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Welcome to your Pensions News...

Firstly, I want to say a big thank you to our team at the Pensions Service Centre in Sheffield. Like lots of people around the country, the team of Royal Mail staff who look after the day-to-day running of the RMPP have been mostly working from home for the past year. Whether it be answering calls to the Pensions Helpline, sending out retirement letters or making sure everyone gets their pension payment each month, the whole team has remained dedicated to delivering a first-class service. I was very pleased to see how the team has continued to deliver a strong performance, even under such difficult circumstances.

The Pensions Service Centre also supported many of the communication improvements we've made this year. Turn to page 4 for details of the changes we have made and what we are doing next.

Throughout this unusual time, the Trustee Directors have continued to actively manage the Plan on your behalf. The Trustee Board has continued to meet (albeit virtually), staying in regular contact with our advisers to monitor the funding level of the Plan. You can find an update on the funding of the Plan, starting on this page. Turn to page 6 for important information about pension fraud and how you can protect yourself.

Make sure you keep the Pensions Service Centre up-to-date with any changes to your circumstances. On page 7 there's a reminder on the importance of filling in a Nomination of beneficiary form.

And finally, if you have any questions about your benefits, the Pensions Service Centre team are here to help. Find out how to contact them by phone, email or in writing on the last page.

Joanna Matthews

Chair of the Trustee, Royal Mail Pension Plan

Funding Update

Every year we look at how much money the RMPP is likely to need to pay everyone their benefits (the **liabilities**) and compare that with the total amount of money the RMPP currently has (the **assets**). The results of the most recent 'Funding Update' for the Royal Mail Section of the RMPP are shown below.

Non Cash Balance

This relates to the benefits that members have built up before 1 April 2018.

	Funding Update as at 31 March 2019	Funding Update as at 31 March 2020
Liabilities	£10,411 million	£10,664 million
Assets	£10,464 million	£11,183 million
Surplus	£53 million	£519 million
Funding level (assets divided by liabilities)	101%	105%

You will see that although the value of the liabilities increased by £253 million over the year, the assets performed strongly and increased by a larger amount (£719 million), which is why the surplus (the difference between the assets and the liabilities) increased to £519 million.

Cash Balance

This relates to benefits that members are building up since 2018.

	Funding Update as at 31 March 2019	Funding Update as at 31 March 2020
Liabilities	£386 million	£717 million
Assets	£396 million	£735 million
Surplus	£10 million	£18 million
Funding level (assets divided by liabilities)	103%	103%

Assets and liabilities in the Cash Balance section are increasing rapidly because this is where all the contributions and benefits have been building up since 2018. Liabilities increased by £331 million over the period and assets increased by £339 million, meaning the surplus increased by £8 million.

What if the RMPP is wound up?

By law, we must tell you the funding level (as at the last Actuarial Valuation) if the RMPP was wound up, and the assets and responsibility for paying your benefits were transferred to an insurance company. On this basis, and based on the last full valuation at 31 March 2018, the RMPP could meet 100% of its commitments.

Finally, we must tell you that over the past year we didn't pay any 'surplus assets' to Royal Mail, Post Office Limited or other employers. The Pensions Regulator has not imposed any orders on the RMPP to change the rate of contributions, benefits or the way in which the liabilities are calculated.

Cash Balance increase announced

Benefits building up in the RMPP after 1 April 2018 are normally increased each year in accordance with a policy set by Royal Mail Group. This is based on market conditions from time to time, but the aim is to provide an above inflation increase. We're pleased to confirm that the benefits built up in the Cash Balance fund as at 31 March 2020 for current employees (or those who left since 1 April 2018 - not just those who left since 1 April 2019 as indicated on the printed version of this newsletter) were increased on 1 April 2021 by 1.7%.



Improving our communications

Last year we reported on the findings of our research. We wanted to know how we could improve the way we communicate with you through the website, your annual benefit statement or when we write out with options for taking your benefits at retirement.

What we said we'd do...

Review the retirement journey to make sure you are prepared for the choices we'll ask you to make.

Re-write the letters we send when you are getting near to taking your benefits at 65.

Develop the website to include information to support choices and explain important aspects of your pension.

What we've done...

We'll now write to you sooner so you can start thinking about your options in plenty of time. We've highlighted key information and dates on a handy timeline so you know what happens at each stage and where to get help.

We've simplified the language. Put the important information up front and improved how we show your pension options.

We've added five video animations to the website, including: 'How your Royal Mail pension works' and 'How to find the most important information in your benefit illustration'.

Next steps

There's always more we can do! If you're still working, you should start to receive the new style letters asking you to decide what you want to do when you're about 6 months from 65. We'd love to hear from you if you found the new information has helped. We'll be rolling out the new style of letters across all our other areas as soon as we can so whatever stage you are at in your pension journey, we can make your choices as easy to understand as possible.

We'd like to thank those of you who took part for providing your opinions and insights on how we can make things better.



But we're not stopping there...

We are continuing to evolve and improve the way we communicate with you - and to do that we need your feedback. We've recently added a feedback survey to the website to get your thoughts on the new-look site. It's really quick to fill in, with only three questions to answer - look out for the icon. And don't worry - we won't keep reminding you. If you complete the survey and log on using the same device, the pop up won't appear the next time you visit.

Remember, you can access the website from a smartphone or tablet and we've now made it even easier.

You may have been unfamiliar with humble QR codes, but since the pandemic and the introduction of the NHS app, for many of us, they've become a useful part of our daily lives. As part of our ongoing improvements, we're developing QR codes to take you to the information most relevant to you.

Take a look

Simply scan the code below with your smartphone or tablet and it will take you straight to the section of the Plan relevant to you.

To scan the QR code:

- open the camera on your smartphone or tablet
- point the camera at the QR code – then click on the open website instruction

Look at the new content, leave feedback or fill in a nomination form, it's all there on the site.



Look out for more QR codes in upcoming communications.

If you don't have a smartphone or tablet you can access the website at **royalmailpensionplan.co.uk**

Pension fraud - don't be a victim

Anyone could be a victim of a pension scam. Scammers are taking advantage of people's concern about their pension – trying to gain their trust by promising to transfer their money somewhere 'safer' (when the reality is that its new home will be anything but safe).

Don't let it happen to you.

It's your money - never feel rushed or pressured to transfer your pension. Take the time to find out who you're dealing with and seek impartial advice.

Remember, if something sounds too good to be true, it probably is!



Pension Scams can be broken down into four different types:

- **Liberation scams** - offering you access to your pension before the age of 55
- **Investment scams** - offering you high (unrealistic) returns, perhaps on overseas investments
- **Review scams** - offering you a 'free' review of pension savings and investment returns
- **Advice scams** - offering you free advice with the aim of obtaining information or authority to make transfers on your behalf

These are just some of the offers a scammer may make to you:

- offer you a free pension review
- promise you better returns on your pension savings
- offer to help you take out money from your pension before age 55
- put you under pressure to make a quick decision with 'time-limited offers'
- try and entice you with unusual investments that are difficult to understand
- suggest arrangements made up of several different parties – some may be from overseas; and
- offer long-term investments where you may not notice something is wrong until years later

Nomination of beneficiary forms

Don't forget, pension cold-calling is illegal. Companies can face fines of up to £500,000 for breaking the rules. If you receive a cold call the safest thing to do is hang up.

Look at the 4-step guide from the Financial Conduct Authority (FCA) and help to protect yourself from pension scammers.

[fca.org.uk/scamsmart/how-avoid-pension-scams](https://www.fca.org.uk/scamsmart/how-avoid-pension-scams)

Make sure your money goes to the people you love.

In most cases, the Trustee has to decide who gets any benefits paid from the RMPP when you die. But we need your help - if you don't tell us we won't know who you'd like to get them and sadly, this can often lead to disagreements and distress at a difficult time.

It's easy to update your beneficiary details by filling in a Nomination of beneficiary form - which you can find on the website. Remember to update these details whenever your circumstances change. Taking these steps will help to ensure the Trustee can consider your wishes and pay the benefits as soon as possible.

The Trustee must consider your wishes, but they will also need to look at all the circumstances at the time. This is why it's important to keep your wishes up to date, to reflect any changes in your family or relationships.

It's really important to make your family aware of any pension benefits that you hold, as well as keeping details of your beneficiaries up to date.





Get in touch



You can always get in touch with us by phone, email or post.

If you have a question about your pension, please tell us your full name and date of birth along with your National Insurance or Pension Plan number. This helps us find the information we need to help you more quickly.



pensions.help@royalmail.com



0345 603 0043

Mon to Fri, 8:30am to 5:00pm



**Pensions Service Centre,
PO Box 5863, SHEFFIELD, S98 6AB**

royalmailpensionplan.co.uk

For questions about RMSPS benefits
visit Capita at **royalmailsp.co.uk**