

MEMBER UPDATE

The University of Warwick Pension Scheme
(UPS Defined Benefit Section)

JUNE 2021



From your Trustee Chairman

Welcome to our latest newsletter for members in the University of Warwick Pension Scheme. This update covers areas of interest for those in the defined benefit section (closed to new entrants in 2010) who are also provided with a Summary Funding Statement for 2020.

There's a lot to report on with regard to what's happened in the last twelve months but I would like to take this opportunity to also highlight what the Trustee will be looking at over the next year.



Mr James Hunt
Chair

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Looking back

Scheme Valuations

We wrote to members last September with an update on the progress being made with the funding of the Scheme and provided a summary of the results arising from the formal Valuation as at 31 March 2019 (defined benefit section). Whilst we provide funding updates each year and are including a funding update for 2020, we will in the coming months be starting preparations for the next formal valuation as at 31 March 2022. These formal valuations take place at least every three years.

Looking forward

Looking for a new challenge - Joining the Trustee Board

The Scheme and in particular the Trustee Board plays a valuable part in supporting our members and helping them prepare for retirement. The Scheme needs to be well run to ensure we can continue to pay these benefits as they fall due and to continue to provide value for members. There are currently two Member-Nominated Trustees Directors (MNDs) on the Board, one of whom will be seeking re-appointment in the autumn. In addition we have another vacancy so we will be writing to members later in the year to seek nominations and to set out the necessary criteria.

We always welcome enquiries from members who show an interest in becoming an MND and if you would like to learn more about what the role involves then please contact the Secretary to the Trustee, Joseph Devlin, phone number **02476 528113** or e-mail **J.devlin.1@warwick.ac.uk**

The University recognises the importance of having MND representation from staff and that's why MNDs are allowed paid time off in order to fulfill their duties, i.e. for training, preparing for and attendance at meetings.



As technology continues to change the way we live and work, we have become increasingly reliant on accessing information anytime, anywhere and on any device. Along with internet access to banking, shopping and booking those longed-for holidays there is now more demand than ever before to keep a check on our pensions.

In view of this we have decided to introduce Barnett Waddingham's secure online portal, BWebstream, which will give you access to their Member self-service website, an easy to use tool to help you manage your pension whenever and wherever it suits you.

You will be able to:

- ▶ access all of your personal information and make changes
- ▶ ask questions about your details or pension
- ▶ access online copies of important documents such as your Member booklet and other scheme information
- ▶ access monthly payslips and P60s (if you are already receiving your pension)
- ▶ securely receive electronic personal statements from the Trustees

As at the time of writing we anticipate that the website will be available from mid-May and details of how you register for this service will be provided nearer the time.

GMP EQUALISATION

In October 2018, the High Court ruled that trustees of UK pension schemes must ensure that Guaranteed Minimum Pensions (GMPs) are equalised for both males and females.

More recently, the High Court issued a follow-up ruling that pension transfer payments made since May 1990 also need to allow for GMP equalisation, where applicable. We're considering this latest ruling and the potential impact it may have on members who have previously transferred out. We'll be examining historic data to identify any transfer payments that may require a top-up and we'll address this with those people individually.

It is not expected that many members will be affected by this court ruling but because of the complexity of the topic and the need to review historic data going back decades it is anticipated that it could take around two years to complete our review. **There is no need for you to do anything.** The Trustee will assess your position thoroughly in respect of GMP equalisation and write to you individually if you're affected and we will keep you updated with our progress.



The State Pension

From April 2021, the State Pension increased by 2.5%. Check out the table below to see what you can expect to receive either if you are either a pensioner now or if you are still working in order to provide you with some idea of your prospective state pension for when you eventually retire. These indicative figures are in addition to the benefits arising from membership of the UPS Defined Benefit Section.

	2020/2021 weekly payment	2021/22 weekly payment	Weekly increase	Annual increase	Annual payment
New State Pension if you reached State Pension Age on or after 6 April 2016	£175.20	£179.60	£4.40	£228.80	£9,339.20
*Old Basic State Pension if you reached State Pension Age before 6 April 2016	£134.25	£137.60	£3.35	£174.20	£7,155.20

*Recipients of the Old Basic State Pension might qualify for extra payments depending upon their circumstances.

You may get slightly less than the New State Pension amount if you were paying into the UPS Defined Benefit Section when the scheme was contracted out of the Additional State Pension. This is because you paid less National Insurance into the state system at the time and the New State Pension takes account of that. This is this case if you were paying into the UPS Defined Benefit Section between April 1978 and April 1997 and reached State Pension Age on or after 6 April 2016.

Don't forget that when the scheme was contracted out, you were still building your UPS pension instead of the Additional State Pension.

Guidance

The amounts included in the table above should be used as a guide, as the payment you receive depends on your individual circumstances. For example, if you are single and you receive the Basic State Pension, this is how much you can expect, however if you are married you may be entitled to more.

Resources

Get more information on State Pension

www.gov.uk/state-pension

Contact the Pension Service at

www.gov.uk/contact-pension-service

State Pensions Information

www.which.co.uk/money/pensions-and-retirement/state-pension



Contact point

We encourage you to use the Warwick Pensions website to help with general queries.

If you need help then please email hr.pensions@warwick.ac.uk

Keep up to date

Remember if your home address changes whilst in employment then please keep your employer up to date. If you leave employment then please notify Barnett Waddingham. These companies write to you on leaving employment. Remember we cannot pay your benefits if we cannot locate you!



Scams

Scammers can be articulate and seem financially knowledgeable, with credible websites and testimonials that can seem difficult to distinguish from the real thing.

Scammers design attractive offers to persuade you to transfer your pension pots to them. It is then often invested in unusual and high risk investments or simply stolen. You should note that only in very rare circumstances, such as incapacity can you access pension funds before age 55 so if a website is promising easy access be very wary! In most cases, promises of early cash are likely to be bogus and can result in serious tax consequences for you.

If you need any information about your pension please contact us direct. Remember we can only provide information but we can't give advice. If you need to take advice please find a suitable independent financial adviser. The Financial Conduct Authority FCA website provides lots of helpful information.

The first link below provides you with a means of checking that the financial adviser is authorised

<https://register.fca.org.uk/s/>

Only use the contact details provided on the register to help prevent picking up bogus contact details from criminals that are cloning genuine sites.

The other link below provides advice on how to avoid scams.

www.fca.org.uk/scamsmart/how-avoid-pension-scams

Scams continue to pose an increasing threat to your retirement benefits. The Pensions Regulator has joined forces with the Financial Conduct Authority (FCA) in producing a TV advert to renew the awareness campaign. If you have not yet seen it, you can watch it online. Go to YouTube and search for "ScamSmart".

If you think you may be a victim of a pension scam, contact Action Fraud immediately. Phone **0300 123 2040** or go to their website and fill in an online fraud report.

www.actionfraud.police.uk

