

PENSIONS

Issue 6 • October 2021



Colin Richardson
Chair of the Trustees

Welcome to the 2021 annual newsletter for members of the University of Nottingham Contributory Pension and Assurance Scheme (CPAS).

Throughout 2021 everyone continued to be affected by the pandemic, however the Trustee Board and our advisers have continued to adapt well to working in new ways, as we continue to meet regularly via virtual meetings to fulfil our role.

We have almost concluded the 31 July 2020 actuarial valuation at the time of writing and the summary the funding position will be forwarded soon.

We are looking to further adapt our annual CPAS Open Day to a “hybrid” format this year at the end of November and details of this will be forwarded soon. We aim to keep this convenient and accessible, by presenting a virtual event which also members may be able to attend in person if they wish.

In addition to this we are pleased to announce the trial of the Mercer Pension Decision Service, which is a new service specifically for members approaching retirement, and further details can be found on page 2.

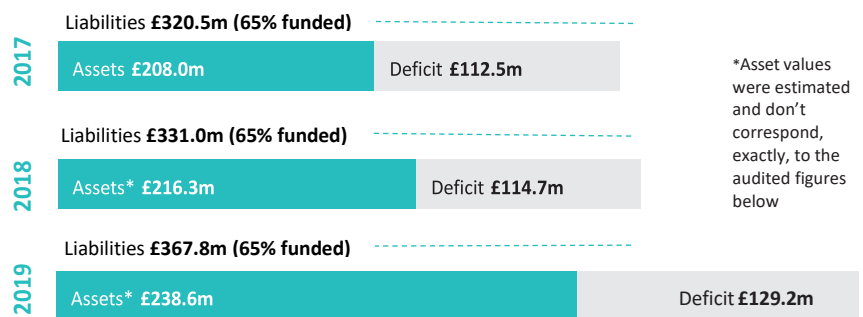
As always we hope you find the newsletter helpful and please let us know your thoughts for future newsletters.

Funding position

The last formal three-yearly actuarial valuation took place as at 31 July 2017.

The funding position was also estimated as at 31 July 2018 and 31 July 2019, and the 31 July 2020 formal valuation is expected to be agreed shortly.

We will be issuing a Summary Funding Statement that sets out the outcome of the valuation as at 31 July 2020 later this year.



As part of the 2017 valuation, the Trustees and University agreed to a Schedule of Contributions and Recovery Plan to clear the funding shortfall, which is expected to happen by 31 March 2032.

The Trustees have worked with their advisers to keep the funding position under review during the Coronavirus pandemic.

Report and Accounts

Figures at 31 July 2020

The value of the Scheme's assets was **£238.2m** (up from **£216.4m** a year earlier). The increase over the year was mostly due to the positive investment returns of **£17.7m**.

Assets at 31 July 2019 **£238.2m**

Total paid in **+ £27.5m**

Total paid out **- £10.1m**

Assets at 31 July 2020 **£255.6m**

+ £27.5m
Investment returns £17.7m • Employer cont. £9.2m

- £10.1m
Benefits £8.6m • Transfers out £1.4m
Other payments £0.1m

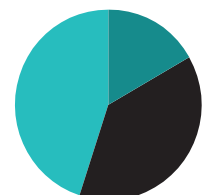
Membership

There were **2,603 members** at 31 July 2020 and **2,622** in 2019

	2020	2019
Active	399	438
Deferred	984	1,009
Pensioner	1,220	1,175

2020 members

- Active 15%
- Deferred 38%
- Pensioners 47%





CPAS Open Day

Save the date

The CPAS Open Day has always been a great opportunity for us to all meet and discuss a wide range of pension topics.

We have scheduled the 2021 CPAS Open Day to take place on **Friday 26 November 2021**, and we look forward to updating you all on the developments that have taken place over the last year including the conclusion of the CPAS valuation, changes to our investment strategy and lots more.

Finally we would love to hear from all members on the topics that are important to you, and so if there is a particular topic you would like for us to cover at the Open Day, please let XPS know by emailing:

NottinghamCPAS@XPSGroup.com

Mercer Pension Decisions Service

Additional support for you at retirement

Deciding to retire is an important moment for every member, and the Trustees appreciate that it can be confusing navigating through the various options available. To support members, the Mercer Pensions Decision Service has been made available to all members approaching retirement, to help you understand the options available to you when accessing your pension.

A Retirement Relationship Manager will be available to talk you through all of the options available to you, and will consider your individual circumstances to provide you with the knowledge to allow you to confidently make an informed decision and select the right retirement option for you.

Further details are available when you request a retirement quotation pack from XPS, and members should note that this service is currently being offered under a trial period. If you have already used this service, please do provide us with feedback on your experience.

Expression of Wishes form

A reminder that CPAS can provide important benefits to your family in the event of your death. If you have not yet completed an Expression of Wishes form to give the Trustees an indication of how you would like these benefits to be allocated in the event that they become payable, you are strongly recommended to update this and if your personal circumstances have changed, please ensure you complete a new form.



Your pension details online

A reminder that you're able to view your pension details online via the website:
www.nottinghamCPAS.co.uk

Now, more than ever, it's important to stay on top of your pension savings and make sure you take time to plan and prepare. The updated website can help you:

- Review and update your personal information
- View documents and guides
- View an estimate of your pension when you reach age 65
- Run your own calculations at different ages
- View an estimated transfer value

If you haven't accessed the site recently, you will hopefully find improved member message options, a more detailed document library and greater functionality.

You will be asked to confirm an email address or mobile number which will be used to verify any changes you make to your personal details. If you need help signing up or have forgotten your login details, contact the helpdesk at CompendiaHelpdesk@xpsgroup.com

Transfers and Pension Scams

In the current climate pension scams are more virulent than ever so please don't forget that anyone can be the victim of a pension scam, no matter how financially savvy they think they are.

Scams are becoming increasingly sophisticated. Fraudsters can be articulate and financially knowledgeable, with credible websites, testimonials and materials that are hard to distinguish from the real thing. But if it sounds too good to be true, it probably is. If you are contacted out of the blue about an investment opportunity, chances are it is either a high-risk investment or a scam.

Scammers usually cold-call but contact can also come via email, post, word-of-mouth or at a seminar or exhibition. If you are cold-called, the safest thing to do is hang up.

One of the ways in which the Trustees are working to help you avoid pension scams is to use XPS's Scam Protection Service. If you ask to transfer your benefits out of the Scheme, you will be asked to arrange a call with XPS's Scam Protection team who will ask you questions to help identify whether you are at risk of becoming the victim of a pension scam. CPAS pays the cost of this service and it shouldn't delay your transfer.

Follow these 4 simple steps to help protect you from scams:

1. Reject unexpected offers. If you're contacted out of the blue, chances are it's high risk or a scam.
2. Check who you are dealing with. Make sure anyone offering you advice is on the Financial Conduct Authority register at <http://register.fca.org.uk> and that they are authorised to be giving you advice on your pension. Use the contact details on the register to make sure it's not a fraudster pretending to be from a registered firm.
3. Don't be rushed or pressured. Always be wary of promised returns that sound too good to be true and don't be rushed or pressured into making a decision. Take your time to make all the checks you need.
4. Get impartial information or advice. Seriously consider seeking financial guidance or advice before changing your pension arrangements and make sure you follow step 2 above when finding an adviser. You can also get free independent and impartial information and guidance from the Money Helper at: <http://www.moneyhelper.org.uk>



Planning for your retirement

If you haven't retired yet, you should try to plan and check everything is on track. It's not always easy to find time, so picking specific milestones is a good start:

Up to 10 years before you retire

- Think about how much you're likely to need
- Allow for things costing more and perhaps some more holidays
- You may not have to worry about mortgage or commuting costs

Add all your pensions together, including any State Pension you might get, and see if it is going to be enough. If not, you could pay Additional Voluntary Contributions (AVCs).

Up to 5 years before you retire

- Track down old pensions using www.gov.uk/find-pension-contact-details
- Get up-to-date quotations and see if you need to (and can) pay more
- Decide whether you might want to give up some pension to maximise your lump sum

You can check your State Pension age at www.gov.uk/state-pension-age and get a forecast at

6 months before you retire

- Get final quotations, they're likely to be pretty accurate now
- Talk to an independent financial adviser
- Organise your State Pension if you're the right age to take it
- Find out when you'll get your lump sum and first monthly payment

Taking advice

We recommend that you take independent financial advice before making any retirement decisions. You can find an FCA approved adviser local to you at:
www.moneyadvice.service.org.uk/directory

Pension Matters

RPI reform consultation

You may have seen that, in late 2020, the Government and the UK Statistics Authority (UKSA) published the response to their joint consultation on proposed changes to how RPI is calculated.

The response confirms that the way that RPI is calculated will remain unchanged until 2030. It will then be aligned with CPIH from February 2030 onwards. CPIH is UKSA's measure of UK consumer price inflation that includes owner occupiers' housing costs.

This change will have wide ranging financial impacts, including for pension scheme members. Under the Scheme rules, most benefits increase in line with RPI, so the revised measure is expected to apply for the first time for the increase due on 1 April 2031.

There is nothing you need to do as a result of this change and we will continue to monitor developments to ensure we are paying the correct benefits to you, as set out in the Scheme's Rules.

Changes to the Trustee Board


There have also been a number of changes to the Trustee Board over the year as we note the resignation of Professor Stephen Diacon who retired from the Board at the end of 2020, and note that Carrie Richardson will also be leaving the Board at the end of October 2021. The Trustees would like to thank both Steve and Carrie for their valuable contributions and commitment to CPAS over the years.

As Steve was also Chairman of the Communications Subcommittee, I am pleased to confirm that this is now Chaired by Peter McCracken.

A reminder that following Ray Howard's retirement from his role as a Member Nominated Trustee ("MNT"), we are still seeking a replacement. If you're a Pensioner member of CPAS and are interested in becoming an MNT then please get in touch with the Secretary to the Trustees at XPS by emailing: NottinghamCPAS@XPSGroup.com for more details.

Should any pensioner members wish to discuss the role directly with a Trustee or with our advisers XPS, there may be opportunity to do so at the upcoming CPAS open day, during which there may be opportunity to discuss the role face-to-face.





CHAIR OF THE TRUSTEES

 *Colin Richardson*
(representing PTL Governance Limited)





EXTERNAL INDEPENDENT

 *Vacancy*

MEMBER NOMINATED

 *David Butler*
 *Russell Kearney*
 *Wendy Greenop*
 *Vacancy*

EMPLOYER NOMINATED

 *Linda Goodacre*
 *Peter McCracken*
 *Carrie Richardson*
 *Dan Tilley*

Stay in touch

If you have any questions about the CPAS or your benefits, or would like to

update your details, please get in touch with XPS using the details to the right.

Please use telephone and email where possible. However, post is still being accepted and processed:

CPAS, XPS Pensions Group, PO Box 205, Huddersfield HD8 1ET.

You can also contact the University's pensions team:

University of Nottingham Pension & Benefits Services, Finance Operations, Kings Meadow Campus, Nottingham NG7 2NR

XPS

0118 918 5187

NottinghamCPAS@XPSGroup.com

University of Nottingham Pension
& Benefits Services

0115 951 5996

pensions@nottingham.ac.uk