, and National Insurance.
- Looking for an independent financial adviser? See unbiased.co.uk for accredited advisers in your area.

Wanted!



Just 5 minutes of your time. That's all it takes to do your nominations online for peace of mind.

Your death-benefit lump sum is a valuable asset which could go to the people or causes you care about if you die before claiming your preserved benefits in the scheme. (See how much your lump sum is worth in your Member Guide online).

It's important to nominate who you'd like to get the cash because:

- It will be tax free
- The decision about who gets it is speeded up, sparing extra heartache and worry.

To nominate or update your nominations online, go to railwayspensions/myrps/login or btppensions/myfund/login.

Cold calling ban

The government intends to bring in a ban on cold calling for pensions, possibly by this summer.



- This would make it illegal for you to be contacted by phone about a possible transfer of your pension benefits.
- Regardless of a ban, you should always be very wary if you are randomly contacted about your pension. The Pensions Regulator suggests that unsolicited phone calls, texts or emails about pensions are nearly always scams and you should block them.

News in brief

- Catch up on news from the last Budget in November 2018, and find out about the reduction in the Money Purchase Annual Allowance at railwayspensions.co.uk/resources/updates.