



focus



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Are you ready to retire?

Stopping work can mean a big change to your lifestyle and finances. If you're hoping to retire soon, you need to plan ahead.

Use these handy checklists to make sure you're ready when the time comes to retire.

Check



Your pension account

You can request an estimate of your Fund benefits online by logging into your myFund account at btppensions.co.uk/login. Estimates are free and usually ready within an hour.

The options for taking your pension

When you reach normal retirement age, you will have several options. Which options are available to you will depend on the section of the Fund you are in. You can find out more by reading your Member Guide, which you'll find in your myFund account. We strongly recommend you get advice before you make any big decisions.

When you can get your workplace and State Pensions

Most members will be able to get their Fund benefits at 55. For people aged 55 in 2021, you will not get your State Pension until you are 67. Find out more about minimum pension ages on page 3.

Assess



Any other pension savings

If you have other pensions, get estimates of their values and make sure your contact information is up to date. To trace a lost pension, you can use the Government's tracing service at gov.uk/find-lost-pension

Your savings and debts

Know how much is in your savings accounts or other investments. If you have debts like a mortgage, car finance or credit cards, make sure you know when these payments will end.

How much you will need to retire

Check if you'll have enough income from your workplace pension and other savings to afford your standard of living. Factor in your debts and the length of time between retiring and getting your State Pension. See retirementlivingstandards.org.uk for help with your budget.

Get ready



Be organised

Make sure RPMI has your correct contact details, and that you have recently filled in a nomination form. You can do this online.

Consider getting independent advice

We can give you information about your pension, but we can't give you advice about what's best for you. Find an Independent Financial Adviser at unbiased.co.uk or call **0800 023 6868**.

Chair's message...

After the challenging and uncertain times of 2020, I hope we will see some normality returning over the coming months.

Of course, there will always be reasons to adapt and overcome. Not least the ongoing impact of COVID-19 and the consequences of Brexit that are now in play.

Whatever comes our way, your financial future remains our number one priority. We will continue to support the Fund and make payments to our members, with minimal disruption.

We also want to help you feel in control of your pension and what it can do for you.

With that in mind we've listened to your feedback about these newsletters. Over the next year we'll bring you articles on your pension and savings at each stage of your career.

It is also a time to be extra wary of scammers who are using the pandemic as an opportunity to steal your hard-earned pension fund. If you're considering transferring your pension, or have been approached by someone offering advice, make sure you do your research before making any decisions. If something doesn't feel right, it probably isn't. If you've already signed something you're now unsure about, call Action Fraud on **0300 123 2040** and contact RPMI straight away on **01325 342801**.

In the meantime, I hope you and all your loved ones are well, safe and managing as best you can.

Best wishes



Chris Hannon, Trustee Chair

Pension and divorce - what happens to your money?

The end of a relationship can be difficult, not just emotionally but financially too.

If your marriage or civil partnership ends in divorce then your pension will be taken into account in any financial settlement with your former spouse. In England or Wales, legally this can include every penny of your workplace pension, even the amount paid in before you were married and after you separate. In Scotland, the law takes into account the amount paid in during your marriage until you separate.

How your pension can be included in the divorce

1. Pension Offsetting

- You keep your pension in its entirety
- Your ex-spouse is awarded something of the same or similar value – like property.

2. A Pension Attachment Order

- Payments from your pension go to your ex-spouse when you start getting the pension yourself.
- The amount awarded to your ex will remain in the Fund until then, but you will not be able to touch it.
- If you die before you start to receive your pension, your ex will not get the share awarded to them. They might still receive some of the lump sum which could be paid out when you die.
- If your ex dies or remarries then they will not get their share and it will all go back into your pension pot.

3. A Pension Sharing Order

- A percentage of your pension and lump sum is awarded to your ex-spouse
- Their share is taken off your total in a process known as 'pension debit'.
- Your ex takes control of their share, known as 'pension credit', as soon as the order is granted. They don't have to wait until you retire.
- Once the payment is made, your ex won't have any further claim on your pension.
- They can use their pension credit to set up their own arrangement with a provider of their choice.
- Your ex's pot will be completely separate to yours, which means they will keep their benefits, even if you die or they re-marry. You will also not get the money back if your ex dies before you do.

Starting court proceedings

You will need the following details about your pension:

- The value of your benefits if you moved your pot elsewhere – known as a Cash Equivalent Transfer Value (CETV)
- The amount of the lump sum payable if you die
- Details of any dependant's pension that may be due
- How long you have been paying into the Fund – known as your period of membership.

We can give these details to you, your solicitor or the court, but for security reasons, cannot share them with anyone else.

You might find it useful to speak to a family lawyer and/or Financial Adviser. You can also found out more in the guide to divorce and pensions in the Read as You Need section of your website btppensions.co.uk/rayn-guides



News round-up

A round-up of the latest developments that may affect your pension...

New protection for pension savers

Pension savers will soon benefit from greater protection, thanks to a new Pension Schemes Act. The Act extends the sanctions that can be delivered by The Pensions Regulator (TPR), including larger financial penalties and new criminal charges to deter companies that abuse the pension system.

It will also tighten the rules around transfers, offering more protection from pension scams, which often exploit the transfer process.

The Act also means that workplace pension schemes have to consider climate change in their operations and investment decisions and report back to members on how that's been done. We will keep you updated as this moves forward.

Minimum Pension Age to rise

The Government plans to increase the minimum age for accessing pension savings, from 55 to 57. This is expected to come into force from 2028.

It will tie in with an increase to the State Pension age, which will rise from 66 to 67. State Pension age is then likely to remain ten years above the minimum pension age moving forward.

It is unclear whether these changes will affect existing members, but we will let you know as soon as we can.

In the meantime, you can check your State Pension age at [gov.uk/state-pension-age](https://www.gov.uk/state-pension-age)

Budget 2021

The Chancellor announced a freeze on the amount of pension savings that you can build up before you pay extra tax. This is known as the Lifetime Allowance. The Budget confirmed that the Lifetime Allowance will stay at its current level of £1,073,100 until April 2026.

This is most likely to affect those with relatively high levels of pensionable pay and long periods of service in their pension schemes.

Because the Lifetime Allowance is being frozen for five years, your pension savings may increase during this time whereas the allowance itself will not. This means that more members will be affected by the Lifetime Allowance as time goes on. Read more online at:

www.gov.uk/tax-on-your-private-pension/lifetime-allowance

Pensioners living in the EU

The UK officially left the EU on 31 December 2020.

If you're a British citizen living abroad, then this departure should have little impact on your pension income. UK law still allows workplace pensions to be paid overseas, and the UK government currently does not expect that to change.

Manage your fund online

It's easy to securely manage your pension online to help you plan for your retirement.

Here's what you can do on your myFund account:

- Check your benefits in the Fund
- Request pension estimates as many times as you like - they are typically ready within an hour
- Check and update your contact details
- View and update your death benefit nominations
- Access messages about your pension account
- View and switch your AVC funds to suit your personal circumstances.

Log in or register today at: btppensions.co.uk/login

Get the most for your pension

If you have joined the Fund recently, on or after 1 April 2015, you are a member of the CARE section.

CARE stands for 'Career Average Revalued Earnings'. You may have just started your career or have been working for a long time, but it's never too early – or too late – to start planning for retirement. As a Fund member, you're in a great position to do just that.

If you want to retire soon, there's a list of things to think about on the front cover of this newsletter. For everyone else, there's steps you can take now to make sure you'll have the standard of living you want, when the time comes to stop work.

- Make sure you have registered for your myFund account - btppensions.co.uk/login
- Check your latest statement or request an estimate of your retirement benefits. You can do this in your myFund account.
- Consider boosting your pension by making Additional Voluntary Contributions. They are a tax-efficient way to save more cash for retirement. You can contact your payroll department to join.
- Check your tax limits. Most people will not save enough annually or in their lifetime to go over the allowance, but this may not be the case for higher earners, or people who have paid large contributions. There are tax guides on the Fund website: btppensions.co.uk/rayn-guides
- Fill in a nomination form. By nominating, you can say who you'd like a cash lump sum to be paid to if you die. You can nominate online once you've registered for your myFund account.
- You may feel that paying into a pension scheme isn't right for you at the moment. You can opt out of the Fund at any time by contacting RPMI. Once you leave the Fund, and if you are not yet eligible to take your benefits, you will become a 'deferred' member.
- It's a very good idea to take advice before making any decisions about your pension. Go to Unbiased.co.uk for a list of independent financial advisers in your area.



Have your say



Have you enjoyed reading this newsletter? Would you like to have your say on this, and other communications we send about your pension?

By signing up to our member advisory group, Platform, you can make sure your views are heard. You could also help shape the way we communicate in future.

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 2021.

Sign up to Platform at btppensions.co.uk/platform

All you need is your:

- name
- date of birth
- pension reference number, which you can find on the message enclosed with this newsletter.

Pension queries

Visit: btppensions.co.uk

Email: csu@rpmi.co.uk

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

Help us improve Focus

Your feedback matters.

Please fill in the survey online at surveymonkey.co.uk/r/aprilfocus21 or find the survey by scanning the code. Android users can use a QR scanner app. iPhone users can hold the camera lens over the QR code then tap on the pop-up to open your browser.

