



# f focus:



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# Join us online!

More than 1,000 of your colleagues already have.

MyFund is a secure area of your BTPFSF website, where you can find your own personal pension information.

You access it on a computer, smartphone or tablet, so it's easy to keep track of your pension – whenever, wherever.



## 4 reasons to register...

- 1 Instant access to your own pension account
- 2 Easiest way to update your nominations whenever you want
- 3 See what your benefits are worth at any time\*
- 4 Apply to make additional voluntary contributions and switch investment funds when you want

\*CARE members – please email [csu@rpm.co.uk](mailto:csu@rpm.co.uk) with queries about your benefits

## Get started...

Visit [btp pensions.co.uk/myfund/register](http://btp pensions.co.uk/myfund/register)

You'll need your:

- email address
- National Insurance number
- pension reference number

## Congratulations to...

Mr S Lafferty who won an iPad Air in our August 2016 registration prize draw.



# Are you in BRASS or AVC Extra?

If you are, you'll know that you're paying additional voluntary contributions (AVCs). These AVCs are invested to help you build up an extra pension savings pot in a tax-efficient way.

But when did you last check the current value of your funds, or where your money is invested?

You might not want to be actively involved in managing your investments, so you're probably in the default (Lifestyle) strategy. Or you could be more hands-on, managing your own self-select funds.

Either way, it's a really good idea to check that your money is invested in the funds you want, to give you the best chance of enjoying retirement to the full.

## Why age and risk counts

Higher-risk funds have potential for higher return (and higher losses). But playing it safe with lower-risk funds has pitfalls too.

If your savings don't grow steadily, inflation could seriously affect your spending power in the long run.

**In your 20s or 30s?** Investing in riskier funds like equity and growth might offer better returns, and even if you make a loss, you have time to make up the difference.

**In your 40s or 50s?** You might want to consider moving into more stable funds to 'lock in' value.

We can't offer you financial advice – you should speak to an independent financial adviser if you need to (find IFAs in your area at [unbiased.co.uk](http://unbiased.co.uk)). Plus it's important to choose the level of risk you feel most comfortable with.

## What can I do right now?

**BRASS members:** View – and change - your fund choices at any time by logging into your account at [btpensions.co.uk](http://btpensions.co.uk).

**AVC Extra members:** Ring the Helpline on **0800 2 343434** or email [dcadmin.co.uk](mailto:dcadmin.co.uk) for information about your account.

Lots of useful information, plus the Change of Investment form, is also available online.

## How can I use my AVCs?

You can take your AVC benefits in a variety of ways. Find out more at [btpensions.co.uk](http://btpensions.co.uk) under 'AVCs: Boosting my benefits'.

## Your money, your choice!

Take control...

- **check your investments and;**
- **check you're getting the returns you want.**

Give yourself the best chance of enjoying your retirement.



Visit [btpensions.co.uk](http://btpensions.co.uk) or email [dcadmin.co.uk](mailto:dcadmin.co.uk)

## Is there something you've forgotten?

### Updating your nominations online is really quick and easy.

Let the Trustee know who you would like to get the death-benefit lump sum which may be paid out if you die before you can claim your pension.

This lump sum is worth 4 times your salary, and is usually tax-free because it is paid at the Trustee's discretion.

The Trustee is ultimately responsible for deciding who gets the lump sum, but unnecessary delays could be avoided by keeping your nominations up to date.

### Your death benefits

Your loved ones could receive death benefits from the Fund if you die. These benefits normally include (where applicable):

- **A lump sum**
- **A dependant's pension, and**
- **Children's pensions**

Your dependant would usually be the person you were married to, or in a civil partnership with, and living with you at the date of your death.

Check your nominations any time you want by signing in to your myFund account at [btpensions.co.uk](http://btpensions.co.uk).

## Message from... the Chairman

Welcome to your first Focus of the year! Our newsletter aims to keep you up to date with BTPFSF news and general pension issues, and support your retirement planning.

The most prominent news at the moment is still, of course, Brexit.

Now that Article 50 has been triggered, the whole process of leaving the EU has taken a giant step forward.

There's still a great degree of uncertainty about Brexit's long-term impact, but I would like to emphasise that the triggering of Article 50 does not affect your Fund pension. You can read a full update on page 4.

The Trustee will continue to monitor the situation closely and take action where appropriate, but as you can see from our Valuation update, right, the Fund remains in excellent health and was in surplus at the valuation date. This is very good news for you as it means no change in your contribution rate.

The full valuation results can be found in the Summary Funding Statement included with this newsletter.

And last but not least, if you have any queries about your Fund membership – or the Fund in general – please visit [btppensions.co.uk](http://btppensions.co.uk). Around 1/3 of your colleagues have already signed up for an online personal account within the first six months of launch. It's a quick and easy process, and gives you instant access to lots of very useful information.



**JOHN CHILMAN**  
Trustee Chairman



## Actuarial Valuation shows surplus

The actuarial valuation as at 31 December 2015 was completed at the end of last year.



Its purpose is to compare the current value of the Fund's assets against the current value of the Fund's liabilities (future benefit payments).

We are pleased to report that the valuation showed a slight surplus in the 1970 Contributory Section of the Fund.

This means that at the valuation date, the Fund was assumed to have sufficient assets (£1,045m) to cover all of its expected commitments to beneficiaries (£1,030m). The funding level was 101%, compared to 98% at the 31 December 2012 valuation.

Valuations are however dependent on many assumptions, so this makes pension funds very sensitive to changes, such as stock market fluctuations and longevity improvements.

The results of the 2015 valuation mean there is no need for contribution rates to change. You can read more information about the valuation in your enclosed Summary Funding Statement.

The next actuarial valuation will be calculated as at 31 December 2018, and estimated funding positions will be calculated at 31 December 2016 and 31 December 2017.

You will be sent a Summary Funding Statement following the completion of each funding update.

## Your Fund at a glance

At the end of 2016, the BTPFSF had:

<b>6,477</b> members	<b>£1.22bn</b> total assets	<b>£53m</b> paid out in benefits (including pensions, lump sums and death benefits)
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Don't be  
scared  
to ask!

If you need to talk through your general financial plans, it's best to speak to an independent financial adviser. You can find a list of local advisers at [unbiased.co.uk](http://unbiased.co.uk).

Other useful support services are:

**pensionsadvisoryservice.co.uk** – for state, company and personal pensions

**pensionwise.gov.uk** – for defined contribution pensions

**moneyadvice.org.uk** – for money management tips

# News roundup

The last Autumn Statement took place on 23 November 2016, and the Spring Budget took place on 8 March 2017. The government has announced that future Budgets will take place in the autumn.

## Autumn Statement 2016 roundup

The Autumn Statement was relatively light on developments about pensions, although the following two items were announced:

- As part of a clampdown on pension scams, the government announced a consultation about plans to introduce a ban on cold calling and powers to block transfers to suspicious arrangements. The outcome of that consultation is not yet known.
- The government announced plans to reduce the money purchase annual allowance (MPAA) from £10,000 to £4,000, which will apply from April 2017.

The MPAA was introduced in April 2015 and would only apply to you if you have already accessed any benefits using the new pension freedoms (such as accessing some pension benefits in the form of flexible drawdown or as a cash lump sum).

The MPAA would then act as a cap on the amount you can contribute each year to money purchase arrangements, such as BRASS and AVC Extra, with tax relief.

The Autumn Statement also announced government plans to maintain the State Pension triple-lock for now, although there has been pressure for it to be changed in the future.

## Spring Budget 2017 roundup

The Spring Budget also included little about pensions. The main pensions-related announcement was that the government will introduce a 25% charge if a member transfers their pension to a qualifying recognised overseas pensions scheme (QROPS).

The overseas transfer charge targets those who may have tried to reduce the tax they would pay on their pension benefits by transferring overseas, and came into effect for transfer requests from 9 March 2017.

## Brexit update

The outcome of last year's European Union (EU) referendum and plans for withdrawal from the EU still features heavily in the news.

The government triggered Article 50 in March 2017 and this means that the UK is expected to withdraw from the EU by March 2019, unless an alternative exit date is agreed.

The terms of withdrawal from the EU are still unknown, so it is too early to fully assess the impact on UK pensions. The situation may become clearer over the two-year withdrawal process, so we will keep you updated in future editions of Focus and at [btppensions.co.uk](http://btppensions.co.uk).

The UK is expected to be a member of the EU until March 2019, at least, and existing pension laws which affect the Fund remain in place, whether they are based on EU legislation or not.

Once the UK has exited from the EU, the UK government may have the freedom to gradually amend legislation which has been influenced by Europe. However, a significant amount of EU pension-related legislation is written into UK law already, so there would need to be both a good reason and an appetite to amend this legislation as changes would cost time and money.

So, even once the UK has withdrawn from the EU, there may not be any immediate or significant reduction in legal requirements for UK pension schemes.

Therefore, we do not expect the start of the formal process to withdraw from the EU itself to affect your Fund benefits.

As well as keeping you informed of developments in future editions of Focus, we will provide updates online at [btppensions.co.uk](http://btppensions.co.uk) as Brexit progresses.

## What's happening to the State Pension age...

**A review into the State Pension age is currently underway, with the findings due to be announced in May.**

This review aims to make sure the State Pension system is affordable and fair, as well as supporting fuller working lives by giving people the chance to work longer.

An independent report has already recommended that the State Pension age should rise to 68 between 2037 and 2039. If the government adopts these proposals, you may be affected if you were born after April 1970.

**Your Fund benefits will not be affected by these changes, only your state benefits.**

Check your current State Pension age at [Gov.uk/state-pension-age](http://Gov.uk/state-pension-age). You can also get a forecast of your State Pension at [Gov.uk/state-pension-statement](http://Gov.uk/state-pension-statement). This includes:

- how much State Pension you have already built up; and
- what State Pension you might expect to get when you reach State Pension age.

## Get in touch:

Visit: [btppensions.co.uk](http://btppensions.co.uk)

Email: [csu@rpmi.co.uk](mailto:csu@rpmi.co.uk)

Telephone: **0800 2 343434**

### What do you think?

Scan the QR code to complete our short survey about this newsletter.

