

Pensions Newspaper

The newsletter for members of the Mineworkers' Pension Scheme

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And much more!

Summer
2019

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Member update

You should recently have received a letter from Chris Cheetham, the Scheme Chairman, following a recent debate in Parliament on the Mineworkers' Pension Scheme.

If you didn't receive this letter, it is available in the 'News' section of the Scheme website at the following address: www.mps-pension.org.uk/news Alternatively, you can request a copy of the letter from the Trustees Office at the address shown on page 29.

Pensioner Representative Trustee election 2019

Derbyshire, Nottinghamshire & Lincolnshire

On 30 September, John Bonser's term of office as the Mineworkers' Pension Scheme (MPS) Pensioner Representative Trustee for the Derbyshire, Nottinghamshire & Lincolnshire constituency comes to an end. John has decided not to stand for re-election and will retire after five years as an MPS Trustee. We would like to thank John for his work over the last few years, and for his commitment to the Scheme and its members.

An election for the post will be held this summer. Details of the election process can be found on the next page.

Pensioner Representative Trustee election 2019

Standing for election

All MPS members living in the Derbyshire, Nottinghamshire & Lincolnshire constituency will be sent a letter which provides information on standing for election.

Voting in the election

All MPS members living in the Derbyshire, Nottinghamshire & Lincolnshire constituency are able to vote in the election and will be sent ballot papers and candidates' statements in August.

Members will be able to vote either by post or online. Details will be included in the ballot pack issued in August.

Key Dates

16 August 2019	Ballot papers issued
.....	
18 September 2019	Close of voting at 12 noon; votes counted
.....	
1 October 2019	Successful candidate takes up office

The successful candidate will serve as a Pensioner Representative Trustee on the Committee of Management for a period of five years and would then be eligible for re-election.

The results of the election will be published on the Scheme website and in the next edition of Pensions Newslines.

Payment of benefits on death

The Scheme provides valuable benefits to your spouse/civil partner or dependants if you die. Your spouse or civil partner would be entitled to receive a pension benefit from the Scheme automatically. However, if you have an alternative beneficiary, they do not have an automatic right to receive a pension benefit. Examples of an alternative beneficiary could include a couple living together as partners but unmarried, or a family member who is financially dependent on you.

It is important that your alternative beneficiary would be able to prove your relationship and their financial dependency on you. Evidence could include statements from a joint bank account, mortgage or rental documents with both names on, or letters and utility bills addressed to you both at the same address. Being able to provide a will and an Expression of Wish form would also be very helpful.

We have produced a video which provides guidance on the sorts of things we might ask to see. The video has been uploaded to the 'What happens if I die' sections of 'My pension is in payment' and 'My pension is not in payment' at www.mps-pension.org.uk

If you have a potential alternative beneficiary who might wish to make a claim for a pension benefit after you die, please consider whether they would be able to provide the evidence we have outlined above and, in the video, to support their claim. Without this, the Trustees might not be able to pay a pension benefit after your death.

Payment of benefits on death

Leaving a will

Having a will is very important. Your will makes clear what you want to happen to your money, possessions or property after you die. If you don't have a will, the law will make this decision for you. This decision might not be in line with your wishes. A will would also let the Trustees know your intentions should they have to decide who to pay any benefits to after you die.

If you don't have a will, or if you have a will that needs updating, please see the article on page 15 entitled 'Free Wills Month – October 2019'. During March and October, a group of charities work together to offer people aged 55 and over the opportunity to have their wills written or updated free of charge. The next Free Wills Month starts on 1 October 2019. If you would like to take part, please follow the steps included in the article.



Payment of benefits on death

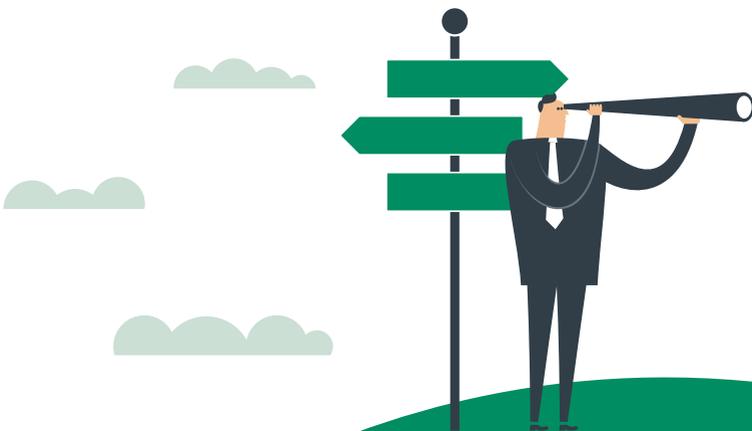
Expression of Wish form

If you have a potential alternative beneficiary, an Expression of Wish form would also be considered by the Trustees. The Expression of Wish form sets out your wishes for any lump sum benefits that may be due on your death and gives an idea of who you would want any pension benefit to be paid to after your death.

You are able to complete an Expression of Wish form at any time, and it is important that you make sure it remains up to date.

Pensioner members who have registered for secure online access through the Orbit website can complete or update their Expression of Wish form online. If you have not yet registered for this service, please contact the Scheme Administrator (details on page 29).

A form is available to download from the Scheme's website at the following address: www.mps-pension.org.uk/forms, and can also be obtained from the Scheme Administrator.



Report & Accounts summary - 30 September 2018

The Mineworkers' Pension Scheme is a mature Scheme, with annual pension payments currently amounting to £696 million. The Trustees work hard to manage the Scheme's investments, and the cash-flows they generate, to ensure that the Scheme will continue to meet all pension payments as they fall due, both now and in the future. Also, the Scheme benefits from the Government Guarantee so all members can be confident that their pensions will always be paid.

Report & Accounts statistics

Below is a summary of the Scheme's finances and membership numbers for the year ended 30 September 2018, taken from the Scheme's Report & Accounts. A full copy is available from the Trustee's Office (please see page 29 for contact details). It can also be found on the Scheme Publication section of the website:

www.mps-pension.org.uk/scheme-publications-and-factsheets

Key statistics for 2018

Total number of pensioner members	135,301
Total number of deferred members	16,881
Total benefits paid and transfers out	£696m
Net decrease in the fund during the year	(£262m)
Net assets of the Scheme at the end of the year	£11,979m

Report & Accounts summary - 30 September 2018

Five Year Summary of the Fund Account

	2014 £m	2015 £m	2016 £m	2017 £m	2018 £m
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Benefits and payments out of the Scheme

Benefits and transfers out of Scheme	(742)	(721)	(882)	(678)	(696)
Payments to the Guarantor	(750)	(92)	(113)	(51)	(526)
Administrative expenses	(9)	(9)	(7)	(6)	(7)
Net withdrawals from the Scheme	(1,501)	(822)	(1,002)	(735)	(1,229)

Returns on investments

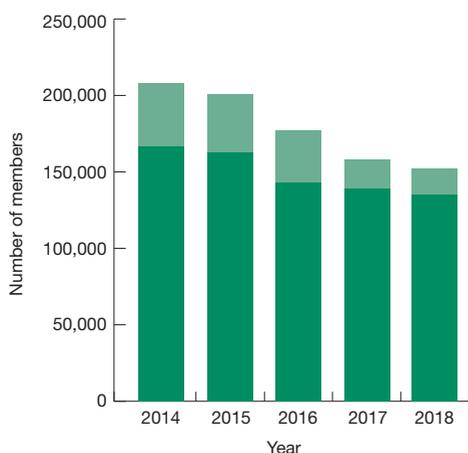
Investment income	212	237	277	290	308
Change in market value of investments	978	97	1,680	1,338	706
Investment management expenses	(36)	(43)	(50)	(48)	(47)
Net returns on investments	1,154	291	1,907	1,580	967

Report & Accounts summary - 30 September 2018

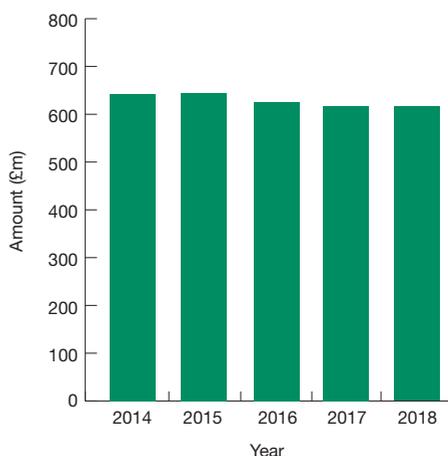
Five Year Summary of the Fund Account

	2014 £m	2015 £m	2016 £m	2017 £m	2018 £m
Net increase/ (decrease) in the fund during the year	(347)	(531)	905	845	(262)
Net assets of the Scheme at the end of the year	11,022	10,491	11,396	12,241	11,979

Membership



Pensions paid (excluding lump sums, trivial commutations and transfers out)



■ Members in payment
 ■ Deferred members

Report & Accounts summary - Key Figures explained

Payments

Benefits and transfers out of the Scheme

For the year to 30 September 2018 pensions were being paid to over 135,000 members and their dependants. These payments amounted to £696 million over the year.

Payments due to the Guarantor

This represents the payments that are due to the Guarantor as a result of its share of surplus arising from past actuarial valuations. The Guarantor's share of any surplus is paid in instalments over ten years. Payments totalling £51 million were made to the Guarantor during the year. In addition, as disclosed in last year's Pensions Newline a payment of £475 million was paid back to the Government from the Investment Reserve.

Administrative expenses

These are the costs incurred in administering the Scheme and paying the benefits and include legal and actuarial costs. The majority of these costs are spent on pensions administration. It is crucial for the Scheme to be administered effectively to ensure that members' benefits are paid correctly, on time, and their queries are responded to.

Report & Accounts summary - Key Figures explained

Returns on investments

Investment income

The scheme invests in certain assets that generate income which is paid into the Fund during the year. This includes rent from property, interest from lending money to companies, governments or on cash balances, and dividends from equities. The total amount of income received from investments in the year was £308 million, considerably less than the total amount of payments that the Scheme had to make in the year.

Change in market value of investments

Some investments that the Scheme owns do not generate regular income but are invested for the longer term to increase in value. They can then be sold to generate cash for payment of benefits or to make new investments. The Report & Accounts includes the value of such investments as at the end of the Scheme year of 30 September. The value will increase or decrease from year to year owing to many factors, including movements in global stock market prices, interest rates, foreign currency rates and property prices.

Investment management expenses

Managing the Scheme's investments well is vital to the success of the Scheme and requires specialist knowledge and expertise. The Trustees have overall responsibility for the Scheme's investments and have appointed professional investment managers to provide them with advice on the most appropriate investments.

Report & Accounts summary - Key Figures explained

Net increase/(decrease) in the Fund during the year

This is simply the difference between the ‘return from investments’ and the ‘payments from the fund’. In the year to 30 September 2018 there was a net decrease of £262 million so the fund decreased in value from £12,241 million at the beginning of the year to £11,979 million at the end of the year.

Investment strategy

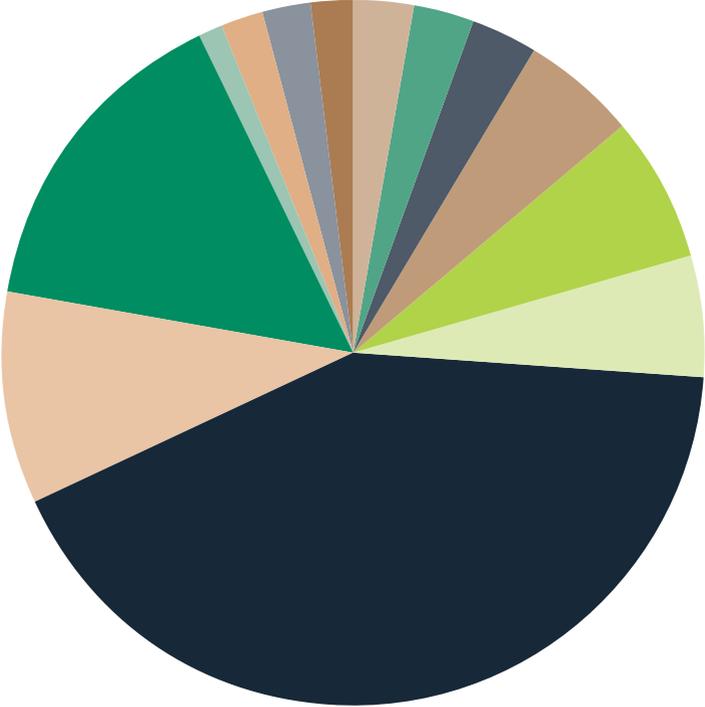
Because the Scheme has a Government Guarantee that ensures pensions are always paid, the investment strategy for the Scheme can look at investments that have the potential for better returns. This in turn means that the Trustees can target surpluses which provide bonuses to members.

Yorkshire Dales, North Yorkshire

Report & Accounts summary - Key Figures explained

Asset allocation

The actual proportion of investment assets held at market value by the Scheme as at 30 September 2018 was:



■ Cash	2.8%	■ Private equity	9.7%
■ Global government bonds	3%	■ Property	15.2%
■ Global investment grade credit	3%	■ Insurance	1%
■ Global multi-asset credit	5.1%	■ UK infrastructure	2%
■ Private debt	6.8%	■ Global Macro	2.1%
■ Special situations debt	5.5%	■ Shipping	1.9%
■ Public equity	41.9%		

Free Wills Month - October 2019

During March and October, a group of charities work together to offer people aged 55 and over the opportunity to have their wills written or updated free of charge, using participating solicitors in locations around the UK. The solicitor will help to draw up a will that reflects your wishes.

As highlighted in the article ‘Payment of benefits on death’ on page 5, having a will is very important. Your will tells everyone what should happen to your money, possessions and property (your ‘estate’) after you die. If you don’t leave a will, the law decides how your estate is passed on and this might not be in line with your wishes.

The next Free Wills Month starts on 1 October 2019. If you would like to take part, please follow these steps:

- Visit www.freewillsmoth.org.uk (if you don’t have internet access, you may need somebody to help you; there is no telephone number available).
- Scroll down to this section of the page:

The next campaign begins October 1st 2019.

Please leave your details below and we'll send you a reminder when the campaign starts in your area.

First Name	Last Name
Postcode	Email

NOTIFY ME

Free Wills Month - October 2019

- Enter your details, including an email address; you'll receive a reminder when the campaign starts.
- When the campaign starts, you will get access to the details of local participating law firms.
- Make an appointment directly with the participating solicitor during October.

Appointments are limited and are allocated on a first come, first served basis. If you're making your will as a couple, only one of you needs to be over 55.

The Free Wills Month campaign pays for simple wills. If your will is more complex and would need additional work, the solicitor may ask you to pay for this. You should check this when booking your appointment.

We believe that this campaign is a good opportunity for our members. However, it is not being run by the Mineworkers' Pension Scheme, so if you have any questions about the campaign, please refer directly to the Free Wills Month website (see previous page).



Bamburgh Castle, Northumberland

Discretionary ill health benefits

As reported in the summer 2018 edition of Pensions Newslines, members who haven't yet taken their Mineworkers' Pension Scheme benefits, and are under the age of 60 and unable to work because of ill health (and are unlikely to be able to do so before age 60) can apply to take their pension early and in full.

All applications will be reviewed by the Scheme's Medical Adviser. Benefits could only be paid under these circumstances (before age 60 and in full) if the Scheme's Medical Adviser agreed that you satisfied the criteria. If the Scheme's Medical Adviser did not agree that you satisfied the criteria, you would be able to appeal the decision. If an independent medical report was required as part of your appeal, you would need to pay for this yourself.

If your application and any subsequent appeal were turned down, you could still think about taking early retirement from the Scheme on a reduced basis.

If you think that you may be eligible to receive your benefits early due to ill health, you should apply by writing to the Administration Office at the address below. You will need to provide:

- Your Scheme number or National Insurance number; and
- Professional medical evidence (from your GP, for example) which confirms that you are unable to work and are unlikely to be able to do so before you reach 60.

Discretionary ill health benefits

Address for applications:

Mineworkers' Pension Scheme
PO Box 555
Stead House
Darlington
DL1 9YT

The amount of money that the Trustees have set aside to provide this benefit is limited. If all of the funds are used up, or if the Scheme experiences a future deficit, these benefits may be withdrawn to future applicants.



Winnats Pass, Peak District, Derbyshire

Lost or forgotten pensions

Whilst it's not unusual for people to get a new job, or move to a new house, these kinds of changes can increase the risk of pensions being lost, through missing paperwork or updated details not being given to the pension providers.

The Department for Work and Pensions has estimated that there will be 50 million unclaimed pensions by 2050, amounting to £757 billion of savings. Most pension providers will not put a pension into payment after age 75, meaning this money could be lost.

Trying to trace any former pensions can feel like a hassle, but it could be beneficial in later life.

If you have any pensions that you'd like to try and trace, here are three steps to help you, using the government's Pension Tracing Service:

- Write a list of all of the jobs you've had in the past and use any old paperwork (payslips, P60s and employment contracts) to find out if you were paying into a pension.
- Contact the Pension Tracing Service (details on the next page) to identify the provider of the pension you were paying into.
- When you contact the Pension Tracing Service, try to include as much detail as you can (scheme reference number, pension plan number, your previous addresses etc).

Lost or forgotten pensions

Pension Tracing Service

Online: www.gov.uk/find-pension-contact-details

Telephone: **0800 731 0193**
(from outside the UK: **+44 (0)191 215 4491**)

Textphone: **0800 731 0176**

Please keep in touch with us

We want everybody who is entitled to a Mineworkers' Pension Scheme pension to receive their benefits. Please let us know if you change your address so that we can keep in touch with you about your pension.

If you know someone who used to work in the mining industry who may be entitled to an Mineworkers' Pension Scheme pension that they are not getting, or someone who thinks that they may have forgotten to give us new address details, please let them know how to get in touch with the Scheme by passing on the contact details within this newsletter.



Financial guidance services

In April 2015, the tax rules were changed to give people greater access to their pensions. This was called the introduction of ‘Pension Freedoms’ and opened up a wider range of options for people at retirement. It has become more important to make sure that you have a good understanding of the options available to you with your pensions, including your Mineworkers’ pension if you are not yet in payment. Guidance, support and information are readily available from three respected financial guidance services:

- **the Pensions Advisory Service** – free and impartial advice on workplace and personal pensions for everyone.
0800 011 3797
www.pensionsadvisoryservice.org.uk
- **the Money Advice Service** – money guides, tools and calculators to improve all your finances.
0800 138 7777
www.moneyadviceservice.org.uk
- **Pension Wise** - pension guidance for over 50s with a personal or workplace pension (for defined contribution pensions only).
0800 138 3944 (to book a free appointment)
www.pensionwise.gov.uk

If you have an enquiry regarding your Mineworkers’ pension, please get in touch with our Scheme Administrator using the details on page 19.

Pensions cold calling ban

Pensions cold calling was made illegal in January 2019, meaning that companies are no longer allowed to make unwanted or unsolicited phone calls to people about their pension arrangements. The ban is to help reduce pension fraud, which sees an average of £91,000 taken from each victim every year.

Not all calls about pensions have to be banned, but to be legal BOTH of the following must apply:

- You must have agreed to receive calls from the caller, or have an existing relationship with them; AND
- The caller must be authorised by the Financial Conduct Authority (FCA), or be the trustee or manager of an occupational pension scheme.

If you receive a call about your pension in any other situation, the call is illegal and may be a scam. You should proceed with caution and end the call if you do not feel comfortable. Here are some tips to help you try and protect yourself from pension scams:

- Do not fall for 'guaranteed' investment returns – if it sounds too good to be true, it probably is!
- Do not be rushed into making any decision.
- Do not be fooled by professional looking websites or brochures.
- If you think you have been the victim of a scam and lost money to fraud, contact your pension provider or call Action Fraud on **0300 123 2040**.

Pensions cold calling ban

If you do receive an unwanted call, you can report them to the Information Commissioner's office. You should take the name of the caller and company and record the telephone number. You can report them online (www.ico.org.uk/make-a-complaint) or by calling **0303 123 1113**.

If you would like some advice on your pension, you should speak to a retirement adviser. The Money Advice Service website provides details of retirement advisers that have been authorised and are regulated by the Financial Conduct Authority (FCA). Visit www.directory.moneyadvice.service.org.uk to find an adviser in your area.



Deferred benefit statements and online access for deferred members

We are aware that deferred members of the Mineworkers' Pension Scheme are yet to receive their benefit statements and online access to their Scheme record. The Scheme has been undertaking a couple of large and complex projects over the last few months, which has unfortunately caused a delay in both of these areas.

The projects are now coming to an end, and we hope to issue the 2019 deferred benefit statements in the very near future. Once the statements have been issued, we will contact deferred members with details of how to register for online access to their Scheme record. We apologise for these delays.

In the meantime, if you are planning to retire within the next two to three months and require details of your current pension from the Scheme, please ask the Scheme Administrator for a benefit update letter. You can contact them using the details on page 29.



Electronic communications

Email

The Trustees are keen to communicate any Scheme news that may be of interest to members as frequently and as quickly as possible. With this in mind, we would like to make better use of email as another way of communicating with you. This will not replace paper communications, such as Pensions Newslines, in any way.

If you would like to receive more frequent news and additional notifications from the Scheme via email, please complete the brief form on the right-hand side of the home page of the Scheme's website at www.mps-pension.org.uk

Your email address would only be used for the purpose of communicating Scheme news with you and will not be shared with any other organisations.

As an example of emails we send to members, please have a look at the 'Free Wills Month' article on page 15. We will be sending an email to all members who have provided us with an email address to remind them that this campaign will be taking place.

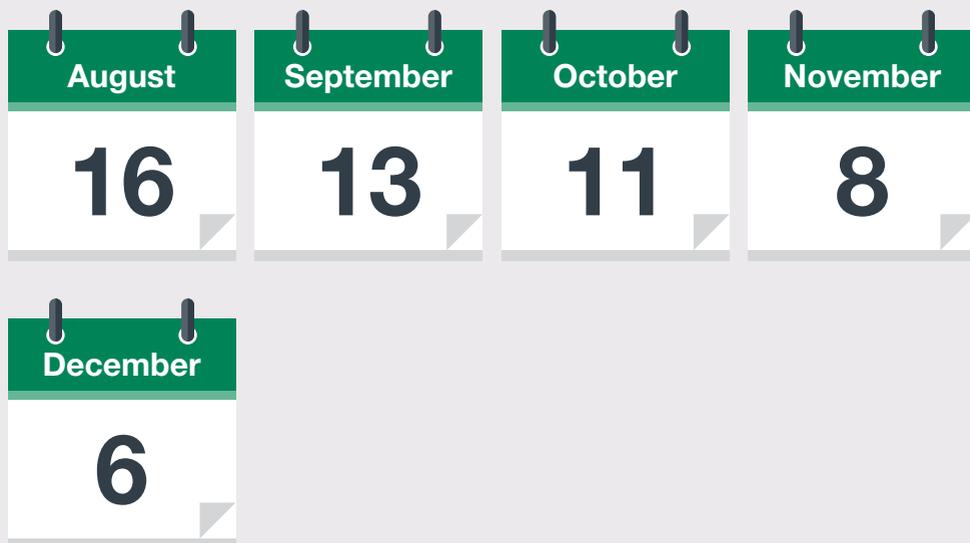
Facebook page

You may have already visited the Mineworkers' Pension Scheme Facebook page. We use the page to let our members know whether any news or new information has been added to the Scheme website. If you have a Facebook account and would like to receive future notifications from MPS, please 'like' our page at www.facebook.com/Mineworkerspensionscheme

Alternatively, log in to your Facebook account, search for and click on 'Mineworkers' Pension Scheme'.

Paydays for 2019

If your pension is paid every four weeks



If your pension is paid every 13 weeks

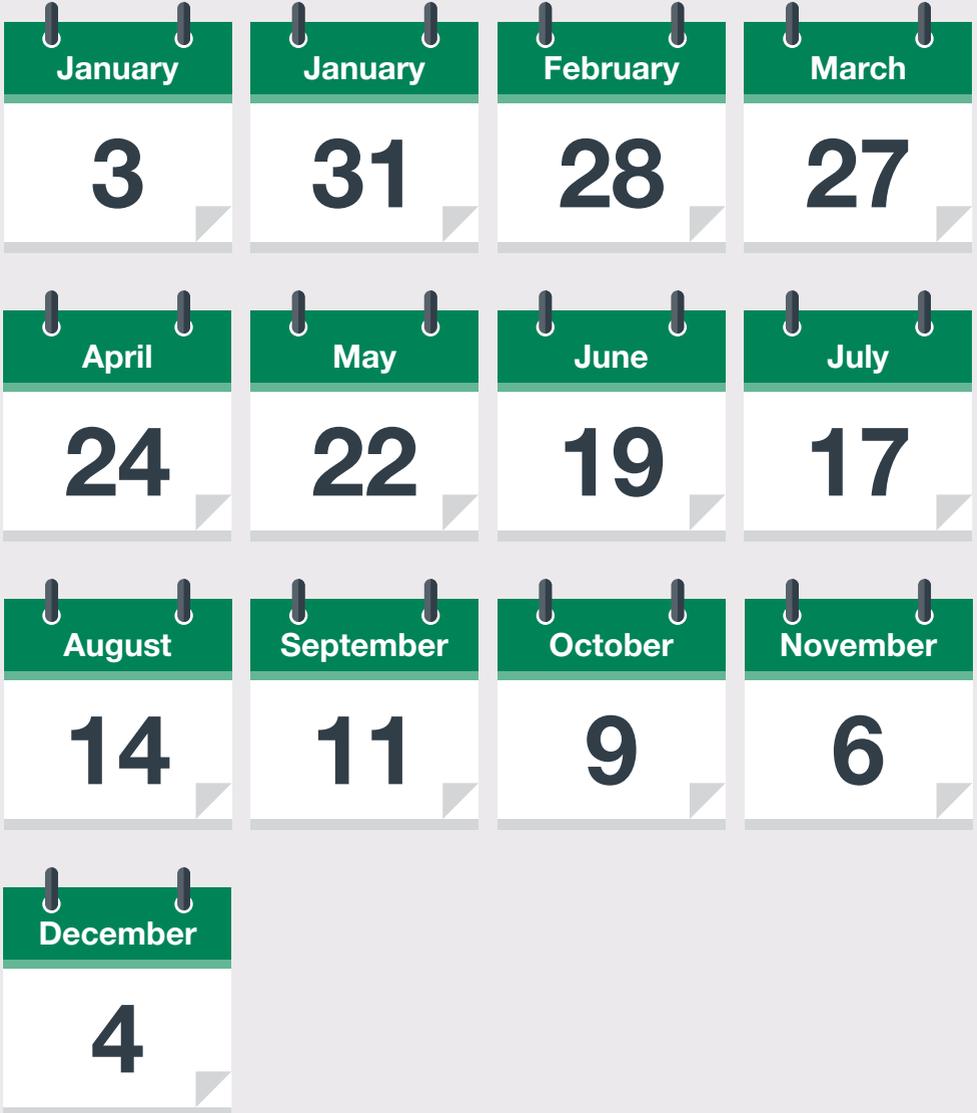


If your pension is paid once a year



Paydays for 2020

If your pension is paid every four weeks



Paydays for 2020

If your pension is paid every 13 weeks



If your pension is paid once a year



Pensions increase

As outlined in the summer 2018 edition of Pensions Newslines, the pensions increase for 2019 and 2020 will be 4.2% of guaranteed pensions. The increase will be paid within your October payments.

Useful contact details

If you have an enquiry regarding your Mineworkers' Pension Scheme (MPS) pension, please get in touch with our Scheme Administrator. When contacting them, please have your pension reference number or National Insurance number to hand so they can carry out an identification and security check.

MPS

PO Box 555, Stead House, Darlington, DL1 9YT

0333 222 0077

mps@capita.co.uk

Please note that the Administration Office remains in Sheffield; only the correspondence address is in Darlington.

For Trustee policies or service enquiries, please contact the Trustee's Office:

MPS Scheme Secretary

Coal Pension Trustees Services Limited

Ventana House, 2 Concourse Way, Sheffield, S1 2BJ

0114 253 6444

mps.enquiries@coal-pension.org.uk

You can find information about the Scheme on the MPS website: **www.mps-pension.org.uk**

Other useful contact details

HMRC

For any Scheme-related tax queries please contact HMRC. You will need your National Insurance Number and their reference, 083/MPS.

Pay As You Earn and Self-Assessment
HM Revenue & Customs, BX9 1AS

0300 200 3300

www.gov.uk/government/organisations/hm-revenue-customs/contact

Concessionary Fuel and Cash in Lieu (NCFO) office

When you call please have your National Insurance number to hand, so they can carry out an identification check.

National Concessionary Fuel Office
PO Box 64, Sheffield, S1 1XL

0345 759 0529

ncfo@capita.co.uk

www.gov.uk/national-concessionary-fuel-scheme

The Pensions Advisory Service (TPAS)

Free and impartial advice on workplace and personal pensions for everyone.

11 Belgrave Road, London, SW1V 1RB

0800 011 3797

www.pensionsadvisoryservice.org.uk

Other useful contact details

Coal Industry Social Welfare Organisation (CISWO)

CISWO is a national charity focused on enabling former coal miners and mining communities to reduce disadvantage. CISWO provides a personal welfare service, offering practical and emotional support across a range of areas.

The Old Rectory, Rectory Drive, Whiston, Rotherham, S60 4JG

01709 728 115

mail@ciswo.org.uk

www.ciswo.org.uk

The Money Advice Service

Money guides, tools and calculators to improve all your finances.

0800 138 7777

www.moneyadviceservice.org.uk

Pension Wise

Pensions guidance for over 50s with a personal or workplace pension (for defined contribution pensions only).

0800 138 3944 (to book a free appointment)

www.pensionwise.gov.uk



www.mps-pension.org.uk