

MEMBER UPDATE

JUNE 2019

The University of Warwick Pension Scheme (UPS)



From your Trustee Chairman

Welcome to our latest newsletter for members in the University of Warwick Pension Scheme. This update covers all categories of membership but those in the defined benefit section (closed to new entrants in 2010) are also provided with a Summary Funding Statement for 2018.

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



Mr James Hunt
Chair

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► Valuation 31 March 2019 (defined benefit section)

There is a valuation report due for 2019 (this takes place every three years) for the defined benefit section and the Trustee will be taking advice from the scheme actuary to determine how well funded the scheme is. We expect the report to be ready early next year and will keep you up to date.

► Merger of Zurich with Scottish Widows (defined contribution-Heritage and Enterprise sections)

Subject to certain legal requirements we are expecting Zurich (your pension provider) to merge with Scottish Widows. You should have already received

correspondence from Zurich that provides some background information on the merger along with an update on some procedural matters that emanate from the changes they are seeking to make. The proposed merger (if it proceeds as expected), does not change the contribution rates or the funds per se. You should be reassured that the Trustee reviews the funds in line with legal requirements and regardless of the merger was also planning to review the investment funds on offer as part of a three yearly cycle. In due course the Trustee will consider the Scottish Widows investment offering and if there are changes will write to you again.

You should note that aside from the proposed merger, the Trustee will report by October on a number of investment related matters including information on costs and charges, a value for money assessment and Environmental, Social and Governance (ESG) issues. ESG will also be covered for the defined benefit membership.

Looking back

Changes to Minimum Member Rates

By way of a recap, Heritage members (namely those on salaried or VAM contracts) can choose to invest between 3% and 5% and obtain a corresponding employer contribution of twice this amount paid into their Personal Account. The minimum rates changed with effect from April.

Contribution Rates Table (Heritage members)

| Member Contribution (as a % of your Pensionable Earnings) | Employer Contribution (as a % of your Pensionable Earnings) | Total contribution payable to your Personal Retirement Account (as a % of your Pensionable Earnings) |
|---|---|--|
| 3% | 6% | 9% |
| 4% | 8% | 12% |
| 5% | 10% | 15% |

Enterprise Section Members (Unitemps) have seen their contribution rates increase to the following:

| Member contribution as a percentage of banded earnings | Unitemps minimum contribution as a percentage of banded earnings | Total minimum contribution as a percentage of banded earnings |
|--|--|---|
| 5% | 3% | 8% |

Member Nominated Directors

In the last year we had two of our Member Nominated Directors (MNDs) step down, namely Ms Lauren Smalley and Ms Nina Song. I would like to thank them for their service. We also wrote to contributory members and pensioners inviting nominations and am pleased to report that Mrs Jenny Davies was appointed as an MND with effect from 13 March 2019.

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**. Training and support is provided by the University.

Looking forward

Member Engagement

The Pensions Team

In the last year the Pensions Team has organised or provided a number of presentations or drop in sessions for members.

We will continue to attend the Welcome to Warwick events and ask Zurich to perform presentations. Please visit our pension website: warwick.ac.uk/pensions for details of forthcoming events. We aim to vary the venues to different departments to help assist members that are spread throughout the campus.

Pensions website

To further assist our members we have improved the Warwick Pensions web pages by updating our material, provided a list of frequently asked questions and refreshed the layout. We would urge you to use it.



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

News bites

Would you Recognise a Pension Scam?

Pension scams continue to pose an increasing threat to your retirement benefits.

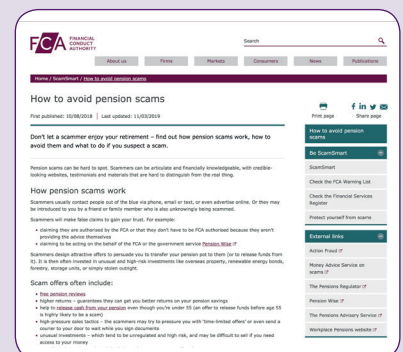
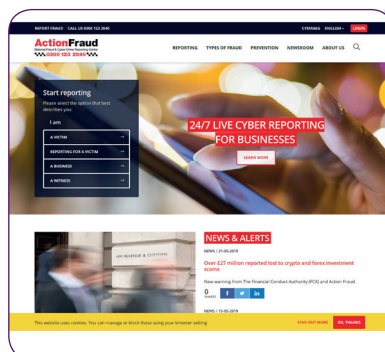
The Pensions Regulator has recently joined forces with the Financial Conduct Authority (FCA) in producing a TV advert to renew the awareness campaign. If you have not yet seen it, you can watch it online. Go to YouTube and search for "ScamSmart". Don't let a scammer enjoy your retirement!

For more information about pension scams, visit the FCA's website.

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

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



The State Pension



New State Pension
is here

More information at:
www.gov.uk/yourstatepension

Department
for Work &
Pensions

In any pension planning, it's very important to factor in your State Pension Entitlement - both the amount you are likely to receive and when you will be eligible to start receiving it.

For the 2019/20 tax year, the maximum State Pension is £168.60 per week, which is £8,767.20 a year. Remember this is the maximum and so depending upon your National Insurance record it could be lower. That's why it's important to have an occupational pension scheme like UPS in addition.

Remember: you do not automatically receive the State Pension, you have to claim it first. You can delay receiving it if you want to, which could increase your future entitlement. For more details, including when you will be able to claim your State Pension and how much you could receive (based on your National Insurance record), go to:

www.gov.uk/new-state-pension

Directors of the trustee company as at 31 May 2019

Appointed by the University of Warwick

Mr James Hunt (Chair)

Professor Emeritus Stuart Palmer

Professor Saul Jacka

Mr James McMeehan Roberts

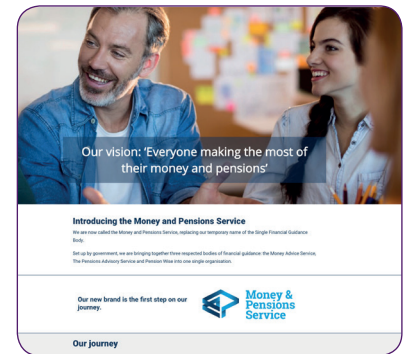
Appointed by the membership

Mr Quentin Compton-Bishop

Mrs Jenny Davies (appointed 13 March 2019)

One Place for Help and Guidance

From 1 January 2019, the three pensions guidance bodies - the Pensions Advisory Service, the Money Advice Service and Pension Wise - combined to create the Single Financial Guidance Body, ("SFGB"). With effect from 6 April 2019 the SFGB has since been renamed the Money and Pensions Service ("MPS").



Whilst the website has been updated to reflect the change in name the email contact address has yet to be updated

www.moneyandpensionservice.org.uk

[0115 9659570](tel:01159659570)

Contact@singlefinancialguidancebody.org.uk

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 your respective pension provider either Zurich/Scottish Widows or if you have defined benefits please contact Barnett Waddingham. These companies write to you on leaving employment. Remember we cannot pay your benefits if we cannot locate you!