

News Brief

FOR MEMBERS OF THE BRITISH STEEL PENSION SCHEME (BSPS)



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Message from your Trustee Chairman



Welcome to the Spring 2021 edition of *News Brief*.

I hope that you and your family are all keeping safe and well during these uncertain times and are looking forward to the return of some form of normality later in the Summer. I would like to welcome you to this *News Brief*, which includes a number of articles I hope will be of interest to you.

The Trustee is required to carry out a full actuarial valuation at least every three years. The valuation as at 31 March 2021 is currently under way and we expect to have the results finalised in early 2022. Although the Scheme has faced a number of headwinds since the last valuation, including the impact of the global pandemic on markets and the Government announcement regarding changes to the way inflation will be calculated in future, the Trustee expects the valuation to confirm that the Scheme remains well positioned to pay benefits securely on a low-risk basis now and in the future.

If part of your Scheme pension currently in payment was earned by service before April 1997, you will have a special interest in this valuation. The agreement to set up the new Scheme includes provisions for a potential additional payment to you if the 2021 valuation results in an 'unexpected surplus'.

Whether or not a payment is due will not be known with certainty until after the 2021 valuation is completed; however the Scheme Actuary has estimated (based on provisional information available in April 2021) that the conditions for a modest payment to eligible members are likely to have been met. The Trustee will keep you informed of developments as the valuation progresses.

In our *News Brief Autumn 2020* newsletter we advised you that the Trustee board was looking to select a Member Nominated Trustee director (MND). Interviews were originally scheduled to take place during February 2021. However, given the full Covid lockdown restrictions, face-to-face interviews could not be held as originally planned and it was recognised that this could put candidates not known to the Trustee at a significant disadvantage.

Given these circumstances, the Trustee board decided to postpone the selection process and extend the term of appointment of the incumbent MND (Shaun Corten) for a further twelve months following which a selection process can be run for both MND vacancies. Further details will be included in the Autumn 2021 newsletter.

The Covid restrictions have affected our lives in many ways, including how we interact with those organisations that provide us with the services we rely on. I am pleased to say that the Pensions Office has continued to provide all the key services over the last 15 months without much disruption to members.

The current experience has also served to accelerate the trend for many of us to access services electronically at a time that best suits us. It is very timely therefore that the Scheme has introduced a Member Portal facility on its website. The Portal allows members to register to access online key Scheme documentation relating to their pension in payment. Details of this new service were provided to all pensioners at the end of March and we have already seen encouraging early take-up rates.

Work is now under way to allow registered users to update the Portal with any change in address, bank details etc. which can then be updated onto Pensions Office records. In 2022 we expect to expand the Portal to allow access to members whose pensions are not yet in payment. Further details are on pages 7 and 8.

Best wishes



Keith Greenfield
Chairman of B.S. Pension Fund Trustee Limited



Scheme noticeboard

Increases for pensioners

Under the Rules of the Scheme, some or all of a BSPS pension in payment may increase each year on 1 April*. Following the announcement that the Consumer Prices Index rose by 0.5% in September 2020, pensioners will have received a letter detailing how this increase was applied from April 2021 to pensions which attract increases (mainly pension built up after 6 April 1997).

Included with the pension increase letter is a statement (known as a P60) which shows how much pension has been received and how much has been deducted in tax during the 2020/21 tax year. You may need to refer to this if completing a Tax Assessment.

You can view and download copies of both documents at the Scheme's new online Member Portal. Further details about how to register for the Member Portal are on pages 7 and 8.

*Continues to be 6 April for pensioners paid from the payroll of the former Corus Engineering Steels Pension Scheme.

Annual consultative meeting

The consultative meeting traditionally provides member representatives the opportunity to ask questions about the Scheme directly to Trustee directors and others involved in running the Scheme. Due to the uncertainty around Covid, the 2020 meeting was cancelled and a briefing given in the Autumn newsletter; due to continuing uncertainty around large meetings, the Trustee has decided it is not appropriate to hold a face-to-face gathering during 2021.

The lockdown restrictions have seen many of us change how we communicate. For example, many people have relied on video conferencing to keep in contact with loved ones. The Trustee recognises that technology of this kind could now allow wider engagement with more Scheme members than through the traditional consultative meeting format, which had smaller numbers meeting face to face. It is currently exploring plans to hold a member event over the internet in the early part of 2022, once the actuarial valuation has been completed. If you would like to have your say on what topics should be included in this event, please see page 11 for details of how to give your feedback.

An update will be included in the *News Brief Autumn 2021* newsletter.

Update on GMP equalisation

Towards the end of 2018, the High Court made a judgment on a case about Guaranteed Minimum Pensions (GMPs). It confirmed that pension schemes like ours, where some members have earned a GMP, will need to treat them differently. Since then, there have been some follow-up Court cases addressing further questions about the scope of the 2018 judgment.

What is a Guaranteed Minimum Pension (GMP)?

The GMP was the minimum pension that a pension scheme had to provide for its members who were contracted out of the State earnings-related pension scheme (SERPS) between 1978 and 1997. GMPs were calculated differently for men and women.

Your GMP makes up part of your total annual Scheme pension.

We'll need to make sure that any GMP benefits built up between 17 May 1990 and 6 April 1997 are equal between men and women. **If you don't have any GMP benefits built up between these dates, this judgment will not affect you.**

It's not yet possible to say exactly how members' pensions will be affected. Even if you do fall into this group of members, there may not be much, if any, impact on your pension.

The Department for Work and Pensions, HM Revenue & Customs and a pensions industry working group have been producing guidance on how this will work in practice. There have also been further court judgments on how to deal with some of the historic issues.


The Trustee and Company are working together to understand the impact of these developments on the Scheme, but there are still areas that need to be clarified. It will be a complex process and it is likely to take some time before we can update members who may be impacted.

We'll keep you updated as the situation and timing become clearer through our website and regular newsletters. If we have information that impacts you directly, we'll write to you separately.

Scheme noticeboard continued

Nomination forms

For **members not yet in receipt of a pension**, please ensure that you keep any Nomination form for your lump sum death benefit up to date. If you haven't completed one, please consider doing so. You can download a form from the Scheme website at **www.bspspensions.com** or you can request one from the Pensions Office (see page 12 for contact details).



**THE
BRITISH STEEL
PENSION SCHEME**

Nomination form

Lump Sum Death Benefits

If you have no named persons benefit(s) to claim from the Section of the British Steel Pension Scheme, the Trustee Board will consider the nomination submitted and the form to be used for Selection.

If your circumstances change after you have filled in this form, you can change your nomination(s) by filling in another form and sending it to the Pension Office to replace your previous nomination form please email:

YOUR PERSONAL DETAILS

TITLE

SURNAME

FORWARDING TO

DATE OF BIRTH (DD/MM/YYYY)

NATIONAL INSURANCE NO.

HOME ADDRESS

POSTCODE

EMAIL ADDRESS

TELEPHONE NO.

For completion by the Trustee Board only
Do not complete this section

Who can I nominate?

The pension nominated must be your 'dependent(s)' and may be any of the following:

- Your 'widow/beneficiary of partner'
- Your children or grandchildren
- Your grandchildren or the grandchildren of your widow/beneficiary of partner and the grandchildren of any previous or deceased widow/beneficiary of partner
- Your parents, brothers, sisters, aunts and cousins, and the parents, brothers, sisters, aunts and cousins of any previous or deceased widow/beneficiary of partner and the spouses of any such relatives, aunts and cousins
- Any person who has lived with you for a continuous period of at least 2 years, living off the same income - may also qualify in these circumstances, but please note that this is subject to payment of a charge
- Any person who has lived with you for a continuous period of at least 2 years, living off the same income - may also qualify in these circumstances, but please note that this is subject to payment of a charge

Any person who you have nominated must be at least 18 years of age and fully entitled to the benefit of your pension and will be responsible for any charges payable on the death of your partner or of the children.

Any person who you have nominated cannot be solely or partly dependent on an ill financially sound individual who owes payments to the Trustee Board under the plan as a 'contingent claimant'. Please Note: Having all the same address - may also qualify in these circumstances, but please note that this is subject to payment of a charge.

If you wish to nominate someone dependent on any of these categories, the Pension Office recommends that you have a Will drawn up which gives clear instructions related to this nomination form. The Trustee Board can, where appropriate, make payment to your designated beneficiary.

This nomination form does, however, to your will, unless or in some special circumstances of illness or accident.

March 2018

Former employee pensioners in the first five years of receiving a Scheme pension may also qualify for a lump sum death benefit and therefore should consider completing a Nomination form too. (If you've been in receipt of a pension from the Scheme for more than five years, no lump sum is payable on your death.)

Your Nomination form is treated as your latest expression of wish in respect of any lump sum benefits payable to your dependants following your death. This is important because these benefits are payable under a discretionary trust. This means that the Trustee determines who should receive the benefit and so it avoids it forming part of your estate, where it may be subject to inheritance tax. The Trustee has discretion on whom to make any lump sum payment to, but it is guided by the wishes you set out on your form.

The form includes details of the categories of people you can nominate. You can nominate more than one person.

You should review your wishes every couple of years, or if your circumstances change, to make sure they reflect your current circumstances. This is particularly true if you get married or divorced, enter or leave a civil partnership or have a child.

There is no need to nominate your spouse or civil partner or dependent children for a pension payable on your death.

A pension is payable automatically in these circumstances on the provision of the necessary certificates.

Member Portal

Do you like to keep things simple? Keeping in touch with your pension is important and it doesn't need to be complicated. We recommend that members with pensions in payment sign up to the new Member Portal. Having access to the Member Portal is an easy way to stay up to date with your pension and allows you to access important documents.

If your pension is in payment, you can register on the Member Portal to access:

- ✓ Your annual P60 certificate
- ✓ A monthly pay statement

Later in 2021 you will also be able to:

- ✓ Change your contact details quickly and securely
- ✓ Change your bank account details
- ✓ Update your Nomination form (see page 6 for details)



Member Portal continued

Where to find the Member Portal

Go to the Scheme website, **www.bspspensions.com** and click on 'Member Portal'.

How to register

Click on the 'Register now' button, read the Terms & Conditions (T&Cs), tick the box to accept the T&Cs and click on 'Accept' to continue.

You'll need your National Insurance number and your Membership number to proceed. You'll find your Membership number printed at the top of your annual pension increase letter and your National Insurance number is on your P60 document.

We'd encourage you to register for the Member Portal at your earliest opportunity. More self-service functionality, including providing access to members whose pensions are not yet in payment, is planned in the coming months.

Look out for updates within the Scheme website and future newsletters.



If you need help

We've produced a step-by-step guide to the registration process, which you can find under 'Help'. There's also a list of common Q&As about registering and logging in.

If you're still having problems, you can contact the Pensions Office for help:

Telephone: 0141 274 2250

Email: memberportal@bspspensions.com



The Silver Line

The Silver Line, a helpline dedicated to providing support for older people living with loneliness and social isolation, has received in excess of 2.5 million calls since it was established in 2013. In October 2019, it became a subsidiary of Age UK.

Close to 1,500 people per day reach out to the helpline. Over half of the people who call The Silver Line say that they have nobody else to speak to. The vast majority of them live alone and have very little human contact from day to day.

There are thought to be around 1.2 million chronically lonely older people across the UK. That number is set to rise to 2 million by 2026 and The Silver Line is the front line of defence, combatting the destructive effects of this issue.

Available 24 hours, 7 days, 365 days a year, it is the only free, national, confidential helpline offering information, friendship and advice to older people.

The Silver Line is providing a vital public service, funded entirely by charitable giving. It needs public support if it is to continue expanding in line with demand. To find out how you can access their service or volunteer, visit

www.thesilverline.org.uk/what-we-do
Alternatively, phone 0800 4 70 80 90.



State Pension

State Pension Age is now 66

The age at which people can start claiming a State Pension has now officially risen from age 65 to 66.

The increase, which has been taking place gradually since December 2019, applies equally for both men and women, and affects anyone born on, or after, 6 October 1954. In recognition that many people are now living longer, the State Pension Age is expected to continue rising in phases like this over the coming years.

An increase from 66 to 67 is already in law and will take place between April 2026 and March 2028. The State Pension Age is then expected to reach 68 by 2039.

To find out when you might be eligible for your State Pension, visit **www.gov.uk/state-pension-age**.

Remember that the State Pension Age is different to your Normal Retirement Age in the Scheme (which remains at age 65).

State Pension increase for April 2021

State Pensions increased by 2.5% from 6 April 2021 under the Government's 'triple lock' mechanism. This means:

- For those who reached State Pension Age before April 2016 and receive the Basic State Pension at its full level, this is worth £137.60 a week, up from £134.25.
- For those entitled to the full level of the new single-tier State Pension, they get £179.60 a week, up from £175.20, taking their total annual State Pension income to £9,339.20.



Your feedback

We welcome feedback on all aspects of the *News Brief* newsletter, including suggestions for articles for future editions. You can complete the survey by going to <https://www.smartsurvey.co.uk/s/BSPSNewsbriefSpring2021/>



News Brief is available in either Braille or large print formats. If you have used this service before, we will automatically send you a copy in your preferred format. To register for this service for the first time, please telephone us and let us know which version you require.

An audio version of the newsletter will be added to the Scheme website, www.bspspensions.com. The Scheme website is compatible with Browsealoud, which allows you to have website content read to you. Browsealoud software is free to download.



Your administration services

The Pensions Office is dedicated to providing administration services to all BSPS members. During the Covid restrictions, the Pensions Office was able to continue to provide a full range of administration, payroll and helpline services through a combination of home and office working.

Over the year to the end of March, team members have:

Answered around 12,000 calls	Paid £485 million to members
Put 1,807 new pensions into payment	Issued over 1,450 retirement quotes

Throughout this time, all service levels were maintained above 98%.

If you have any questions or concerns about your pension, you can get in touch with the Pensions Office in all the usual ways. When contacting the Pensions Office, please quote your National Insurance number and indicate whether your enquiry relates to membership of the former Corus Engineering Steels Pension Scheme.

Please remember we need your written and signed authority to discuss or release your personal information to a third party.



Email

pension.enquiries@bspspensions.com



Website

www.bspspensions.com



Telephone

UK 0330 440 0844

Non-UK +44 141 274 2244

Our normal hours are 8.45am to 4.45pm Monday to Friday

All our calls are recorded for training and monitoring purposes. We are planning on introducing a feature later this year where you can elect to participate in a survey in which you can tell us your views on how well your call was handled.



Writing from the UK

(no need for a stamp)

British Steel Pension Scheme
FREEPOST RLXS-ZXKT-AUER
Glasgow
G2 7BW

Writing from outside the UK

British Steel Pension Scheme
Sentinel
105 Waterloo Street
Glasgow G2 7BW
Scotland
United Kingdom

The Pensions Office will be moving office in early Summer 2021. There should be no impact on the level of service provided for members. Please continue to use the above address and we'll be in touch with our new address in future correspondence.