



focus:



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A little help goes a long way

Knowing when to seek independent financial advice could make all the difference when it comes to your retirement planning.

The Scheme's administrator, Railpen (formerly RPMI), has appointed LV (Liverpool Victoria) to provide advice to all Fund members. This includes CARE members as well as those in the 1970 and 2007 Sections.

What does LV cover?

- retirement options and planning
- financial planning
- tax support
- transfers

How much does the service cost?

With a dedicated team that has specific knowledge on the Fund, LV offers its services at a discounted rate for Fund members:

- For DB members, this is priced at £1995 for any type of advice
- For DC members, it's 2% of the fund value, with a cap of £7.5k
- Members who have both a DB and a DC pension can pay £1995 for the DB service, plus an additional £500 to cover DC.

While LV is not the cheapest option on the market, this service was carefully chosen based on both quality and cost.



Financial advice is optional in most cases. However, if you are a DB member looking to transfer to a DC arrangement and have a transfer value of £30,000 or more, you are legally obligated to seek advice before any transfer can be made.

LV can be contacted on **0800 023 4187**. You are still free to choose your own IFA (Independent Financial Adviser), which you can find on **unbiased.co.uk**.

Make sure to log into or register for your online account at **btppensions.co.uk/login**. You can request estimates and update nominations when you log in. There are also tools designed to help you understand your pension and consider your options. This includes the Retirement Budgeting Calculator and the video library, which covers topics such as planning and saving, tax and your retirement options.

Chair's message...

Welcome to Focus.

As a responsible investor and advocate for a better world, Railpen has published the annual Sustainable Ownership Report, which highlights the way climate change is considered in the way pension contributions are invested on your behalf. This is a big part of what Railpen does to protect and enhance the value of your savings, as well as to improve our world.

You may have noticed that RPMI has recently changed its name to Railpen and has a new logo. This change more accurately identifies what the company is about but does not affect the day-to-day administration or management of your pension. The same people continue to support you on your journey

towards—and during—retirement. And don't worry if you still see 'RPMI' from time to time—this is being phased out over the coming months.

If we can help you with any questions about your Fund pension, you can get in touch with us on **0800 012 1117** or **csu@railpen.com**. To keep up to date with your pension along with the latest updates, make sure to register for or log into your myFund account at **btppensions.co.uk**.

Best wishes



Chris Hannon, *Trustee Chair*



Transferring your pension

You can transfer your benefits out of the Fund to another scheme or provider if you wish. However, you should be aware of the risks and potential impact on your benefits.

If you are considering a transfer out, there's a lot to think about.

The risk of a pension scam

In November 2021, the government introduced new regulations to protect pension scheme members against unwise or illegal transfers.

Transferring your pension carries significant risks. Scammers often try to lure pension savers into illegal transfers, so make sure you know the warning signs. You can find information at **pension-scams.com**.

The new regulations help to protect you from scams. Depending on the type of the scheme you want to transfer to, you may need to provide 'evidence' or information to help us work out how safe the transfer is. Trustees can refuse transfers where there's a greater risk it may be part of a scam.

The impact on your benefits

You should also carefully compare the benefits of your Fund pension with any alternatives before you decide whether to transfer.

For most members, transferring your Fund benefits to a defined contribution (DC) arrangement is unlikely to be the best option. Your Fund pension will give you a guaranteed income for life once you retire. You may be considering a transfer to a DC arrangement to access your benefits in different ways but you could be trading that guaranteed income for a sum of money that could run out.

You should consider taking independent financial advice. In some circumstances, you must take advice before transferring. You can learn about the help and advice available on the front page.

More information on transfers

More information on transfers is available at **btppensions.co.uk/pension-transfers-and-retirement**.

You can ask for an estimate of your transfer value by logging in to your myFund account at **btppensions.co.uk/login**.

Drawdown options

If a transfer to a DC arrangement is right for you, one option you may then consider is drawdown (taking your pension pot a bit at a time). The Trustee has appointed Legal and General Investment Management (LGIM) to provide drawdown to Fund members with DC pension benefits.

With LGIM, you have options for your investment funds, and the default fund is specially designed for longevity and to protect you from any downturn in investment performance.

You can compare your options with other providers at **moneyhelper.org.uk/en/pensions-and-retirement/taking-your-pension/shopping-around-for-pension-income-products-at-retirement**

Focus on your loved ones

Take a few minutes to make your Nominations or update the ones you've made already. Updating your Nominations regularly lets the Trustee know where you would like any money to be paid when you die. Log into or register for your online account today at **btppensions.co.uk/login**.





Are you MoneyFit?

Take control of your financial wellbeing with a new tool designed to help you understand your financial circumstances.

MoneyFit is a free tool designed to help you take practical steps to improve the way you manage your money, and is part of the Fund's partnership with AHC Gallagher.

No logins needed

Go to rps.moneyfit.it/ and fill in a short, online questionnaire about your attitude to money – you don't have to log in or provide any personal information. You'll then be given a 'MoneyFit score' and a unique 'money personality' based on your answers, which will then form your personal action plan.

Plan for your retirement

Your MoneyFit action plan can include help with managing your money effectively and ideas for possibly contributing more to your pension savings, as well as guiding you towards more information.

You may want to seek independent financial advice before making any major changes – see the front page of this newsletter to discover more.

Changes to the Trustee Board

There are some recent changes to the Trustee Board, which oversees the Fund's investments, management and governance.

Your pension contributions are invested in a variety of assets that make up the investment portfolio, which pays the Fund's benefits. Many powers and duties of the Trustee are delegated to the Fund's Management Committee.

Joiners:

- **Fatima Baig**, Network Rail – 18/08/2021

Leavers:

- **Mick Lynch**, RMT – 24/06/2021
- **Meliha Duymaz**, Network Rail – 30/06/2021
- **Dave Tyson**, ASLEF – 30/09/2021

There will also be Trustee elections in 2022, and the Board is keen to welcome diverse, skilled, and knowledgeable candidates with a passion for pensions and a focus on serving members' best interests.

Those eligible for re-election:

Employer Directors:

- Chris Hannon
- Christine Kernoghan
- Richard Jones

Employee Directors:

- Gary Towse

Go green, go online

In an effort to save the planet's vital resources, when you make a request online – like adding a nomination – the response you receive will now be digital and not on paper through the post. It will arrive in your myFund account inbox. Thank you for your understanding – together we can make a difference.





News round-up

On 27 October 2021, the Chancellor, Rishi Sunak, delivered the Autumn Budget. There were some pensions-related announcements, including:

A fix for lower earners not receiving tax relief on contributions

The government has proposed a fix for low earners who have not been receiving tax relief on their contributions. This affects schemes where pension contributions are taken from members' gross salaries before income tax is deducted. These schemes are known as 'net pay schemes'.

The 'net pay' method of pension tax relief is used by most occupational schemes, including the Fund. Under this method, pension contributions are deducted from your pay before any tax is deducted. You then pay tax on your UK earnings minus your pension contribution. As a result, your tax bill will usually be lower and you get more take-home pay.

However, members who do not earn enough to pay income tax currently don't benefit from this tax relief.

To resolve this, a system will be introduced to make top-up payments directly to low-earning individuals that are saving in net pay schemes from the year 2024.

Normal Minimum Pension Age increase

The Budget also referred to the Finance Bill 2021-22, which is expected to include a measure to increase the Normal Minimum Pension Age (NMPA) from 55 to 57 in April 2028.

The NMPA is the earliest age most pension savers can access their pensions without incurring an unauthorised payments tax charge unless they retire due to ill-health.

Since 6 April 2010, the NMPA has been 55, unless a member has a Protected Pension Age (PPA) which allows them to take their pension benefits between 50 and 55.

Within the draft legislation, there is an exception for certain uniformed services pension schemes, including the Fund.

This means that members of the Fund will automatically retain a NMPA of 55. Members who already have a PPA of 50 will also be unaffected by the increase in the NMPA.

The draft legislation still needs to work its way through Parliament and is therefore subject to change.

Don't have time to wait around?

When you call our Helpline, you have the option to hold your place in the queue and hang up so you're not kept on hold. Once your call reaches the front of the queue, our system will call you back on the number you have provided and allocate it to one of our available agents to help you with your query.

Your chance to win £150



Have you enjoyed reading this newsletter? Would you like to have your say on it 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 2022.

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

Help us improve Focus


Your feedback matters.

Please fill in the survey online at surveymonkey.co.uk/r/FocusDec21 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

 Email: csu@railpen.com

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



Potts to add WLT and FSC logos into this area