



focus:

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You're on to a
good thing!



Tax relief is one of many benefits to your Fund membership.

Whenever you pay into the Fund, your contributions are paid from your gross pay. This money would otherwise be taxed before it hits your bank account, so think of it as a helping hand towards your retirement saving.

Additionally, your payments to the Fund are made through salary sacrifice. This means you effectively 'give up' part of your salary equal to your annual Fund contributions and, instead, your employer pays that amount into the Fund on your behalf, so you end up paying lower National Insurance contributions.

Consider it a reward for planning responsibly for your future!



But remember the limits...

There are limits surrounding tax-free pension arrangements – both annually and over your lifetime. These are known as the Annual and Lifetime Allowances. You'll be charged tax on anything over these limits.



Watch our short video at [Btppensions.co.uk/tax-limits](https://btppensions.co.uk/tax-limits) or by scanning the QR code to find out about tax relief 'in a nutshell' from Sid the Squirrel.

What is a Summary Funding Statement?



The Scheme Actuary has completed his review of the funding position of the Fund at 31 December 2017. We have enclosed a copy of your Summary Funding Statement (SFS) with this newsletter.

Your SFS shows the estimated funding position of each Section of the Fund as it stood at 31 December 2017. It explains the main reasons for any changes in funding position since the previous update at 31 December 2016.

Your SFS also includes a section showing the solvency position for the Fund if it were to be wound up at 31 December 2015. It is a legal requirement to include this information; it doesn't mean there are any plans to wind up the Fund.

The SFS only shows a 'snapshot' of each Section's funding position at a given point in time and funding positions are constantly changing.

You earned it – don't lose it!

Make sure you know the warning signs of pension fraud!

If you fall victim to pension fraud, you could lose all of your pension savings and face tax charges on top!

There have been reports recently that fraudsters have claimed to be calling from The Pensions Regulator, so please be careful.

How to protect yourself

- 1 Reject unexpected offers**
Ignore cold calls and offers about pensions 
- 2 Check who you're dealing with**
Advisers should be registered with the Financial Conduct Authority – check the register at Register.fca.org.uk
- 3 Don't be rushed or pressured**
Be wary of 'limited' offers and always take your time to make all the checks you need 
- 4 Get impartial information and advice**
Contact The Pensions Advisory Service, Pension Wise or independent financial advisers for guidance on your options

You can learn more about scams at Pension-scams.co.uk or FCA.org.uk/scamsmart/how-avoid-pension-scams

Chair's message

How often do you check your bank account? Twice a week? Twice a month? Even if you don't look at it all that regularly, chances are you'll still have a rough idea of what it's worth.

But what about your pension? Or even previous pensions you've paid into. Do you know what they're worth and what you can expect when you retire? Maybe not.

Yet it all forms part of your savings and your future livelihood, so shouldn't you take the time to see where you stand?

Keeping tabs on it is easier than ever thanks to the website – Btpensions.co.uk – where you can register for (or sign into) your own personal account and keep track of how much you pay in to your Fund pension and what you might expect to get out.

You should be keeping an eye on any investment funds you've chosen if you pay into BRASS or AVC Extra, too. After all, you wouldn't place money on a horse and then forget to check if it won!

Remember, you can switch those investment choices at any time if they're no longer meeting your needs, or change how much you pay into them.

The New Year will soon be upon us so it's a great time to resolve to manage your finances that little bit better!

Best wishes,

JOHN CHILMAN
Trustee Chair





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

Autumn Budget 2018

This year's Autumn Budget was held on 29 October 2018. Although there had again been rumours of pension-related changes in the run up to the Budget, there were no major announcements affecting pensions.

However, the following items were confirmed:

- The Lifetime Allowance will increase from £1,030,000 to £1,055,000 with effect from 6 April 2019. This is in line with the September 2018 CPI figure of 2.4%.
- The government will work closely with the pensions industry and provide some funding to support the development of pensions dashboards, which will help people to see information about all their pension savings, including their State Pension, in one place. No date has yet been provided for when the first dashboards may be in place.
- The government will be bringing into force its legislation to make pensions cold calling illegal (read more below).

The draft Scottish Budget for 2019/20 will be published on 12 December 2018.

Government ban on cold calling

The government confirmed at the Budget that it will bring into force its legislation to ban cold calling on pensions as soon as possible. This means that it will soon be illegal for you to be approached by phone about a possible transfer of your pension benefits.

Although the ban covers unsolicited phone calls, you should also be very wary of pension review offers that you may see elsewhere, such as on social media platforms.

The Financial Conduct Authority and The Pensions Regulator have recently launched new ScamSmart material to help people avoid pension scams. If anyone approaches you or wishes to speak to you about your pension, you should visit www.fca.org.uk/scamsmart to help protect yourself from pension scams.

Benefits for dependants



Your dependants could get a pension from the Fund when you die.

Pensions may be granted to:

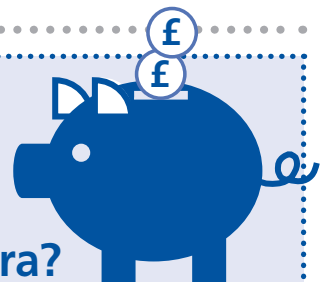
- **An eligible spouse** – through marriage or a civil partnership – who you were living with at date of death.
- **A legal spouse** – through marriage or a civil partnership – who you were separated from and not living with at the date of death.
- **Eligible dependants** – a maximum of three people who were fully or largely dependent on you financially for at least two years immediately before death. Excludes eligible spouses and children.
- **Eligible children** – your children may receive a pension up to the age of 18, or up to age 23 if in full-time education, or for life if the child is disabled.

Committee changes

Sarah McGarel and Will Jordan have joined the Fund's Management Committee.

Sarah, who is Chief Financial Officer for the British Transport Police Authority, is an employer-appointed member, while Will was appointed to the Management Committee in the seat appointed by the Chief Constable, after consultation with representatives of ranks not represented by the British Transport Police Federation.

The Management Committee is made up of 12 members and acts on behalf of the Trustee to make certain management decisions for the Fund.



Do you pay into BRASS or AVC Extra?

Check your fund choices are still right for you!

You can find more information at
Btppensions.co.uk/BRASS-fund-choices or
Btppensions.co.uk/AVC-Extra-fund-choices



Investing for sustainable returns

The Fund aims to achieve better risk-adjusted returns for members by taking environmental, social and governance (ESG) factors into consideration as part of its investments.

RPMI Railpen manages investments on behalf of the Fund and Trustee.

As a long-term investor, it considers long-term risks and opportunities, and a key part of its investment strategy is what's known as 'sustainable ownership'.

Essentially, this means it encourages the companies it invests in to have responsible corporate practices (on tax, for example), effective risk and control structures, and a healthy workplace culture.

It believes companies with these characteristics are better placed to manage their risks and make the most of opportunities presented by ESG factors and changes to the demographics of their customer base.

Encouraging high standards of governance...

Among its many investments are shares in companies, and RPMI Railpen has a long history as an active and engaged shareholder,

with a strong heritage in holding organisations to account on their governance.

In 2016, for example, RPMI Railpen voted against the Board of UK retailer Sports Direct, in which it is a shareholder, and backed a resolution calling for an independent review of working practices at the company.

Social influence...

As a shareholder in Woolworths Group Limited, RPMI Railpen supported a resolution which led to the Australian retailer announcing it would introduce a programme to ensure all labour providers operating in Woolworths' direct fresh food supply chains comply with labour and human rights standards.

It has also committed to Palatine Private Equity's Impact Fund. This fund focuses on small and medium-sized UK company buyout opportunities that have a clear social/environmental benefit.

The fund invests in companies making a positive social or environmental impact, like TradeSkills4U, which helps retrain Army leavers as electricians.

Looking at long-term environmental issues...

RPMI Railpen considers climate change to be a significant issue and works with other organisations to help address it. Here are a few of the actions it has taken in recent years:


- By signing the Montreal Pledge, it committed to annually measure and disclose the carbon footprint of the Scheme's equities portfolio.
- In 2016, it commissioned TruCost to provide the emissions data for the Scheme's equity portfolio and brought the data analysis in-house to better understand its carbon exposure.
- It was one of the founding signatories to the Transition Pathway Initiative, which assesses how companies are preparing for the transition to a low-carbon economy.
- Railpen is a founder signatory of Climate Action 100+, a five-year investor initiative to engage with the world's largest corporate greenhouse gas emitters.
- It is a supporter of the Task Force on Climate-related Financial Disclosures (TCFD), which asks companies to disclose their governance, strategy, risk management, and metrics and targets related to climate risk.

You can view a copy of the Sustainable Ownership Report, which summarises activities during 2017, at [Btpensions.co.uk/sustainable-ownership](https://www.btpensions.co.uk/sustainable-ownership)

Pension queries

 **Visit:** [Btpensions.co.uk](https://www.btpensions.co.uk)

 **Email:** csu@rpm.co.uk

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

Have your say

Share your feedback on Focus, and make suggestions for future issues, by completing our survey at [SurveyMonkey.co.uk/r/FocusDec18](https://www.surveymonkey.co.uk/r/FocusDec18)

