

Helping you get to the retirement you want



Welcome to the latest edition of your **pension newsletter** for all members of the **Arriva Passenger Services Pension Plan (the 'Plan')**.



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Welcome to your latest Plan newsletter

I'm Grant Suckling of Independent Governance Group (IGG) – the Plan's new Sole Trustee.

Like recent years, 2022 was full of unexpected events. We all continued to navigate through a global pandemic, and get to grips with the rising cost of living and market turmoil following the Government's mini budget – all whilst the war in Ukraine continued. Despite the challenging backdrop, I hope that you and your loved ones have continued to stay safe and healthy throughout 2022 and into 2023.

In September last year, the Plan moved from being looked after by a Board of Trustees to what's known as 'sole trusteeship' through a professional Trustee company, Ross Trustees Services Limited. Ross Trustees have since merged with Independent Trustee Services to form the Independent Governance Group (IGG). We have a wealth of experience in running pension plans like yours and as we're independent are well placed to make impartial decisions in the best interests of everyone involved. Your pensions and the security of your future benefits remain my utmost priorities, and you'll find more about me and IGG on page 4.

For many of you the increase in the cost of living will be on your mind – whether that's due to the rise in energy, fuel or food prices. You'll find more information about how your Plan pension may be increased, as well as some helpful information about other, more general support that's available, on page 15.

For those of you who are yet to take your pension benefits from the Plan, you have a number of choices about how and when you take your benefits. And, to help you make the right choice for you, Arriva has introduced paid-for financial advice for eligible Plan members with Origen Financial Services Limited (Origen). You can find out more about your options at retirement and the paid-for advice on page 6.

Included with this newsletter is your 'Summary Funding Statement' – this information lets you know how the Plan is doing financially. Its aim is to give you an overview of the Plan's ability to pay all the benefits due both now and in the future. I'm delighted to confirm that the Plan's funding position has improved in the last 12 months, taking the Plan to being 103% funded. You can read more about what this means in the separate insert included with this newsletter.

There are lots of other important updates in this edition of your newsletter too, so please take the time to read it. And, as always, if you have any comments or feedback about the information shared with you, please get in touch with Aon, the Plan's administrators. You'll find their contact details on the back page.

Grant Suckling
Independent Governance Group

Your Plan news

Introducing your new Trustee

In September, the Plan moved from being looked after by a Board of Trustees to what's known as 'sole trusteeship' through Ross Trustees Services Limited, represented by Grant Suckling. Ross Trustees have since merged with Independent Trustee Services to form IGG.

Grant Suckling - the Plan's appointed Trustee.

As many of you may know, I was previously Chair of Trustees, working with the retiring Trustees for the Plan. This time has been fascinating and it has been an honour to be leading the Plan Board. I have some 23 years' experience as a professional trustee and I'm an actuary by training. As the Plan has now moved to a sole trustee model, I am supported by my team at IGG.

Some of you may be aware that in February this year, Ross Trustees and Independent Trustee Services (ITS) came together to form IGG. This is an exciting time for us all at IGG, but it very much remains business as usual. The Arriva team will continue to support you, the members, as usual.

IGG is a company which specialises in professional trustee and pensions support services, and was formed from the merger of Ross Trustees and Independent Trustee Services. Ross Trustees has been working with the Plan for some time as part of the previous Trustee Board. The merger means that we have wider access to pensions expertise, while keeping the same high standards of governance, care and attention to detail that you've been used to. You can read more about IGG at: www.weareigg.com.

On behalf of the Plan's members, the Trustee would like to thank the previous members of the Trustee Board, Simone Rosenthal, Simon Bunday, Emily Bainbridge and Mark Arthur, for their hard work and dedication over the years. Stephen Noble has sadly passed away and we'd like to offer our condolences to his family, friends and former colleagues.



A reminder about the Plan closure

The Plan closed to future benefit build-up on 31 August 2021, following a period of consultation with all members who were paying into the Plan at the time.

If you're currently receiving your pension from the Plan...

There has been no change to the pension you receive from the Plan. Your payments will continue to be paid as normal, and your pension will increase each year in line with the Plan's rules.

If you haven't yet taken your pension benefits...

There has been no change to the benefits that you built up in the Plan up to 31 August 2021 – the date the Plan closed. However, you won't build-up any further benefits in the Plan, apart from any yearly increases made to your benefits between the date the Plan closed and the date you take them in line with the Plan's rules.

Remember, your benefits will remain in the Plan until you retire, or if you choose to transfer them out to another pension arrangement. You can find out more about your options at retirement on page 6.

An update on the Plan's advisers

The Plan's new sole Trustee will continue to work with the Plan's advisers to discuss how the Plan is being run and make important decisions about things like the Plan's investment strategy and performance, communication with members and the financial health of the Plan.

The Plan's professional advisers include:

- the Plan's Actuary
- the Plan's investment advisers
- the Plan's legal advisers, and
- Aon, the Plan's administrator, who look after the day-to-day running of the Plan.

In line with The Pensions Regulator's single code of practice and a focus on Plan costs and efficiencies, the Trustee has reviewed the Plan advisers. As a result, it has appointed LCP as the Plan Actuary and Gowling as the Plan's legal advisers. Isio has remained the Plan's investment consultant.

Your options at retirement

For those of you who haven't yet taken your pension benefits from the Plan, you have some choices about how and when you take them.

How: your options

When you receive your retirement quote (normally within six months of your 65th birthday), you'll receive some information about how you could choose to take your benefits.

If you take your pension from the Plan...

For most members, these options will include:

1. a full yearly pension, without a cash lump sum,
2. a smaller yearly pension, with the maximum tax-free cash lump sum you can take, or
3. a smaller yearly pension, with a tax-free cash lump sum amount of your choice (up to the maximum amount you can take).

With all three options shown above, your yearly pension amount will increase each year to help reduce the impact of any increases in the cost of living.

But, instead you may be able to take a higher starting pension and give up some of these yearly increases that would be applied to your pension in the future - this is called a 'Pension Increase Exchange' (or 'PIE') option. Your retirement quote will show you if you have this option available to you.

If you transfer your benefits out of the Plan...

You could instead consider transferring all your pension benefits out of the Plan - this is called taking a 'transfer value' or 'transferring out'.

Your transfer value is intended to be the amount of money that's needed to provide you with all the promised pension benefits you have within the Plan. It includes how much it would cost to provide you with a yearly pension, paid for the rest of your life, and a spouse's pension too. It also includes the value of any yearly increases to your pension that are built into the Plan's rules.

So, your transfer value could be quite a large sum of money.

Taking a transfer value would allow you to move that money to a different type of pension arrangement, outside of the Plan - allowing you to access it flexibly. Unless you used this to buy yourself a yearly pension (known as an 'annuity') on the open market, you'd be giving up a guaranteed income paid for the rest of your life along with other built in benefits from the Plan.

You can find out more about taking a transfer value, and how to keep safe from scams if you're thinking about transferring out, on page 12.

When: your options

The Plan's Normal Retirement Date (NRD) is on your 65th birthday. But you can choose to take your pension from the Plan earlier or later than age 65 if you want to.

Early

Anytime from age 55
(rising to age 57 in 2028*)

If you choose to take your pension early, your yearly pension will be smaller as you'll be getting your pension for longer.

At age 65

Taking your pension at your Normal Retirement Date means you'll get your normal yearly amount as set by the Plan's rules.

Late

Up to age 75

If you choose to take your pension late, your yearly pension may be bigger, as it'll be paid for less time overall.

*The normal minimum pension age, currently age 55, is set by the Government. It's the earliest age that members of a UK pension scheme can take their benefits, other than in cases of serious ill health or where they have a protected pension age.

You'll receive your retirement quote around the time you turn age 65 - which is the Plan's Normal Retirement Date. But, if you want to take your Plan pension earlier than age 65, let Aon know, using the contact details on the back page, and they'll send you your retirement quote shortly after they receive your request.

If you're thinking about taking a transfer value, you can transfer out of the Plan at anytime - but you won't be able to access this money until you're at least 55 years old (or 57 from 2028).

Helping you decide

The Trustee appreciates there's a lot to think about when considering your options. You may be unsure about which option is right for you, or there might be things you don't understand or things you wish to discuss in more detail.

To help you make the right choice for you and to have your questions answered, Arriva has arranged for all eligible Plan members to have impartial advice with an independent financial adviser, paid for by the Company. Eligible members include those aged over 55.

Origen Financial Services Limited (Origen) are the appointed independent financial advisers. They're authorised and regulated by the Financial Conduct Authority (the FCA), and they can give you tailored advice and provide guidance on all of the options shown on your retirement quote, at no cost to you.

Your retirement quote will explain what to do if you'd like to take financial advice with Origen.

Alternatively, you could take advice from another financial adviser at your own cost. You can find out more about finding your own financial adviser, and how to keep safe from scams if you're thinking about transferring out, on page 12.

Four stops to getting the retirement you want

You have lots of places to go to help you find the answers to any questions you may have – whether it's about your Plan pension or any other pension savings you've got.

1 Aon, the Plan's administrators - your first stop

Pensionline, Aon's secure portal, contains lots of information and useful tools

If you're looking for information about your pension from the Plan, or want easy access to your information, then Pensionline is for you:

www.mypensionline.com/arrivadbscheme

You can:

- View details of your Plan benefits
- Update your address, email and telephone number by clicking on 'My Details' from the menu at the top of the page
- Check the benefits you have in the Plan, and if you've not already taken your benefits, model different options for when you could take them, either at the Plan's Normal Retirement Date (at age 65) or before.

Logging in to your own account is simple and secure.

If you have access to the secure platform, but haven't used it before, you'll need your Enrolment ID - which Aon would have sent to you in your 'welcome letter'.

If you don't have your 'Enrolment ID':

You'll need to ask Aon to re-send your Enrolment ID.

Just give Aon a call on **0345 600 8659** (Monday to Friday, between 9am and 5pm) and they'll help you register or re-send your login details.

If you have your 'Enrolment ID':

Follow the instructions for registering your account, by clicking on the 'Register' button below the login box. You'll need to enter your Enrolment ID.

If you've already registered but can't remember your password...

Use the self-service 'Forgotten your password?' link to reset your login details.

Some members of the Plan don't have access to Pensionline. If this applies to you, your first stop should be to contact Aon, using the information [on the next page].

They'll help with any questions you may have too

If you have a query about your Plan pension that you can't find the answer to on Pensionline (or if you don't have access to Pensionline), or if you just want to speak to someone - your next stop should be contacting Aon.

Telephone: 0345 600 8659

Remember, their phone lines are open from 9am to 5pm, Monday to Friday, and you'll need to have your National Insurance number or Plan membership number to hand before you call.

Email: arrivapensions@aon.co.uk

By post to:

Arriva Passenger Services Pension Plan,
Aon,
PO Box 196,
Huddersfield,
HD8 1EG

If you don't know who you've named on your Expression of Wish form, or if you're not sure if you've ever completed one, now is the time to complete a new one.

This is so the Trustee knows who to consider for any payment of benefits from the Plan on your death.

Some members can complete and submit their form online: www.mypensionline.com/arrivadbscheme

Once you've logged into Pensionline, select 'My Details' from the menu at the top of the page and then click on 'Expression of Wish'.

Or, if you don't have access to Pensionline, you can call Aon, the Plan's administrator and they'll send you a form that you can complete and return by post or email.

If you're currently employed by Arriva you'll also be asked to complete a separate 'Expression of Wish' form - relating to your death-in-service lump sum benefit.

This is for a different benefit offered to employed members of the Plan - and you'll also need to complete the form highlighted on the left so the Trustee knows who to consider for any other payment of benefits from the Plan on your death.



Turn over for stops 2, 3 and 4

2

MoneyHelper, the Government website, is your second stop for information about your pension savings

If you're looking for a starting place to explore more about your overall pension savings, then the Government's website may be a good place to look.

www.moneyhelper.org.uk

Select the 'Pensions & retirement' tab from the menu at the top of the page.

You'll find helpful information about:

- Pension basics, including information about defined benefit pensions, like the Plan
- Building your retirement savings, to help you work out how much you might need to help you get to the retirement you want
- Finding an independent financial adviser if you're looking to appoint one. There's more about this on page 7.

3

GOV.UK can help you get to grips with any other pensions you may have, including your State Pension – your third stop

If you want to find out more about your State Pension as well as trace other workplace pensions you've lost touch with, then GOV.UK is the place to go.

The State Pension Age (the age you'll be able to start receiving your State Pension) is regularly reviewed to make sure that the State Pension is affordable and fair. People are living longer and spending a larger proportion of their adult life in retirement than they were in the past.

Under the current law, the State Pension age is due to increase to age 68 between 2044 and 2046 – but, following a recent review, the Government has announced a proposal to bring this forward. Under this proposal the State Pension age would increase to age 68 between 2037 and 2039.

You can find out more about your State Pension Age and see how much State Pension you could get at:

www.gov.uk/check-state-pension

Your State Pension Age is different from your Normal Retirement Date which is age 65, in the Plan.

Remember to include your State Pension when you're working out what your retirement income will include.

More than £300m of pension savings are unclaimed, so if you have pension savings from another employer, and have lost touch with them, you can use the Government's pension tracing service to find their contact details:

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

4

HMRC can help if you have a question about tax or your tax code if you're already receiving your pension from the Plan – your fourth stop

Each year HMRC will review your personal circumstances and, if they've changed, will issue you with a new personal tax code for the new tax year. You don't need to tell the Trustee if your tax code changes – HMRC will do this for you.

Usually, new tax code letters are sent out around 6 April. If you have a query about your tax code, or the amount of tax you're paying on your pension, you should contact HMRC:

www.gov.uk

Choose 'Money and tax' from the main menu.

Tel: 0300 200 3300 (UK freephone)

Tel: +44 135 535 9022 (from overseas)

When you contact HMRC, you'll need your Plan tax reference number to hand, which you can find on your payslip or P60.

Removal of the Lifetime Allowance

The Lifetime Allowance is the limit on the amount of total pension savings and benefits you can build up over your lifetime on a tax-efficient basis.

The allowance is set at a very high level and does not affect most people.

In March 2023, the Government announced that it was abolishing the Lifetime Allowance from April 2024, with no future Lifetime Allowance charges to apply from April 2023.

You can find more information about the Lifetime Allowance at:
www.gov.uk/tax-on-your-private-pension/lifetime-allowance



Your route to staying safe from pension scams

Your pension savings can often be one of your biggest financial assets, so keeping them safe is incredibly important.

But did you know...



The number of pension
scams increased by
100%
over the last 12 months



Since 2015
£10 billion
has been stolen
by pension scammers



The Pensions Regulator
estimates
5 million
people are at risk from
scammers

Aon's pledge to combat pension scams

In your last newsletter, it was announced that Aon had pledged to help combat pension scams, as part of a campaign led by The Pensions Regulator. This means they follow the principles of the Pension Scams Industry Group (PSIG) Code of Good Practice, to help protect you from potential scams.

Even with this extra protection, scammers will still try to target anyone with pension savings, so it's important you're wary.

Here are some top tips to help you protect your Plan pension:

- Reject offers from unsolicited text or social media messages.
- Don't be rushed into making quick decisions, even if it sounds like you're being offered a great deal.
- If someone asks you to confirm your details, make sure they are who they say they are.
- Always check the firm you're dealing with is registered with the Financial Conduct Authority (the FCA).
- Check any web addresses match the address details shown in official communications
- Take impartial financial advice with an FCA registered adviser before making any decisions – there's more about this [on the next two pages].

If you're in the middle of transferring out of the Plan and suspect you might be the victim of a scam:

contact Aon, the Plan's administrator, immediately and then report to Action Fraud on **0300 123 2040** or at **www.actionfraud.police.uk**

An update on the new transfer regulations to safeguard your Plan pension

The Plan is what's known as a 'defined benefit' (or DB) pension scheme, which means it gives you a guaranteed yearly pension for the rest of your life once you've started to receive your pension.

However, this might not be the right choice for everyone – for example, if you don't have a partner, you may not need the spouse's pension. That's why there's also the option to transfer the value of your pension benefits out of the Plan and access your savings more flexibly.

It's important to be aware though that many pension scams encourage savers to transfer their money to fraudulent accounts. That's why Aon, the Plan's administrators, will combat scams in line with the new transfer regulations which came into effect in November 2021.

These principles include:

- assessing any requests to transfer out of the Plan for warning signs of a scam,
- reporting any suspicious transfer requests to Action Fraud, the Financial Conduct Authority (the FCA), and The Pensions Regulator,
- keeping up to date with the strategies and tactics used by scammers, and
- sharing information with you about how to spot the signs of a pension scam.

If you're thinking about transferring out:

The new regulations work on a traffic light system, for medium (amber) and high-risk (red) transfers.

If you've decided to transfer out of the Plan and any red flags are identified, the transfer will be stopped. If any amber flags are identified, Aon will contact you directly to explain their concerns and they will require you to make an appointment with MoneyHelper for a 'Pension Safeguarding Guidance' appointment before being able to let the transfer go ahead.

You should be aware that the changes to the regulations mean that the transfer process may take longer than usual, because there are more checks and extra steps to go through.

It's also important to note that these new rules allow transfers that have the hallmarks of a scam to be blocked - so it's important to engage fully with this process to reduce any delays.

And, if your transfer value is £30,000 or more:

You have to take independent financial advice before Aon can legally allow you to transfer out. This is to help keep your pension savings safe from scams.



How guidance or advice could help you decide if transferring out is right for you

Taking financial advice or guidance reduces the risk that your hard-earned pension savings are stolen by a scammer. But, what's the difference?

Guidance is about giving you general information that doesn't take into account your own personal circumstances. It will help you think about your options and ask the right questions, but there's no recommended approach at the end. It's also usually free, so it can be a good option to help set you on the right path.

Pension Wise provides free and impartial guidance, as part of the Government's MoneyHelper service. It's available to anyone aged 50 or older who has a 'defined contribution' pension, which doesn't include your Plan pension – but, this service could be used for any AVC's you have in the Plan or any other flexible pension benefits you've saved.

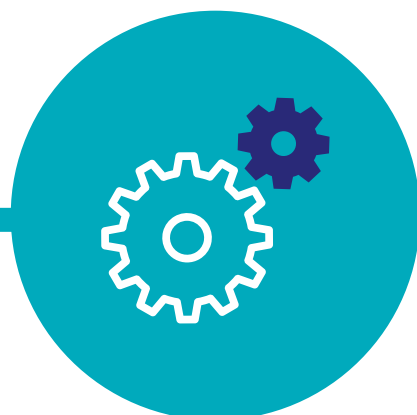
To contact Pension Wise go to: www.moneyhelper.org.uk Select 'Pensions & retirement' from the main menu, and then click on 'Pension Wise'.

Or you can call them on **0800 138 3944**

Advice is specific to you and will usually end in a recommendation about the best option for you. When you work with a financial adviser you'll be sharing your financial information, your goals for the future and what you want from your retirement so that they get a good picture of your situation and the options available to you. They'll then recommend an approach that's best for you based on this information.

There's more about the paid-for advice with Origen on page 7.

Or, if you'd prefer to find your own independent financial adviser go to www.moneyhelper.org.uk – and search for 'retirement adviser' in the search bar at the top of the homepage.



Helping your Plan pension keep pace with the increased cost of living

Some of you may be worrying about whether your Plan benefits can keep pace with the increases in the cost of living.

Each year your Plan benefits may be increased, in line with the Plan's rules, to help them keep pace with inflation (the increased cost of living), both before, and after you've started to take your pension.

These yearly increases may have an upper limit – so some years the increase will keep pace with inflation and other years it won't cover it completely. It's common practice for pension schemes to have capped increases, in line with legislative requirements. This helps ensure that the Plan is financially sustainable for the long-term and able to pay all members' benefits when they're due.

If you haven't yet taken your Plan pension benefits...

These increases will be included in any retirement quotes you run online and in your formal retirement pack, whether you request a pack or automatically receive one as you approach your Normal Retirement Age. This is normally within six months of your 65th birthday.

Some Plan members may have also saved an additional fixed tax-free cash amount – but this amount won't increase. If you have this, the amount you've got is what you saved up to 2017 when you stopped saving any further fixed tax-free cash.

If you're already getting your Plan pension...

Any increase to your Plan pension will normally happen in April or May each year.

You'll receive a letter to your home address, informing you of how much your pension increase is around the same time the increase is applied to your pension.

If you're looking for some extra support...

The Government has created a dedicated 'help for households' website that pulls together an overview of the cost of living support you could be eligible for.

Find out more here: helpforhouseholds.campaign.gov.uk



Getting in touch

Have a question about your Plan pension?

Or need help logging into Pensionline, Aon's secure platform?

Contact Aon, the Plan's administrator:

Tel: 0345 600 8659
Email: arrivapensions@aon.co.uk

Arriva Passenger Services Pension Plan
Aon,
PO Box 196,
Huddersfield,
HD8 1EG

Have a complaint?

In the first instance you should contact Aon, in writing, using the contact details above.

If you have a complaint that can't be resolved by Aon, the Trustees or the Company, you can contact the Pensions Ombudsman:

Tel: 0800 917 4487 (UK Freephone)
Email: enquiries@pensions-ombudsman.org.uk
www.pensions-ombudsman.org.uk

And don't forget...

If you don't know who you've named on your Expression of Wish form, or if you're not sure if you've ever completed one, now is the time to complete a new one.

This is so the Trustee knows who to consider for any payment of benefits from the Plan on your death.

Some members can complete and submit their form online:

www.mypensionline.com/arrivadbscheme

Once you've logged into Pensionline, select 'My Details' from the menu at the top of the page and then click on 'Expression of Wish'.

Or, if you don't have access to Pensionline, you can call Aon, the Plan's administrator and they'll send you a form that you can complete and return by post or email.

