

re:view



Beware, so you don't lose out!

A staggering £26.4 million has been lost to pension scams in recent years, with an average loss of £16,500 for each person scammed.

These figures from the Pensions Management Institute are alarming. But there are steps you can take to help keep your pension safe.

You may be more vulnerable to a scam than you think.

40% of people aged between 45 and 65 are at risk of falling victim to pension scams, according to research by the Financial Conduct Authority (FCA) and The Pensions Regulator, which found that:

- **23%** would engage with a cold call
- **23%** would pursue offers of high returns
- **17%** would be interested in early pension release offers

Report fraud at any time on the Action Fraud website
[actionfraud.police.uk](https://www.actionfraud.police.uk).



Protect yourself from scammers

- Reject out-of-the-blue emails, calls and contact. Cold calls have been illegal since January 2019.
- Check who you're dealing with. Callers may claim they're from well-known organisations to trick you into giving them information.
- Avoid 'investment deals', 'free pension reviews' and offers of early access to your pension before age 55.
- Don't fall for professional-looking websites or brochures. It may not be legit.
- Never feel rushed into making a decision - even if you're told you will miss out on a 'great' deal.
- Check the FCA register of regulated companies at **register.fca.org.uk/s/**. If a financial services company isn't on the register, it's probably best to avoid it.

Chair's message

Review is going digital!

This is the last issue of Review you will automatically get through the post. If you still want to get a paper copy, you'll need to tell us. You can do this by registering for, or logging in to your myRPS account. See pages 6 and 7 for more information.

I've heard from members that they would like to better understand how their BRASS and AVC Extra benefits can be taken, as well as the options for taking your main defined benefit pension. You can read about this on pages 4 and 5.

I'd like to introduce Richard Jolly who became a Trustee Director, sitting on the Defined Contribution Committee, earlier this year. Richard has worked in pensions for more than 22 years and is currently with Network Rail. You can read more about the Trustee Board on your member website.

John Chilman, Chief Executive of Railpen, the administrator of the schemes, has announced he will be retiring.

John will step down in spring 2025 following a remarkable career in the industry. More updates on John's successor will follow.

In October this year, the Railways Pension Scheme will celebrate its 30th birthday. We are 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.

Finally, I hope you find this newsletter useful. Please fill out the survey – linked on the back page - to tell us what you like, and what you think we could do differently. We are listening to your feedback and making improvements to our communications, so they are even more valuable to you.



With best wishes

Christine Kernoghan,
Trustee Chair

A more convenient way to log in

To make logging in to your myRPS account more convenient and secure, we introduced two-factor authentication (2FA) in February. This means you'll no longer have to remember a memorable word, and enter characters from it to log in.

The first time you log in using 2FA you'll have to use a code sent to your email address. But after that you can use a code sent to your email address or mobile phone.

Adding a mobile number increases the security of your account, as if you ever lose access to your email account, you can get security codes via text message.

For support with 2FA or to register for a myRPS account go to **railwayspensions.co.uk/register**



Stay connected to your pension

If you have 15 minutes:



- Plan for your future by joining the Railways Pension Scheme.
- Register for a myRPS account at railwayspensions.co.uk/register and log in.
- Verify your mobile number to speedily and securely log in using two-factor authentication.
- Check your postal address is correct in the 'Contact Details' area.
- If the email address you log in with is your work email address, change it to your personal email address in the 'Account Security' area.
- Make or update your death benefit nominations – you can nominate an individual, several people, charity, club or organisation.

If you have more time:



- How much is your pension worth? Check your latest Annual Benefit Statement or request an Estimate.
- Use the Retirement Budgeting Calculator to see how much income you'll need in retirement for the lifestyle you want.
- What can you do with your pension? Use the Pension Planner to model your options and see what your pension benefits could be when you want to take them.
- If you pay Additional Voluntary Contributions into BRASS or AVC Extra, look at the 'Funds' section of your myRPS account.
 - If you invest in Lifestyle strategies, check your Target Retirement Age ties in with when you plan to retire.
 - Check the funds you are invested in match the way you plan to take the money. To learn about investment funds, go to 'Defined benefit members > Saving more with BRASS or AVC Extra' on your member website.
- Consider joining BRASS to save more towards your pension. To find out more, go to 'Defined benefit members > Saving more with BRASS' on your member website.

Taking your BRASS and AVC Extra benefits

If you've paid Additional Voluntary Contributions on top of your normal pension contributions, you are a member of BRASS and/or AVC Extra.

There are a few options for taking your BRASS and AVC Extra pots which are briefly explained below. You can find more information on your member website and in your Member Guide.

When and how to take your BRASS pot

You must take your BRASS pot at the same time as you take your main Scheme pension.

For most BRASS members, you must take a tax-free cash lump sum equal to the value of your BRASS pot, up to the maximum allowed by HM Revenue and Customs.

For most BRASS members the rules are the same, but differ for members of the Network Rail, Unisys, CSC Computer Sciences and RSSB sections. Please check your Member Guide for details.

If you don't want to take your BRASS pot as part of your DB pension, or would prefer to use it for different options and/or at a different time, then you may have the option to transfer your BRASS pot to another pension provider.

Scan the QR code to read the guides to taking your BRASS pot and transferring your benefits to another provider.



How you can take your main DB pension

You have 2 main options for taking your benefits:

- Take some of your pension benefits as a cash lump sum and the rest as regular pension payments
- Take it all as regular pension payments, if the rules allow.

There are other factors to consider

- In limited circumstances you can take all your pension as a cash lump sum. This usually only applies for:
 - people with pensions that have a total value of less than £30,000,
 - people taking their pension due to serious ill health,
 - or people who have only been a member for a very short time taking a refund of their contributions.
- Taking the level pension option, where you get more RPS pension before your State Pension age and less afterwards. This means you get a more consistent level of pension income throughout your retirement.
- You can transfer all your benefits to another provider, to keep your money invested for longer or to take your pension benefits in a different way.
- You can choose to give up part of your pension to give extra pension to your dependants.

Log in to your myRPS account and use the Pension Planner to model what your pension benefits could look like when you want to take them. This will help you see which options might fit best with your retirement goals.



When and how to take your AVC Extra pot

There are a few options for taking your AVC Extra pot.

AVC Extra is open to Scheme members who already pay the maximum amount that you can pay into BRASS but want to pay more. If you are under age 55, then you must take your AVC Extra pot at the same time as you take your main Scheme pension. It is not open to Network Rail members.

Your AVC Extra pot will be paid separately. This is entirely separate to your BRASS pot and your main DB pension.

If you are over age 55, then you don't have to take your AVC Extra pot at the same time as you take your main Scheme pension. You can choose to take it earlier or leave it in the Scheme for longer if you wish. Either way you must take your AVC Extra pot by your 75th birthday.

With your AVC Extra pot, you can:

- Take it all as a cash lump sum with up to 25% normally being paid tax-free, and the rest being taxed at your marginal rate of

income tax. You can't normally take more than £268,275 in total as a tax free lump sum from all your pensions. This option is known as total encashment

- Get a regular and secure income, known as an annuity
- Get a flexible income, taking it a bit at a time. This is known as a drawdown arrangement

The RPS doesn't currently offer an annuity or drawdown option directly, so to access these you would need to transfer your AVC Extra pot to another provider. Scan the QR code to read the guide.



The Trustee has appointed Legal and General Investment Management (LGIM) to offer members access to a high-quality drawdown facility with preferential fees that are not available elsewhere.



Regularly review your BRASS and AVC Extra funds

The value of your BRASS and AVC Extra pots can go up and down depending on financial markets.

It's important to check which funds your pot is invested in when you are nearing retirement. You may want to invest in less risky funds because the value of these don't tend to go up and down as much.

If you choose to invest in Lifestyle funds, we will transfer your pot to lower risk funds as you approach your normal retirement age.

If you leave work and stop paying into the RPS, you can't continue to pay into BRASS. Your pot stays invested in your chosen funds, but you should still check it regularly.

To protect your money, we disinvest your BRASS and AVC Extra funds 28 days before your retirement date and hold the money as cash, ready to pay it.

If you're not in BRASS and want to save more towards your pension, it's not too late to join. Scan the QR code to read the guide.



Moving closer to a paperless pension

In response to members' requests for a paperless pension, you'll soon be able to get some of your paperwork online rather than by post.

What is happening?

From the end of this year some documents will be online only, unless you've asked to keep getting them by post.

The first documents being moved online are:

- Annual Benefit Statements (ABS)
- Summary Funding Statements (SFS)
- Pension Saving Statements (PSS)
- Member newsletters, including Review

You may not get all of these documents; it depends on your circumstances. But any documents you do get will be available online from the end of 2024, unless you opt-in to paper to keep getting them by post.

You will also need to go online to tell us if you've changed your address. More documents and processes are expected to follow online. But you may continue to get some by post until then.

If you do opt-in to paper these documents will still be sent to you by post.

Where will I find my documents online?

Whether you go paperless or not, you can find all your personal pension paperwork in the 'my library' section of your secure myRPS account at railwayspensions.co.uk/login.

Current Annual Benefit Statements will be in the 'view statements' section. Newsletters can be found at railwayspensions.co.uk without logging in.

You do still have a choice though, and you can continue to get things by post if you want to.



What do I need to do?

If you've already opted into paper, or registered for a myRPS account to get things digitally, then you don't need to do anything at all. But if you haven't already decided, here's what you need to do next...

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

If you already have an account, you'll start getting some documents online automatically from the end of 2024. However, you will continue to get things by post until then.

If you haven't got an account, you can sign up quickly and easily at railwayspensions.co.uk/register. This will be the best way to get your paperwork in future.

Continue with paper - If you want to keep getting things by post, you need to tell us.

Simply fill in the form railwayspensions.co.uk/paper-opt-in or scan the QR code. You can also let us know by calling the Helpline.



You might continue to get communications giving you the chance to opt-in throughout 2024, but you only need to tell us once. You can opt for paper, even if you have a myRPS account.

Do nothing - If you don't register for an online account and don't opt into paper, then your personal documents will still be sent to you by post. However other items, such as newsletters, will only be available at railwayspensions.co.uk.

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

In summary, if you have a myRPS account, you will need to tell us you want to opt into paper, otherwise you'll start getting your documents online from the end of 2024.

If you do opt into paper then you'll continue getting your documents by post, even if you have a myRPS account.

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





Changes to fund names and strategies

Later this year, the Trustee is making some changes to the funds that your BRASS and AVC Extra contributions are invested in.

We are changing the names of the Lifestyle strategies

Lifestyle strategies are investment options for members who don't want to actively manage their fund choices and would prefer to have it done by the Trustee. The new names will better reflect the retirement goal of the members whose funds are invested in it.

Current Lifestyle Strategy Name	New Lifestyle Strategy Name
Full Cash Withdrawal	Target Lump Sum
Flexible Drawdown	Target Flexible Drawdown
Annuity Purchase	Target Annuity

Changing the objective of the UK Government Fixed-Interest Bond Fund

All of the Lifestyle strategies involve moving some of a member's contributions to the UK Government Fixed-Interest Bond Fund as they approach their Target Retirement Age.

This fund invests in bonds issued by the UK government. The underlying bonds will change so that they have a shorter 'duration'. This means it takes less time for the bond to be repaid and there is not as much movement in the bond's price, often referred to as 'volatility'.

The objective will change from building a pot that will provide a regular income, called an annuity, to one that helps protect the value of a member's pot at retirement.

While the expected return of the fund and lifestyle strategies will slightly decrease, shorter duration bonds are expected to be more stable. This means members will benefit from less volatility, particularly as they approach retirement.

Changing the objective of the Target Annuity Lifestyle Strategy

The objective of the Target Annuity Lifestyle Strategy will change from only protecting the value of annuity income expected to be purchased, to one that also protects the value of a member's pot at retirement.

How the change could affect you

The change will affect:

- Members who choose to invest in the UK Government Fixed-Interest Bond Fund; and
- Members in a lifestyle strategy who are within ten years of their Target Retirement Age (TRA), as at this time investment in the bond fund starts being built up.

Members in lifestyle strategies who are more than ten years from their TRA will not currently invest in the Fund, but will start to do so once they are within ten years of their TRA.

Scan the QR code to read more about these changes on your member website.



Pension news



Replacing the Lifetime Allowance

The Lifetime Allowance was the maximum amount of money you could have in all of your pension savings, before you had to pay extra tax.

From 6 April 2024, the Government replaced it with 2 new allowances. They limit the total amount of tax-free cash lump sums people can get from their pension savings.

The Lump Sum Allowance (LSA)

The most you can take as a tax-free lump sum from all your pension arrangements is £268,275. People who have 'Lifetime Allowance protection' can take 25% of the value of their protected amount. If you take more than your available LSA, you will have to pay income tax on it. Alternatively, you may be able to convert any lump sum that is over your LSA to additional annual pension.

The Lump Sum and Death Benefits Allowance (LSDBA)

The standard limit of any tax-free lump sum death benefit that can be paid on behalf of a member is the LSDBA (£1,073,100). If the value of lump sum death benefits is more than the LSDBA, the recipient will have to pay income tax on the excess. But if you hold a valid Lifetime Allowance protection, it will be the value of the protected amount that can be paid tax-free.

You can read more about new lump sum allowances in the 'News updates' area of your member website.



Pensions Dashboards

The Government's Pensions Dashboards Programme will help people see all their pension information from multiple pension schemes, and their State Pension, in one place. We plan to connect the Railways Pension Scheme to the dashboards by June 2025. The deadline for all pension schemes to connect to the dashboards is October 2026, although the Government hasn't yet said when the public can use them.



Jargon buster

Level pension option

You can choose this option if you'd like to start taking your RPS pension before your State Pension Age. It's a way of levelling out the total income you get before and after you start claiming the State Pension. It means

you'll get a higher RPS pension before you claim your State Pension. Then, once you reach State Pension age, you'll get a lower RPS pension but, overall, your income in retirement will be at a more steady level.

Converting your pension to cash, also known as 'trivial commutation'

You may be eligible to exchange all your pensions for a one-off cash payment. To do this, you must be over age 55 and the value of your pension benefits from all registered schemes must not be over £30,000. This doesn't include the State Pension. The first 25 per cent will be paid to you tax-free, and the remaining 75 per cent will be taxed at your usual income tax rate.



Pension planning in your 40s...

Tips for staying focused on your pension planning

Stay on top of other pension pots

You may have at least 15 years' worth of pension savings now. And if you've moved jobs, you probably have pensions with more than one provider. If you think you've lost track of a pension, you can use the Government's Pension Tracing Service – [gov.uk/find-pension-contact-details](https://www.gov.uk/find-pension-contact-details). It's free and can help you find any lost pensions.

You might want to keep a note of how all your pensions are performing. You could use providers' planners (like the RPS Pension Planner) or look at Annual Benefit Statements and Estimates to calculate what all your pension pots could be worth when you want to take them.

If you've previously worked for another employer within the rail industry and were a member of that Section of the RPS, you may be able to transfer those benefits into your new employer's Section of the RPS. But if you've built up pension benefits in another pension scheme, you may not be able to transfer these into the RPS. This will depend on your employer's policy, so you may need to discuss with them.

Prioritise saving for later life, where possible

The rising cost of living is affecting all of us, and it may not feel like you have any money to spare. But your pension contributions are taken before you pay income tax, so if you pay a little extra into your pension, you will pay less tax on your earnings. That's money being saved for your future. To make Additional Voluntary Contributions, speak to your employer.

Make the most of your Annual Allowance

Annual Allowance is the limit on the total amount you can save towards your pension in a single tax year before you pay any tax on your pension savings. It is currently either 100% of your annual earnings or £60,000, whichever is lower, unless the Tapered Annual Allowance applies to you.

The Annual Allowance renews at the start of every financial year (in April) so it may be worth paying in any bonuses or regular Additional Voluntary Contributions to make the most of the tax relief. You may also be able to carry forward any unused allowances from the last three years.

... and 50s

Time to take action

Work out if your pension adds up

To work out whether you're on track to afford the retirement you hope for, you'll need to compare your likely spend with the amount of income you're likely to get.

You can do this using the tools in your myRPS account. The Retirement Budgeting Calculator is based on official Retirement Living Standards figures, and you can tailor it to get an idea of how much you might need to pay for the lifestyle you hope for when you stop working.

SINGLES	RETIREMENT LIVING STANDARDS	COUPLES
£43k	COMFORTABLE More financial freedom and luxuries	£59k
£31k	MODERATE More financial security and flexibility	£43k
£14k	MINIMUM Covers all your needs, with some left over for extras	£22k

You can then use the Pension Planner to model what your pension benefits could look like when you want to take them.

If the figures don't match up to what you're aiming for, don't worry. There are steps you can take to improve your expected retirement income.

This includes:

- **Topping up your pension**, if you can afford to. You can pay in as little as £2 per week or £10 per month on top of the normal contributions you make to your pension.

There's a maximum you can pay in extra – usually 15% of your gross earnings. Contact your employer to do this.

- **Changing your retirement age** to delay taking your pension. If you work for longer, you'll have more time to build up your pension benefits.
- **Thinking about your broader financial circumstances**, by looking at your retirement income from your State Pension and any other pension arrangements you have. You can check your State Pension age at [gov.uk/state-pension-age](https://www.gov.uk/state-pension-age). You could also think about whether there are things you can do now, while you're working, to reduce your outgoings.

Consider your attitude to risk

If you've got defined contribution benefits from another section of the Scheme, or you are a member of BRASS or AVC Extra, consider reviewing your investment fund choices now you're getting closer to taking your benefits.

You may want to reduce your exposure to higher risk funds to ensure you're not taking any unnecessary risks with the value of your pension savings. The value of money invested can go up as well as down, so it's important to make sure the savings you've built up so far are 'safer' being invested in more 'stable' funds which have less risk of losing value over time.

Get financial advice

You may benefit from seeking independent financial advice. Go to [unbiased.co.uk](https://www.unbiased.co.uk) to find an independent adviser from a trusted source.

Liverpool Victoria (LV) is the preferred partner to advise RPS members. You can contact them on **0800 023 4187**.

You can turn to Pension Wise for free guidance if you have defined contribution benefits. It's a government-backed service helping people understand their pension options and offers free, impartial guidance for over 50s.

Book an appointment at [pensionwise.gov.uk](https://www.pensionwise.gov.uk).

Follow us on 'X'

Formerly known as Twitter.



We share useful information and guidance on getting the best from your pension. Join us at [@X.com/RPSPensions](https://www.x.com/RPSPensions) [@RPSPensions](https://www.x.com/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](https://www.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](https://www.youtube.com/@railwayspensionscheme).

Get in touch...

You can find more information about your pension at [railwayspensions.co.uk](https://www.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 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.com/r/ReviewJuly24.

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



Thank you.

If you need a copy of Review in large print, please email format@railpen.com.



www.carbonbalancedprint.com
CBP2105

