



f focus:



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What's your goal?



How much income will you need when you retire?

You're already saving into a very good pension scheme – which is great! But it's important to know whether you're saving enough for the lifestyle you expect when you retire.

Think about it! - your pension has to cover the things you need, as well as the things you want (see page 2 for more).

If you think you need to save more, don't worry! You can apply to join an 'Additional Voluntary Contribution' arrangement such as BRASS or AVC Extra.

You choose how much to pay in and where to invest it. Plus the money you pay in will be tax-free!



Find out more about the benefits of AVCs at Btppensions.co.uk/all-about-AVCs or scan the QR code.



The maximum State Pension is currently

£164.35
a week,
(£8,546.20 a year)

Will this, plus income from your personal pension arrangements, be enough?

How does your future look?

What do you picture when you think of your retirement?



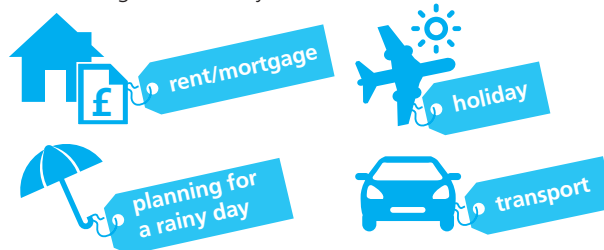
Many see it as an opportunity to do the things they've always wanted but never had the time to do. Others look forward to a slower pace of life, away from the rat race. But either way, you'll still face costs – whether for household bills, membership fees, gifts, holidays or the unknowns that crop up when you least expect them!

Expenses can soon add up, so make sure you plan ahead and save enough!



Action plan...

- 1 Estimate your expenses**
 Think carefully about the costs you're likely to face when you retire. Log into your myFund account at Btpensions.co.uk (or register if you haven't already) and look under 'Planning my future' to use the lifestyle calculator and get help estimating the income you'll need.



- 2 Check your forecast from the Fund**
 See what your Fund pension could be worth when you retire to see if it's on course to give you the income you need. A copy of your most recent annual estimate or statement is available in your online myFund account.



- 3 Calculate your State Pension**
 Visit Gov.uk/check-state-pension to see what your State Pension is likely to be worth and add this to any other private or workplace pension savings you have.



- 4 Think about topping up**
 If you can afford to put a little more towards your pension savings, consider joining BRASS or AVC Extra. Even small amounts – from £2 a week – can help towards your goals!



Message from the Trustee Chair

Making sure the Fund remains in the best possible shape is a priority for the Trustee Board.

With that in mind, we're pleased to share with you some key figures from the latest annual report and accounts (see the back page).

The Fund has benefited from another year of solid investment returns and both its membership numbers and overall assets grew during 2017.

A full copy of the report is available online at Btpensions.co.uk/reports.

We also welcomed a new appointment to the Trustee Board recently. Gerry Doherty joined in June as an Employee Director, appointed by the Transport Salaried Staffs' Association (TSSA). Gerry succeeds Steve Richards, who has retired as a trustee after 25 years' dedicated service.

On behalf of the Trustee Board, and all the members, I would like to thank Steve for his invaluable service and dedication to the railways pension schemes, and wish him a well-deserved retirement!

Best wishes,

JOHN CHILMAN
Trustee Chair



News round-up

This regular feature looks at developments in pensions that may be relevant to you as an active member of the Fund.

Protecting Defined Benefit Pension Schemes

The government has published a White Paper on defined benefit pension schemes called 'Protecting Defined Benefit Pension Schemes'.

The paper gives some information on pension policies that the government intends to bring into law. It also provides a response to the consultation on a Green Paper published by the previous government in February 2017, which the Trustee of the Fund responded to.

Defined benefit pension schemes (often called final salary or career average schemes), such as the Fund, will be covered by policies that the government progresses following the White Paper.

The White Paper focuses on various areas, including:

- **Strengthening the Pensions Regulator:** the government proposes to give the Pensions Regulator (TPR) power to punish people who deliberately put their pension scheme at risk by introducing fines. It will also introduce a new criminal offence to punish those found to have committed 'wilful or grossly reckless behaviour'.
- **Enabling the Pensions Regulator to enforce scheme funding standards:** TPR will consult on an updated code of practice on scheme funding, although this is unlikely to impact the next valuation of the Fund, at the end of this year.

The government, or the Pensions Regulator, will launch consultations on the various changes that may follow the White Paper. A consultation on some TPR information powers has also been launched recently.

We will keep you informed about any significant announcements that might affect your benefits in future editions of Focus or through updates on the Btppensions.co.uk website.

New pensions guidance body

We mentioned in the previous edition of Focus that the government plans to bring in a ban on cold calling for pensions. The ban is not yet in force but legislation is now in place to allow it to progress.

Under the same legislation, a new guidance body will replace the Money Advice Service, Pensions Advisory Service and Pension Wise. The new service is expected to be in place later this year. At the time of print, we don't know what it will be called, but we'll provide you with further information in a future newsletter.

BTP Scotland integration update

As we mentioned in the April issue of Focus, the Scottish Government is planning to integrate the British Transport Police (BTP) in Scotland into Police Scotland.

The Scottish Government announced on 20 February 2018 that the integration timetable is being reviewed and that the implementation date will be later than 1 April 2019.

The Trustee does not know when the Scottish Government will finalise its proposals in relation to pensions.

The Trustee will consider any such proposals carefully and will receive legal and actuarial advice before taking decisions. It will need to be satisfied that the decisions it takes are in the best interests of beneficiaries.



Get your online account today!

Register for myFund at Btppensions.co.uk/register. You'll need your:

- Pension reference number (you can find this on the message enclosed with your newsletter)
- National Insurance number
- Email address

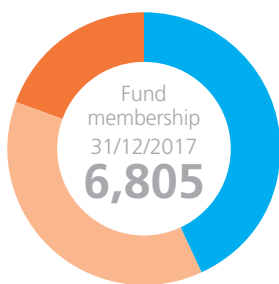
2017 Fund figures

The Annual Report and Audited Financial Statements for 2017 are out now. Here's how the Fund fared during 2017...

(Brackets indicate negative figures) £000

Opening net assets on 1 January 2017		1,226,600
Income	Member contributions	12,877
	Employer contributions (includes benefit support)	19,427
	Transfer values in	1,954
	Bank interest	1
Total income		34,259
Expenditure	Pensions	(41,594)
	Lump sums	(10,888)
	Transfer values out (including payment to leavers)	(347)
	Death benefits	(179)
	Admin fees	(2,215)
	Total expenditure	(55,223)
Investment returns		104,745
Net movement in the year		83,781
Net assets on 31 December 2017		1,310,381

Fund membership at 31/12/2017



Active (currently paying in)	2,940
Preserved (no longer paying in)	2,549
Pensioners (claiming pension)	1,316
Total	6,805

Distribution of assets by pooled fund

Pooled Fund	%
Growth	68%
Government bond	14%
Private equity	7%
Illiquid growth	4%
Long term income	3%
Infrastructure	1%
Index linked	3%
Total	100%

You can find a full copy of the report online at Btppensions.co.uk/reports.

2017 investment strategy

In 2017, the global economy finally experienced a year of coordinated robust growth, although still below the levels seen before the global financial crisis.

UK growth, however, slowed through the year and the outlook remains uncertain as negotiations on trade continue with the EU. Both consumer and wage inflation remain low globally which is not what we normally expect to see at this seemingly late cycle stage of growth where the economy nears full employment. As growth expectations rose throughout the year, investments in relatively riskier assets, like shares in companies, once again enjoyed stellar returns, helped by a period of unusually low volatility.

During 2017, the Fund continued to be invested mostly in the Growth Pooled Fund (Growth Fund). The Growth Fund holds different types of investments, including shares, bonds and property. The fund achieved a return of 11.6% in 2017, which was significantly above the RPI+4% target.

The Government Bond Pooled Fund is expected to be less volatile (less likely to experience sudden rises or falls in value) than the Growth Fund. Over the course of 2017, it produced a return of 0.4%. The Index Linked Pooled Fund achieved a return of 2.8% in 2017. The Fund also holds units in Pooled Funds invested in illiquid private markets and these investments showed positive returns in 2017.

What were the 2017 investment returns for each section?

Section	2017	Three years (per annum)
1970 Contributory Section	9.0%	9.7%
1970 Preserved Section	0.3%	6.0%
1968 Section	6.1%	9.1%

The 1970 Contributory Section is made up of serving officers, preserved members and pensioners.

The 1970 Preserved and 1968 Sections are made up of those who have left service but remain members of the Fund, and pensioners. They are therefore more mature sections.

Have your say

Share your feedback by completing our survey at SurveyMonkey.co.uk/r/FocusAug18



Pension queries

Visit: Btppensions.co.uk

Email: csu@rpm.co.uk

Telephone: 0800 2 343434 (Mon - Fri, 8am-5pm)