



# focus:



## IN THIS ISSUE:

- Get your savings on track
- Latest pension news
- Manage your fund online
- Getting help and advice



**Boost your pension savings today**

**If you've got dreams of regular holidays, rounds of golf on the best courses, or helping your children onto the property ladder, now is the time to consider additional voluntary contributions (AVCs).**

If you've been paying into a pension fund for a while, you might be thinking about your lifestyle when the time comes to stop working. You can find out how much you might need to have saved for a comfortable retirement on page 2.

The good news is that you are a member of a rewarding pension scheme. But if you want the retirement you've dreamed of, it's never too soon - or too late - to try to boost your Fund with AVCs.

AVCs are a flexible way to make extra savings from your pay, before tax. They are paid on top of normal contributions and you choose where they are invested, from a range of funds selected by the Trustee.

If you have earnings which don't count towards your Fund pension, like overtime and bonus payments, or want to take your benefits early (if you're eligible), then AVCs are a great way to save more towards your future.

You'll also get government tax relief on anything you put in (up to your annual allowance - currently 100% of your annual earnings, or £40,000, whichever is lower for most members).

You can join **BRASS** if you joined the Fund before 1 April 2007.

- You can contribute as little as £2 a week or £10 a month.
- You can check and change your investment funds whenever you want. The Trustee will offer investment options and you can decide what is best for you.
- Your BRASS benefits are added to your main Fund benefits when you retire. You must then take the equivalent of what was in your BRASS account as a cash lump sum.

You can join **AVC Extra** if you joined the Fund on or after 1 April 2007 **or** if you joined before 1 April 2007 and already pay the maximum to BRASS.

- The Trustee chooses the funds available to invest in, and you can decide which fund, or combination of funds, is the best for you.
- When you retire, up to 25% of your AVC Extra account can be taken as a tax-free lump sum.

The remaining value can be used to buy an annuity (a guaranteed income for life), as a flexible income known as drawdown (see page 3), or taken as a taxable cash lump sum.

To start boosting your pension with AVCs, contact your payroll department today. For more information see the guides on [btppensions.co.uk/resources/read-as-you-need-guides](https://btppensions.co.uk/resources/read-as-you-need-guides)

## Chair's message...

### Welcome to Focus.

While many of us are still working remotely, we continue to support the Fund with minimal disruption and your financial future remains our number one priority.

We also want to help you feel in control of your pension and what it can do for you. I encourage all members to register for myFund account at [btppensions.co.uk](https://btppensions.co.uk), and log in regularly. (An explanation of how to do this is on page 3.) The website has a wealth of resources to help you plan for your future, including the new Retirement Budgeting Calculator. While you're logged in, take a few minutes to make or update your nominations. A completed nomination will tell the Trustee where you would like any money to be paid if you die.

Now as much as ever, it's important to stay aware of scammers trying to cheat you out of your hard-earned pension. The Financial Conduct Authority recently reported that more than £2 million has been lost to pension scammers since the start of 2021. If you are thinking of transferring your pension, please be extra vigilant. Visit [btppensions.co.uk/resources/safety-and-scams](https://btppensions.co.uk/resources/safety-and-scams) before making any decisions.

Best wishes

**Chris Hannon,**  
Trustee Chair



## Get your savings on track

Wherever you are in your career and pension journey, it's good to know whether your savings are on track to give you enough income, and what you can do if the numbers don't add up.

### Your costs when you retire

The Retirement Living Standards are benchmarks for the income you might need in order to afford different lifestyles - minimum, moderate and comfortable. Full details can be found at [retirementlivingstandards.org.uk](https://retirementlivingstandards.org.uk). But as a general rule, they suggest the following:

	MINIMUM	MODERATE	COMFORTABLE
SINGLE	£10,200 a year	£22,200 a year	£33,000 a year
COUPLE	£15,700 a year	£29,100 a year	£47,500 a year
What standard of living you could have	Your basic day-to-day needs, with a little money left over for fun.	More financial security and flexibility, in your day-to-day needs and extras e.g. one foreign holiday a year.	Financial freedom in your day-to-day needs, plus a few luxuries on top.

### How to know if you're on track

The simplest way to check if you're on track is to look at whether the costs you'll have in retirement are likely to be covered by your income. Keep in mind, this could be affected by a number of other factors, such as when you retire, what options you take for claiming your pension, life expectancy and tax on your sources of income.

### Log in and take charge of your pension

Log in to or register for a myFund account by visiting [btppensions.co.uk/login](https://btppensions.co.uk/login). Once registered you'll have access to the Retirement Budgeting Calculator, which you can use to find out if your current level of pension benefits and/or savings will be enough, or if you'll want to make adjustments.

You can use the calculator together with your latest benefit statement, or quickly and easily get an up-to-date estimate using the link on the dashboard once logged in to your myFund account.

There's lots of resources in the Planning for Retirement section of the myFund website, including a video explaining the different options for taking your pension.

### How to fund your retirement

You may have several sources of income when you retire, so take stock of each and work out how much you may have in total. This could include:

- your workplace pension – check your Annual Benefit Statement or log in to your myFund account for an estimate of how much your pension will pay out
- your State Pension – you can request an estimate at [gov.uk/check-state-pension](https://gov.uk/check-state-pension)
- other pensions – you may have a private pension or pensions linked to previous jobs. You'll need to speak to each of the providers for estimates on those accounts
- savings and investments – if you have savings outside your pension, get those statements from your bank or other provider

### What to do if it doesn't add up

If you're worried that your income in retirement won't cover your costs, there are things you can do.

- Get advice – see page 4
- Consider topping up your pension pot with AVCs – see cover page.
- Think about late retirement – if you keep working past your normal retirement age then you may be able to pay into the Fund up until the age of 75, giving you more time to build up your pot. This is not a decision to be taken lightly and we suggest you speak with an Independent Financial Adviser first.
- Clear your debts – if possible, consider paying off any debts you owe before you retire.



### BTP members to be included in pensions dashboards rollout

In February, the Government passed The Pensions Schemes Act 2021, which included a programme to introduce pension dashboards. The dashboards will allow people to view all of their pension information in one place. It's hoped that being able to access information about State, workplace and other pensions schemes in one place, people will be better able to plan for their retirement, and reconnect with forgotten pension pots.

The Pensions Dashboards Program has recently published a consultation on the proposed timetable for pension schemes to connect to dashboards. The consultation proposes that the first wave of the rollout will involve the larger pension schemes, which may include the Fund. The initial rollout is expected to start in April 2023 and take two years to complete, although the proposals are subject to change.

### New protection from pension scams

The Government has recently consulted on regulations to prevent pension scams. The protocols would empower pension providers and Trustees to block transfers to potential scam arrangements, if certain conditions aren't met or warning signs are present.

For a transfer to be deemed safe, the conditions that need to be met are:

- The receiving scheme is one of a number of types which present a low scams risk;
- The transfer is to a workplace pension and the member has demonstrated an employment link;
- The transfer is to a Qualifying Overseas Pension Scheme and the member has demonstrated a residency link in that country; and
- If none of the other conditions apply, then if any red flags are present, such as incentives or pressure to transfer, the transfer will not be able to proceed. If there are any 'amber flags', such as unclear or high fees or unorthodox investment structures, the member must take specified scams guidance before the transfer can proceed.

The consultation closed on 9 June 2021 and the regulations are expected to come into force in autumn 2021.

### The new drawdown facility for those with AVCs

Fund members with BRASS or AVC Extra have a number of options for taking their benefits when they retire. One of these options is to get a flexible income, taking it a bit at a time. This is known as 'drawdown'.

The Fund does not offer drawdown directly. Instead, the Fund's administrator RPMI has partnered with Legal & General to offer members access to a new, value-for-money, high-quality, drawdown facility.

Before this, members choosing a retirement option would have been exposed to the open market, where many of the products came with costly fees.

While you are still free to shop around, the Trustee identified the need to give members access to a solution that was more competitively priced. Legal & General was chosen as the preferred option for members, following a detailed selection process. This is in line with pension freedoms introduced by the Government in 2015.

You can read more about your retirement options in the Planning for Retirement section of [btpensions.co.uk](http://btpensions.co.uk)

## Manage your Fund online

**It's easy to securely manage your pension online by registering for a myFund account. Visit [btpensions.co.uk/register](http://btpensions.co.uk/register) to get started, and watch a short video explaining these steps.**

If you've not logged in since summer 2020, you'll need to register again. You will need to have your pension reference number, National Insurance number and personal email address handy.

#### 1 Set up your security details by:

- creating a password
- choosing a security question and answer

Then tick the box to confirm you have read the terms and conditions and select 'register now'.

#### 2 Verify your account.

Check your email inbox or spam folder and follow the link in the email to verify your registration.

#### 3 Log in to myFund and create a piece of memorable information.

Once in your myFund account, you'll see your dashboard, and here's what you're able to do:

- 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
- Read messages about your pension account
- View and switch your AVC funds to suit your personal circumstances
- Use planning tools and watch helpful videos.



## Getting help and advice

**It's important you understand your pension and feel confident about making the best decisions for your financial future.**

We can help you understand the Fund and tell you how it works, but we can't give you advice relating to your personal circumstances. If you need help deciding what to do with your money, you'll need to talk to a financial adviser.

Liverpool Victoria (LV) has been carefully chosen to give members financial advice. LV can be contacted on 0800 023 4187.

You are still free to choose your own Independent Financial Adviser. You can find an IFA in your area at [unbiased.co.uk](http://unbiased.co.uk)

MoneyHelper brings together the support and services of three government-backed financial guidance providers: Money Advice Service, The Pensions Advisory Service and Pension Wise.

It offers free support on a wide range of financial matters, online and over the phone. This includes pensions, every day money, benefits, savings and money troubles. For more information, visit [moneyhelper.org.uk/](http://moneyhelper.org.uk/)

Don't forget, there's a wide range of information and planning tools on the Fund website – [btppensions.co.uk](http://btppensions.co.uk)

## Help us improve Focus

**Your feedback matters.**

Please fill in the survey online at [surveymonkey.co.uk/r/augustfocus21](http://surveymonkey.co.uk/r/augustfocus21) 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.

## Pension queries

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

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

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



## Behind the scenes of your pension

**The money from your Fund contributions is carefully managed by a group of specialist employer and elected member representatives, known as the 'Trustee'.**

The Trustee's job – along with the help of our team of pensions and investment specialists, is to regularly check that the Fund administration and financial investments are doing well and to keep you informed.

The Trustee works closely with our team of pensions and investment experts. These investment and financial specialists are known as the Fund's 'investment manager' or RPMI Railpen. Together, their responsibility is to pay your pension securely, affordably and sustainably. With their combined professional knowledge and financial market insight, this team makes careful and informed decisions on where to invest your money, so that you receive the benefits you were promised.

RPMI Railpen and the Trustee also work with the Fund's Management Committee, which provide additional oversight and helps the investment specialists and Trustee to understand the member perspective. The Railpen Investments Board oversees the management of the pooled funds for the Trustee. This Board is chaired by an independent non-executive director (iNED), with two other iNEDs, four Trustee Directors, and two executive directors being the Chief Executive and Chief Financial Officer.

You can read more about the Trustee online at [btppensions.co.uk/about-us/the-trustee](http://btppensions.co.uk/about-us/the-trustee)

## Your chance to win £150



**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](http://btppensions.co.uk/platform)