

re:view



A step in the right direction...

...moving towards a paperless pension

In response to member feedback, we're taking steps to reduce the Scheme's environmental impact and make it easier for you to access your documents online.

What's changing?

From the end of 2024, you'll be able to get some pension paperwork online only rather than by post. If you've changed your address, you'll also need to tell us online.

The first documents to be moved online are:

- Annual Benefit Statements (ABS)
- Summary Funding Statements (SFS)
- Pension Saving Statements (PSS)
- Newsletters, including Review
- 'Wake-up' letters - a reminder to start making plans for retirement, which you'll get before you're due to stop work. You may still get a pre-retirement pack in the post to help you prepare for retirement.

You may not get all of these documents, as it depends on your membership. Any documents you do get will move online only from the end of 2024, unless you opt in to print.

If you opt in to print, these documents will be sent to you by post.

What does it mean for me?

If you have a myRPS account, you'll get your documents online from the end of 2024. Unless you tell us you want to opt in to print.

If you opt in to print, you'll get your documents by post, even if you have a myRPS account.

If you don't have a myRPS account AND you don't opt in to print, you'll get your documents by post. So, if you'd prefer to get things online, you need to register for a myRPS account.

Find out how you can make your preference known on page 2.

Chair's message

A warm welcome to your first Review newsletter for 2024.

I understand that finances, and the increasing cost of living are still a concern for most of us. Railpen and the Trustee work tirelessly to support you in achieving your long-term financial goals, by delivering the investment returns required to secure your future.

A great way to plan for retirement is to make the most of your valuable Scheme benefits while you're working. One of the best ways to do that is with a myRPS account, so make sure to register at railwayspensions.co.uk/register if you haven't already.

As a defined benefit (DB) member, you'll get a pension for life when you retire. It's up to you how you choose to use it, and you can boost your savings while you're still working with Additional Voluntary Contributions (AVCs). We explain your options in this edition of Review.

Some things in life are difficult to plan for, and we're here to support you through those times, too. On page 7, you'll find a short guide to divorce or dissolution of a civil partnership, and how it might affect your pension.

Did you know, the way your pension money is invested helps tackle climate change, fair treatment of workers and fair pay? You can learn how your pension makes a difference to the world we live in on page 8.

If you'd like to share your thoughts on this newsletter, please fill in our short survey. You'll find the details on the back page.



With best wishes

Christine Kernoghan,
Trustee Chair

What do I need to do to go paperless, or keep getting documents in print?

Go paperless - If you're happy to get your documents online, you don't need to tell us. But, you'll need a myRPS account to access them.

If you already have an account, you'll get some documents online automatically from the end of 2024. But, you'll still get them in print until then.

If you haven't got an account, you can sign up at railwayspensions.co.uk/register.

Continue with print - You can opt for print, even if you have a myRPS account, but you'll need to tell us. You can fill in the form at member.railwayspensions.co.uk/knowledge-hub/news-and-views/paper-opt-in or scan the QR code. You can also call the Helpline. You may still get communications giving you the chance to opt in throughout 2024, but you only need to tell us once.



Do nothing - If you don't register for a myRPS account, and don't opt in to print, your personal documents will still be sent to you by post. However other items like newsletters, will be online only from the end of 2024.

It's up to you - However you choose to get your documents (print or online) it will apply for all of your periods of membership, and any documents that move online in future. But you can change your mind by contacting us at any time.

Where will I find my documents online?

Your online documents will be in the 'My Library' section of your myRPS account, at railwayspensions.co.uk/login. Your latest Annual Benefit Statement will be in the 'View statements and estimates' page in the 'My Pension' section. Newsletters can be found at railwayspensions.co.uk/newsletters without logging in.

Pension news round-up



Autumn Statement 2023

On 22 November 2023, Chancellor Jeremy Hunt presented the Autumn Statement. The main pension announcements were:

- The government has committed to maintaining the Triple Lock. This means the basic State Pension, new State Pension and Pension Credit will increase by 8.5% in 2024-25, in line with average earnings growth. The new full State Pension will increase from £203.85 per week in 2023-24, to £221.20 per week in 2024-25.
- The government confirmed that it will bring in legislation to abolish the Lifetime Allowance (LTA). This legislation will be effective from 6 April 2024, as had been announced in the Spring Budget 2023. Although the LTA is being abolished, the most you will be able to take as a tax-free lump sum will be £268,275. This is equal to one-quarter of the previous LTA.

We've updated our Lifetime Allowance Read as You Need guide, which explains the changes to the LTA in more detail. Find it in the 'Knowledge hub' area at railwayspensions.co.uk.

A pension 'pot for life'

The government will consult on whether pension savers in defined contribution (DC) schemes should have the right to ask a new employer to pay pension contributions into an existing pot. It would allow savers to have one pension 'pot for life'. This would be similar to the approach in other countries, such as Australia.

One of the aims of a 'pot for life' would be to reduce the number of small pension pots being created.

In an attempt to reduce small pension pots, the government responded to its consultation, which proposed an automated consolidation solution for small pension pots. It intends to introduce a multiple default consolidator model. Under this model, deferred small pension pots which meet the eligibility criteria for automatic consolidation, will automatically transfer to one of a number of consolidators.

Cabinet reshuffle

The Prime Minister, Rishi Sunak, held a cabinet reshuffle in November 2023. As part of the reshuffle, Paul Maynard, MP for Blackpool North and Cleveleys, was appointed as the new Pensions Minister. He replaced Laura Trott, who was appointed as Chief Secretary to the Treasury. Laura Trott had been in post as Pensions Minister since October 2022.

Mel Stride, the Secretary of State for Work and Pensions since October 2022, has remained in their role.

Have you made a nomination?

Those you care about could get a cash payment if you die before claiming your pension. Make your nominations to let the Trustee know who you'd like the money to go to.



Sign in to your myRPS account at railwayspensions.co.uk/login to make yours today.

Review mini-series:



Pension planning in your 20s and 30s

If you're in your 20s or 30s, saving for later life may seem unnecessary right now. But, it could be the best thing you do for your financial future.

The increased cost of living, combined with rental or mortgage payments, holidays to fund and other financial demands may see your money stretched. It's understandable that you might look for ways to cut back on your spending, and you're not alone.

While a pause on your pension payments might seem like a quick way to give your bank account a breather, it's important you think long and hard before you make your decision.

Here's why trusting your saving journey, even in a time of significant financial strain, is the best thing you can do for yours and your loved ones' future.

Your RPS pension has fantastic benefits

As a member of the defined benefit (DB) section of the Railways Pension Scheme (RPS) you will get an income for life when you retire.

The exact amount you'll get is based on:

- How long you've paid in (your membership)
- Your final average pay

If you continue to build your RPS benefits now, you could really feel the benefit later.

You're not saving alone

One of the most valuable benefits of saving for your future with the RPS is that your employer pays money in, too.

As a defined benefit (DB) member, your employer will pay in at least 60% of the money you put in (normally 1.5 times the contribution you make).

For example, if you earn £25,000 a year, and you pay in £3,000 towards your pension, your employer will top that amount up by £4,500, at no cost to you.

Based on an income of £25,000



Tax relief is your side-kick

Tax relief is one of the reasons why saving for retirement with the RPS is such a fantastic opportunity. It means you don't pay any tax on the money you put in, which makes your money go further in the long run.

The amount of tax relief you get depends on the rate of income tax you pay. Basic-rate taxpayers, (who pay 20% income tax) get tax relief at the same rate. If you're a higher-rate taxpayer you get 40% tax relief, and additional-rate taxpayers get 45%.

So, if you're a basic-rate taxpayer and want to pay in £100, all that money will end up in your pension, as you won't get charged any tax on it.

Saving more is also tax-free

You can boost your pension savings tax-free by paying in Additional Voluntary Contributions (AVCs), with either regular or one-off payments.

If you get a bonus or a monetary gift, why not spend it wisely and consider paying it into your pension? And, you'll get tax relief on the money you pay in, too.

This could be a great way to make the most of your pension Annual Allowance (AA) before the tax year ends in April 2024. More information about AA is available at railwayspensions.co.uk/pension-essentials/pension-tax-limits.

Once you've stopped paying in, you may not start again

It can be hard to go back to saving after you've had a flavour of having that extra money in your pocket every month. But, if you stop paying into your DB pension, it will impact what you have to live on when your working days are over. Plus, you may not be able to re-join the RPS DB Section in the future.

Think of your pension as one of your last options when looking at where you can cut costs. You could use our simple planning tool, Moneyfit to help you think about your financial wellness. It's

totally anonymous, and only takes 5-10 minutes to use. Simply log in to your myRPS account to use it. You'll find it in the 'Planning for the future' section of your account.

Planning is everything

By failing to prepare, you're preparing to fail as the saying goes. The same goes for your retirement planning.

To get an idea of how much income you might need to enjoy the lifestyle you hope for in retirement, give our Retirement Budgeting Calculator a go. It's a quick and easy tool to help you estimate if you're saving enough for later life. You'll find it in the 'Knowledge hub' section of the website at railwayspensions.co.uk/retirement-budgeting.

Don't stop thinking about tomorrow

If you're left with no option but to cut back on your pension saving, you might pause, or reduce your AVCs for a while. This might be a good choice if it means you can stay in the Scheme and can continue to save towards your pension.

Leaving the Scheme could significantly impact your lifestyle in the future. It means you'll have less to live on when your working days are over. For some, it could mean they won't be able to afford to retire when they want to, and might be pushed to continue to work for longer.

The most important thing is that you plan ahead, understand what you might need in retirement and ensure you're saving enough, without putting your broader financial wellness at risk.

There's a whole host of useful information to help you plan for retirement in 'I'm planning to take my pension', under 'defined benefit members' at railwayspensions.co.uk.

Are you in your 40s or 50s? It's time to up your pension saving game! You can find out how in your July edition of Review.

Action Fraud's 4 steps to protect yourself from a pension scam



If you're suspicious, call Action Fraud on 0300 123 2040 or visit actionfraud.police.uk.

1 Reject unexpected offers

If you get a cold call about your pension, don't answer it or hang up straightaway. Cold calls are illegal, and are likely to be a scam. You can report any pension cold calls to the Information Commissioners Office (ICO) at ico.org.uk.

2 Check who you're dealing with

Make sure anyone you speak to about your pension is on the Financial Conduct Authority (FCA) register. If they're not on the FCA register, you're unlikely to get your money back if things go wrong. You can check the FCA register at register.fca.org.uk.

3 Don't be rushed or pressured

Take your time to check things through properly, even if you miss out on a 'fantastic deal'. If it sounds too good to be true, it probably is.

4 Get impartial information or advice

Advice from trusted experts can be valuable financially, and for your peace of mind. Make sure your adviser is FCA regulated, and never take advice from a company that contacted you, as it's likely to be a scam. There's a list of professional advisers at railwayspensions.co.uk/pension-essentials/guidance-advice.

Keep your RPS Scheme details safe

If you have a myRPS account, it's important you don't share your log in details with anyone.

It's very unlikely that we'll contact you by phone, unless you have an ongoing query. If something doesn't seem right, please contact Railpen to check.

Then, now, tomorrow – 30 years of the RPS



The Railways Pension Scheme (RPS) will celebrate its 30th birthday in October 2024.

We're proud to help you plan for your life after work, and support you to achieve a good financial outcome in retirement, as we have done for thousands of members over the past 3 decades.

We'd like to hear from you

As we look back at what has been achieved so far, and think carefully about our tomorrow, we'd love to hear about your pension journey with the RPS. Please share your story about

how the Scheme has contributed to where you are now, and your thoughts on what we can do more, or less of, to support you and your fellow members in future.

How to get in touch

Please email your thoughts to review@railpen.com by 29 March 2024, keeping it to less than 500 words if possible. We may then ask permission to share your story with other members and contacts in line with our privacy policy. You can read our privacy notice in full at member.railwayspensions.co.uk/about-us/privacy.

Divorce and your pension

Going through a divorce, or dissolution of a civil partnership can be very challenging. On top of that, you might need to make financial decisions, which could impact your RPS pension.

Dividing any pensions you may have is usually one of the biggest financial decisions you'll need to make in a divorce settlement. This is because your retirement income might be even more valuable than the family home.

The way your pension is valued for divorce is different for Scotland, and the rest of the UK. In Scotland, the value of your pensions built up during your marriage or civil partnership are considered. In the UK, all pensions are taken into account, regardless of when they were built up.

There are 3 ways your pension can be split, and we've explained what they are below.

1 Pension Offsetting

With Pension Offsetting, you keep your pension assets to yourself in their entirety, while something else of the same or similar value, such as property is awarded to your ex-spouse.

2 Pension Sharing Order (PSO)

Pension Sharing provides for a clean break between both parties at the time of divorce or ending of a civil partnership. Assets are split immediately, and it's up to both parties to decide what to do with their shares independently.

A one-off payment, that is agreed by both parties and approved by the Court, is made from your pension to your ex-spouse or former civil partner at the time of divorce, or ending of a civil partnership.

Their share is taken off the total amount of your pension – this is known as a 'pension debit'. Your ex-spouse receives their share, known as the 'pension credit' as soon as the order is finalised. Once the payment has been made, your ex-spouse will have no further claim to your pension.

The amount your ex-spouse receives may be used to buy pension benefits either in the RPS, or with another pension provider. These pension benefits are completely separate to yours, so your ex-spouse does not have to receive their benefits at the same time you do.

3 Pension Attachment Order (known as Earmarking in Scotland)

With this option, when you start getting your pension, a certain amount that is agreed by both parties and approved by the Court, will go to your ex-spouse or former civil partner.

The amount could also include a portion of your lump-sum death benefit, and/or your retirement lump sum. The payments will be made directly to your ex-spouse, or former civil partner, when you decide to take your benefits.

The State Pension is not included in it, though.

More information

Divorce is a complex topic. But there's more information in the 'Pension Essentials' section at railwayspensions.co.uk, including:

- What happens if your ex-spouse or former civil partner remarries
- What happens if you die before you receive your RPS pension
- How any Additional Voluntary Contributions (AVCs) might be split
- Divorce or dissolution and the State Pension
- Places to go for support
- A Read as You Need guide to divorce



How is my pension invested?

Railpen recently published its latest Sustainable Ownership Review, an accessible, member-focused update.

The report follows Railpen's annual Stewardship Report, published in May. It's intended to feed back to you, our members, on the work Railpen has conducted as sustainable, proactive asset owners on your behalf.

Sustainable Ownership (SO) is our approach to incorporating sustainability issues, like climate change or executive pay, into the investments Railpen manages on your behalf. We believe it's sensible to invest in companies that are well-run, and seek to address the risks and opportunities related to how their business works, including environmental, social and governance (ESG) issues. We think investing like this is the best way to protect and increase the value of your savings, giving you a good retirement outcome.

The report details Railpen's progress on these topics, through its active approach to Sustainable Ownership. It provides case studies that demonstrate how your pension money is invested thoughtfully and responsibly, and how Sustainable Ownership helps improve outcomes for Scheme members.

The 2022 report highlights include:

- Railpen's activity to enhance the worker voice – an overview of the activity Railpen has undertaken to provide guidance to companies on workforce reporting, and better engagement with their workforces.

- Progressing the transparency of climate-related lobbying with NextEra, one of the largest US-based utility companies.
- Using our shareholder vote – at 55% of annual general meetings in 2022, Railpen voted against or refused to support company management, or abstained on at least one resolution.
- The progress of major collaborative engagement campaigns, including the Railpen-led Investor Coalition for Equal Votes (ICEV), which campaigns for equal voting rights.
- An outline of plans for the next 12 months, including further engagement with members.

We've focused on what matters to you

To understand what to include in our member communications, since 2021, Railpen has asked members what they're most concerned about when it comes to Sustainable Ownership. In 2023, the top 3 concerns, in order of importance, were:

- Fair treatment of workers
- Fair pay
- Making sure company boards can be held to account

You also said that social issues more generally, such as labour rights or modern slavery, were really important to you.

In 2021 and 2022, the top 3 issues highlighted instead were fair treatment of workers, climate change and fair pay. You also said that governance – that is, how well a company is managed – was really important to you.

We've listened to your feedback, and we'll try to make sure our reports continue to include what you want to see. We'll also tell you what we're doing on a regular basis, so keep an eye out for this in your usual Scheme communications.



You can read our latest Sustainable Ownership Review at railpen.com/knowledge-hub/reports.

Scheme's investment helps move towards green energy



Railpen's commitment to climate change and sustainability.

While you pay into your pension, you and your employer pay contributions to the Scheme. These contributions are then invested in different ways, to achieve the investment returns needed to give you an income in retirement.

As part of further expansion into renewable energy, Railpen, the Scheme's investment manager, bought the Bracks Solar Farm project from the global renewable energy company, BayWa r.e. in 2022. This investment is based on member feedback, and Railpen's commitment to helping create a more sustainable future.

The solar farm, located approximately 2km to the east of Wicken in Cambridgeshire, produces 30MW of green, renewable energy per year. Since launching in summer 2023, it now provides clean energy at its full capacity: enough to power 8,000 households.

Across renewable energy sites, Railpen now supports the supply of over 200,000 UK homes.

Christine Kernoghan, Trustee Chair, reflects:

"Members have fed back that they want the Scheme's investments to address the climate change issue.

"Along with other renewable energy investments – like Tralorg and Craaig Cheal wind farms – the launch of the Bracks Solar Farm demonstrates the Trustee's commitment to the UK's green energy transition."

Anna Rule, Head of Real Assets at Railpen, comments:

"As the world navigates the challenges of climate change, the urgency to transition towards cleaner energy sources has become more apparent than ever.

"We recognise the dual purpose of investing in projects such as the Bracks Solar Farm. First, by investing funds into wind, solar, biomass and battery storage projects, we're actively participating in the UK's green energy transition. Second, it is our belief that investing in UK property and infrastructure is an enabler of economic growth.

"Pension funds, like the railways pension schemes, see the opportunity to support the UK's green transition as one which not only supports the financial goals of the schemes, but has far-reaching benefits to the UK economy, communities, and the world around us."

Key Facts

- 30MWp total capacity
- 55,000 solar panels
- Supplies energy to the equivalent of 8,000 homes
- Savings of approximately 11,000 tonnes of CO2 per year
- Sheep grazing with local farmers from 2024
- Biodiversity measures: hedgerow planting and installation of bat, bird, and owl boxes



To learn more about this, please visit railpen.com/news.

Your Annual Benefit Statement and retirement planning



Your Annual Benefit Statement (ABS) lets you know what you might be entitled to when you come to take your pension, and the information used to calculate it.

A statement is sent to you each year, around the month of your birthday. Here's how you can use your ABS to make important decisions about your future.

Where can I find my ABS?

You can see your ABS in your myRPS account, at railwayspensions.co.uk/login. Under 'My Pension', choose 'View statements and estimates' to download your latest statement.

We also send you your ABS through the post, but it will be moving online in future. You can learn more about which documents will move online on the front cover of this newsletter.

How can I use my ABS for retirement planning?

You might use it to think about whether the amount you might be entitled to when you retire is enough for you to afford the retirement lifestyle you hope for.

There's information about the income you might need in retirement, and a general guide to retirement costs in the 'defined benefit members' section at railwayspensions.co.uk.

You could also use the Retirement Budgeting Calculator to work out how much money you might need to pay for the retirement you want. You can find it at railwayspensions.co.uk/retirement-budgeting.

What can I do if the numbers don't add up?

If you're worried the income you might have when you retire won't cover your expected costs, there are a few things you can do:

Top up your pension

You might top up your pension by making Additional Voluntary Contributions (AVCs). The main AVC arrangement in the RPS is called BRASS. It's tax-free up to certain limits.

You can pay as little as £2 a week or £10 a month into your BRASS pot. Or, you can make a one-off payment if you prefer. You can choose where to invest the money you pay into your BRASS pot. The Socially Responsible Equity Fund invests in companies with strong environmental, social and governance ratings. You can find the factsheet for this Fund, and learn about BRASS in the 'defined benefit members' section at railwayspensions.co.uk.



You can also watch a short video which explains how BRASS works by scanning the QR code.

Explore your options

You could see if a different way of taking your pension might affect your income when you stop work. We explain your options on page 11.

Get advice before you take action

You might benefit from expert help before you make changes, or take your pension. If you're in search of support, there's a list of specialist sites and professional advisers who can help at railwayspensions.co.uk/guidance.



A video to explain your individual ABS, and what it means for you will be available soon. We'll let you know when you can watch it in your myRPS account, so make sure to register if you haven't already.

How can I take my pension benefits?

The fantastic thing about your DB pension is that you have a number of ways to take it.

You can choose which option is right for your individual circumstances. If the rules for your section allow, you can:

Take part lump sum, part pension

You may be able to take up to 25%, (but no more than £268,275) as a tax-free cash lump sum. The rules which explain the exact amount you can take as lump sum are in your Member Guide. You'll find your Member Guide in 'My Library' when you log in to myRPS.

Take it all as pension

You may be able to take all of your benefits as regular pension payments, and none as lump sum. This is done by converting any lump sum into additional pension. The rules for your section are in your Member Guide.

Take it all as a cash lump sum

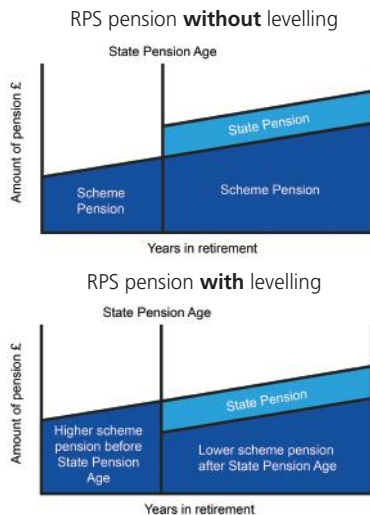
This is only possible in some circumstances, and depends on the rules for your section. You may be able to take it all as a cash lump sum if:

- You have a small pension, usually no more than £30,000. You may be able to cash it in under what's known as 'Trivial Commutation' rules.
- You take your pension on the grounds of serious ill health.
- You get a short service leaver refund.

Take the level pension option

The level pension option aims to level out your income in retirement. With this option, you get more pension from the RPS before your State Pension age (SPA), and less pension from the RPS after your SPA.

The amount you receive from the RPS and your State Pension may increase with inflation. If you choose the level pension option, it won't affect the amount of State Pension you get from the government. You can check your State Pension at Gov.uk/state-pension.



Diagrams assume Scheme pension and State Pension increase at the same rate.

Transfer your pension, with risks

You may be able to transfer your DB pension to another pension provider. But transferring carries risks, and it's important you stay alert for scams. If you're considering a transfer, you might benefit from financial advice. You may have to take financial advice by law, depending on the value of your pension benefits.

You should think carefully before you transfer, as you could lose the valuable benefits of your DB pension. Please read the information in the 'Transferring my pension' section at railwayspensions.co.uk before making a decision.

For help choosing the right option for you, please visit the 'ways to take my pension' page at railwayspensions.co.uk. There's also a short video which explains your options in the Video Library.

Follow us on 'X'

Formerly known as Twitter.



We share useful information and guidance on getting the best from your pension. Join us at [Twitter.com/RPSPensions](https://twitter.com/RPSPensions) @RPSPensions

Share your opinion and win shopping vouchers

Do you have something to say about your pension? Have your voice heard by joining our online feedback group, Platform.

We ask Platform members for their opinions on new ideas we're working on, and what they'd like to see more of. Their opinions then shape the way we communicate to other members.

As a thank you for joining Platform, you'll be entered into a prize draw to **win £150 worth of shopping vouchers** at the end of 2024!

Over 500 of your fellow Scheme members are already signed up. Don't miss out!

Join in the conversation at railwayspensions.co.uk/platform.

Subscribe to our YouTube channel @RailwaysPensionScheme



Our short videos explain how your RPS pension works in a clear and simple way. We also share our top tips to help you get the best retirement outcome, at youtube.com/@railwayspensionscheme.

Get in touch...

If you would like a large print version of this newsletter, please email format@railpen.com.

You can find more information about your pension at railwayspensions.co.uk and in your secure **myRPS account**. If you can't find the answers you need, please email us at csu@railpen.com and we'll be happy to help.

If you need to speak to us more urgently, you can also call the Helpline on **0800 012 1117** (Mon-Fri, 8am-5pm).

Help us improve Review

If you found this newsletter helpful, or if you have any suggestions on how we could improve it, please complete our short survey at www.surveymonkey.co.uk/r/ReviewFeb2024.

You can also use your phone camera or QR code app to scan this code.



Thank you.

Review July 2023 competition winners

Congratulations to **Mr S Atkinson** and **Mrs C Wisden**, who were randomly selected as the competition winners.



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