



# focus:



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# Ask yourself...

## If the worst happens to you - what happens to your lump sum?

A **cash lump sum worth up to 4x your annual final salary** could be payable to those you care about if you die while you're still paying into the BTPFSF.

**So please make sure you nominate the people or causes that really matter to you.**

Nominating **costs you nothing** - just a **few minutes** of your time.

In fact you could have **started in the time it's taken to read this** (please see right for more details).

\*You must have at least two years' qualifying service to be eligible for death benefits, although this may be waived if you die as a result of active service.

**4x your**

**£ annual salary**

## How to nominate...

1. Register/sign in to **[btppensions.co.uk](http://btppensions.co.uk)**



2. Tell us who your nominations are, submit form and you're done.



3. Check and update your nominations any time you want



# Message from the

## Chairman

**The word 'Trustee' may seem a bit old-fashioned and formal to you, but in fact nothing could be further from the truth.**

The Trustee Board exists purely to look after the wellbeing of the Fund and your benefits, and our main role is to ensure that its assets and benefits remain secure, sustainable and affordable.

I'd like to share a brief overview of what the Trustee – and the teams that support the Trustee and Fund – have been up to recently.

In 2013 we asked the Fund's administrator RPMI and its investments arm RPMI Railpen to take a close look at how the railways schemes' investment strategy and governance could be made more efficient and effective. I'm happy to let the Management Committee share the good news about the outcome of the project below.

We also prepared for the EU referendum by 'stress testing' our investment systems and processes in the event of a Brexit vote, and I'm pleased to say they stood up very well. In fact, the fall in the UK exchange rate actually boosted the overall value of the Fund's assets. However, we know it's early days and there will probably be 'shocks' in the future, as the Brexit negotiations unfold. The Trustee will be vigilant and take action whenever it's needed.

I would like to emphasise that the Trustee Board provides strategic direction for the Fund, and that it is only through our structure, and the invaluable support provided by lots of teams working tirelessly behind the scenes, that we can deliver successfully. This, of course, includes your Management Committee, which handles a lot of work on behalf of the Trustee.

The Committee meets four times a year to review its caseload – which is the second largest within the railway pension schemes – and looks at everything from monitoring the performance of RPMI's administration to considering incapacity applications from members and distributing lump sum death benefits, as well as keeping a very close eye on the Fund's purse strings.

With this in mind, I'm delighted to hand over the remainder of my message to your Committee.



**JOHN CHILMAN**  
*Trustee Chairman*



## ...and an important update from your Management Committee

**It's been a busy time for the Management Committee, with discussions taking place over the results of the 31 December 2015 actuarial valuation.**

Whilst the initial results are looking positive, the process is not quite finalised, so you will be informed of the actual results in the next edition of Focus.

You may have read a lot in the press recently about the impact of investment management and administration fees.

Whilst investment management fees do not directly affect your benefits, they are relevant to the investments of the Fund.

We are pleased that the Fund's administrator, RPMI, has recently confirmed that its administration fees will

remain unchanged during 2017 and 2018. This will mean that RPMI's fees have been frozen for ten consecutive years.

Also, since RPMI's investment team completed its 'Investment Transformation Project', many more investment services have been brought in-house. This has resulted in annual savings of over £100m across the BTPFSF and Railways Pension Scheme investment funds.

The Management Committee would also like to stress the importance of members completing a Nomination form.

We consider lump sum death benefit applications following the death of a member and it is a huge help to us if the deceased member has completed a Nomination form.

Even if you completed a Nomination form some time ago, you should regularly review and renew it, so we know it reflects your current wishes.

You can complete or renew your Nomination form online at [btppensions.co.uk](http://btppensions.co.uk). There's a lot of other information on this site which will help you to understand the benefits of being a member of the Fund, so why not login and have a look around?

Nomination form



**Update today...**

**it will only take a few minutes!**

# Sign up today...

## and see your benefits straightaway

### myFund is your personal online pension account.

#### ? Why should I join?

##### Because you can:

- see your full membership details
- complete your Nomination form and check your beneficiaries are up to date
- use your lifestyle calculator to figure out how much you may need in retirement
- check your BRASS funds (we're sorry but AVC Extra accounts aren't available online yet)
- also check your Annual Pension Estimate, download useful forms, and refer to Read As You Need guides if you need help with difficult pensions and tax topics.

#### How do I sign up?

- 1 You will need your pension reference number (find this in your Welcome Pack or your Annual Pension Estimate), National Insurance number and an email account.
- 2 Go to **btppensions.co.uk** and select **Register**
- 3 Complete the simple instructions to set up your myFund account and that's it... you're in!

*myFund  
is the quickest  
and easiest way  
to manage your  
retirement  
planning*

## Are you saving enough?

### Not sure? Then ask yourself these 3 questions:

#### ■ Am I saving enough into the Fund to enjoy the retirement I want?

If the answer is no, you can choose to pay Additional Voluntary Contributions (AVCs). The Fund has two types of AVC account: AVC Extra and BRASS (the latter is for 1970 Section members only).

AVCs are ideal if you have earnings which don't qualify for Fund pension, like bonuses and overtime. Plus, unless you exceed your Annual Allowance for tax relief, you get extra savings because they are taken from your salary before tax.

#### ■ If I have AVCs, do I need to set a Target Retirement Age (TRA)?

Yes. AVCs are invested in a number of different funds, some higher risk, others lower risk. If you are invested in a Lifestyle Strategy, you can choose your own TRA. This dictates when your funds start moving from 'higher growth' (ie riskier) to more 'stable' (lower risk) funds.

#### ■ Can I change my TRA?

If you are in BRASS and want to choose or change your TRA, sign into [btppensions.co.uk](http://btppensions.co.uk) and go to 'Change my Brass Holdings'. AVC Extra members can call the Helpline on 0800 2343434.



## Applying for your pension

**If you're getting close to retirement and want to kick-start the process for claiming your pension, don't worry – it's easy.**

Log into the Fund's website at **btppensions.co.uk** and go to Forms in the Resources section.

Select your Section – 1970, 2007 or CARE – and download the 'Application for Payment of Benefits' form. You can then print it out and complete, indicating how and when you want to take your pension.

Please note that the form can only be completed with the help of your employer, because RPMI needs a lot of detail to calculate your retirement benefits. Once it has been sent back to RPMI, we will contact you in due course to confirm the amount of pension you'll get.

Don't forget you can also request a Fund estimate at any time before retirement. Email [csu@rpm.co.uk](mailto:csu@rpm.co.uk) or telephone **0800 2 343434**.

Go to the AVC Extra and BRASS sections at [btppensions.co.uk](http://btppensions.co.uk) to find out more.

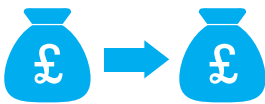
# Quick anti-fraud checklist

**Remember that scammers are looking for ways to exploit your new pension freedoms (e.g if you want to transfer your benefits or your AVCs to another arrangement to convert into a lump sum).**

Think carefully before you transfer – you can't go back once it's complete. You could lose all your pension and get landed with huge fees or a tax bill of up to 55 per cent.

## If you are under 55

- You can't release or 'cash in' your pension (unless you are too ill to work or you have a protected pension age).
- You can transfer your pension from one regulated scheme to another.



## If you're 55 or older

- You can use your pension to buy a regular income for the rest of your life (an 'annuity').
- You can use your pension to provide a flexible retirement income ('drawdown').
- You can take your pension as cash in stages.
- You can take the whole pot as cash in one go.



If you think you've been a target for fraud, call **Action Fraud** on **0300 123 2040**.

If you've been 'cold-called' about your pension, let **The Pensions Advisory Service** know on **0300 123 1047**.

# News roundup

## The State Pension age is under review

The State Pension age is currently being reviewed - the first in a system of regular reviews which will take place every five years. Any recommendations arising from the current review will be announced by May 2017.

An interim report and consultation has already been published, looking at wide-ranging aspects of the current system, such as alternatives to a universal age, reflecting the differing life expectancies among different sections of the population.

The review's principles are that the State Pension system is affordable and fair, as well as supporting fuller working lives by giving people the chance to work longer.

Any changes proposed as a result of the review are not expected to apply before 2028, by which time the State Pension age will be 67 due to changes already in law.

This means that any changes are unlikely to affect anyone born in the early 1960s or before.

Please note that any change in the State Pension age will not affect when you can take your Fund benefits as this age is governed by the rules of the Fund.

### Find out more about your State Pension

You can check your current State Pension age at [gov.uk/state-pension-age](http://gov.uk/state-pension-age) and request a forecast of your State Pension at [gov.uk/state-pension-statement](http://gov.uk/state-pension-statement)

### Brexit update

Brexit's long-term effect on UK pensions is still uncertain – all that we know at the minute is that there are no immediate changes for UK pension schemes.

However, the government has announced a Great Repeal Bill which will bring all EU law in force on the date the UK formally leaves the EU into UK law. This means all these laws can be reviewed and amended by the current and future governments when the need arises.

The government plans to trigger Article 50 by the end of March 2017, which means that the UK will have withdrawn from the EU by the end of March 2019.

## Work and Pensions Committee review

After the collapse of BHS and the various pension aspects associated with its failure, Parliament's Work and Pensions Committee launched an inquiry into pension law and regulation governing defined benefit pension schemes.

The findings may help to shape how the law develops for defined benefit pension schemes such as the Fund.

## Autumn Statement

The Autumn Statement will be announced on 23 November 2016. Look out for updates on this, and the other stories in your news roundup, at [btppensions.co.uk](http://btppensions.co.uk) and in upcoming newsletters.

## Get in touch:

Visit: [btppensions.co.uk](http://btppensions.co.uk)  
 Email: [csu@rpm.co.uk](mailto:csu@rpm.co.uk)  
 Telephone: **0800 2 343434**

### What do you think?

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

