



focus:



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Tax relief on your pension savings – get in!



Yes, you've read that right. One of the many great benefits of your pension with the Fund is that you get tax relief on the money you pay in. This means you save more now to enjoy when you stop work.

Tax relief is a key plus of your pension. The money you pay in is taken from your salary before you pay any tax on it, making it go further.

How much will you get?

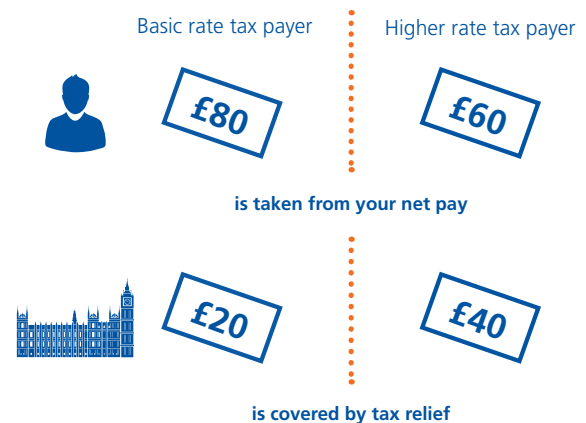
There are two ways you can get tax relief on your pension contributions. These are known as **relief at source** and the **net pay arrangement**. Contributions to the Fund are via the net pay arrangement.

With the net pay arrangement, whatever rate of tax you pay, you get full tax relief without having to claim it. However, if you don't pay tax, this method means you won't currently get any tax relief - although the government is planning to provide some tax relief in this area from 2024/25.

How tax relief works

If you're a basic-rate taxpayer and want to save £100 into your pension, because of the way tax relief works it will actually only cost you £80. The other £20 comes from the tax relief.

If you want to save £100 into your pension and you are a:



There is a suite of videos available, all about tax, at btppensions.co.uk/video-library

There are certain limits that apply, though. Read about them on page 2.



There's a limit to how much tax relief you can get

The government limits how much tax relief you get on your pension contributions in each tax year and over your lifetime.

■ The Annual Allowance (AA)

The main tax allowance affecting members of the Fund is the Annual Allowance (AA). The AA is the limit on your pension savings in a single tax year before you need to pay a tax charge. For the year 2022/2023, this limit is either 100% of your annual earnings, or £40,000, whichever is lower.

■ The Lifetime Allowance (LTA)

LTA is the limit placed on your pension savings throughout your lifetime before you need to pay a tax charge. It affects those with the largest pension savings. The LTA is currently frozen at £1,073,100 until the 2025/2026 tax year.

■ The Tapered Annual Allowance (TPA)

TPA is a lower Annual Allowance and may affect you if your taxable income is over £200,000

Make the most of pension tax relief

Since having a pension is the most tax efficient way to save for your future, why not think about how else you could take advantage of it.

If you want to put in more, you can. You can increase the contributions you make each month by adding a little extra that will also benefit from tax relief, if your pension savings are below the Annual Allowance. Check out your pensions website btpensions.co.uk for more information on making Additional Voluntary Contributions (AVCs).

Learn more

For more information on pension tax relief, check out the Money Helper website or try the Which? pension tax relief calculator. It shows you how much tax relief you get based on your pension contributions.



Don't let your loved ones down!

Log in to your account at btpensions.co.uk and **nominate today!**

Chair's message...

Welcome to the spring issue of Focus – and the last message from me as a Chair of the Trustee Board.

It's hard to believe the first quarter of the New Year is behind us already. In this time, our team has been working tirelessly to ensure your pension savings are managed in the best way possible.

The highlight of the past few months for us has undoubtedly been our latest Sustainability Ownership Report. Be sure to take a look at it if you haven't already. It explains how we ensure the money we manage on your behalf is invested responsibly and seeks to influence positive change. It's published on railpen.com

I'm also excited to tell you that you now have one more source of useful information about your pension, the Fund's Twitter feed. Give us a 'follow' at @BTPPensionFund and keep track of your pension quickly and easily. Read more on page 3.

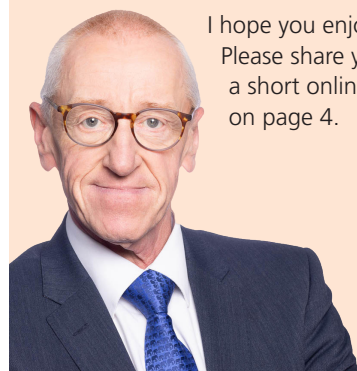
I'd like to take this opportunity to remind you to make the most of your British Transport Police Force Superannuation Fund (BTPFSF) website.

It is bursting with useful tools and information to help you plan for your future. From interesting articles that explain complex pension topics – to specific information on Fund rules – to handy tools such as the Pension planner. The member website has got it all covered for you in one place.

Finally, I want to let you know that I will retire from the Trustee Board at the next Annual General Meeting on 6 July. It has been an honour to serve our 350,000 members as a Trustee of the railways pension schemes over the past 17 years and as Chair for the last 3 years. The importance of having a good, secure pension has never been greater and I leave you in the very capable hands of my Trustee colleagues.

At the time of writing this message, my successor as Trustee Chair had not been decided. We'll update you in a future issue of Focus and at btpensions.co.uk very soon.

I hope you enjoy this newsletter. Please share your thoughts by completing a short online survey, which you'll find on page 4.



With best wishes

Chris Hannon

Chris Hannon,
Trustee Chair



In this regular feature we look at developments in pensions, which may be relevant to you as an active member of the Fund.

Pension triple-lock

The triple-lock has been in place since 2010 and was designed by the government to ensure that the State Pension will rise with the highest of either:

- inflation
- earnings
- 2.5%

Due to concerns that the pandemic and the end of the furlough scheme had artificially increased wages, the government announced that it would suspend the triple lock for the 2022/23 tax year. This means that the State Pension would either rise at the rate of inflation or at 2.5%.

The Department for Work and Pensions has now confirmed the State Pension will increase in line with inflation as at September 2021, which means it will rise by 3.1%.

Therefore, from April 2022, the basic State Pension will increase to £141.85 per week and the full rate of new State Pension will increase to £185.15 per week.

New powers to combat pension scams

In November 2021, new regulations were introduced to protect members from unwise or illegal pension transfers.

Under the new regulations, pension savers may be required to seek safeguarding guidance from MoneyHelper before transferring their benefits elsewhere.

Pension scams continue to pose a significant risk for people paying in a pension scheme. Information on how to recognise them and how to protect your hard-earned pension is available on your Fund website.

Trustee Board update

The Trustee is here to ensure that your benefits are paid securely, affordably and sustainably.

The main responsibilities of the Trustee Board include:

- administration of scheme benefits, collection of contributions and payment of pensions
- investment and safe custody of assets
- Scheme governance and Trustee training
- member communications
- oversight of Railpen Ltd. and management of professional advisers

Elections at the Trustee Board

A third of the Board always retires by rotation every two years, at the end of their staggered six-year terms of office. The following directors will be retiring and eligible for re-election this year:

- Chris Hannon (Trustee Chair) – Employer Director, nominated by the Freight and Support Services electoral group
- Christine Kernoghan – Employer Director, nominated by the Passenger Train Operating Companies electoral group
- Richard Jones – Employer Director, nominated by the All Employers electoral group
- Gary Towse – Employee Director, nominated by BRSF Management Committee and BT Police Federation

All the terms run until the Railtrust Holdings Limited AGM, which will be held on 6 July. Nominations for the Employee Director vacancy were sought on 4 February, and needed to be submitted by 6 April. Nominations for the Employer Director vacancies opened on 6 April.

If any new Trustee Directors are appointed following these elections, they will join the Trustee Board after completion of some formal checks and confirmation to The Pensions Regulator. The new terms of office for any new or re-elected Trustee Directors will run to the AGM in 2028.

Howard Kaye and Mick Cash were both appointed in 2021, following the retirements of Dave Tyson and Mick Lynch respectively. The Trustee Board also welcomed Fatima Hassan in 2021, when she replaced Meliha Duymaz.

Follow us on Twitter!

Our members are at the heart of what we do here at the Fund.

And we like to explore different avenues to keep you informed about your pension.

Following the full re-vamp of your member website in 2020, we've now launched our Twitter feed.

Please take a moment to visit our Twitter page and select 'Follow'. We look forward to bringing you useful information and guidance on your pension.

Join us at [Twitter.com/@BTPPensionFund](https://twitter.com/BTPPensionFund)





Preparing to ease into retirement?

You're probably looking forward to your life after work. But, you need to think carefully about just how to get there.

Here are a few key steps to consider:

- **Register online and keep checking your account** – it contains valuable information about your pension and you can manage it easily from the comfort of your home.
- **Make sure you understand your options at retirement** – you have a few options when it comes to taking money from your pension, read about them on your pensions website.
- **Picture your life after work** – be clear and realistic about your expectations, think about expenses such as broadband, mobile phones, cars and holidays.
- **Check if you can afford it** – use the tools available on your pension website to see if your retirement savings will be enough to pay for the lifestyle you want.
- **Save more now to enjoy it later** – it's never too late to start saving more, should you wish to.
- **Check when you'll get your State Pension and how much you will get** – take a look at gov.uk/state-pension.
- **Planning to keep working when you retire?** – get to grips with the tax rules that apply in this case.

There's lots of useful information on your website to help you plan for life after work. Go to btppensions.co.uk and take control of your future today!

Make the most of your pensions website!

It's filled with lots of tools and information to help you easily manage your pension.

Go to btppensions.co.uk!



Help us get better

Pension communications can be tricky – what's clear to us may not be so clear to you.

Help us improve the way we communicate important things about your pension. Join our volunteer feedback group, Platform, and share your opinion on our work before everyone else sees it. We often ask the group to tell us what they think about things like videos, new designs and new documents we are developing.

You can help shape the communications you receive from the Fund to make sure they meet your needs.

As a thank you for getting involved, you'll be entered into our prize draw with the chance to win **£150 worth of shopping vouchers** at the end of 2022. So sign up today at btppensions.co.uk/platform.

Have your say



Share your feedback to help us improve Focus. Your say matters.

Please fill in the survey online at surveymonkey.co.uk/r/FocusApr22 or find the survey by scanning the code. Android and iPhone users can either use a QR scanner app or hold the camera lens over the QR code then tap on the pop-up to open your browser.

Pension queries

Visit: btppensions.co.uk

Email: csu@railpen.com

Telephone: 0800 012 1117
(Mon - Fri, 8am-5pm)



Potts to add WLT and FSC logos into this area