Helping you prepare for the future

Welcome to this year’s issue of Pension Matters. Inside, we bring you up to date with news of any developments affecting the University of Newcastle upon Tyne Retirement Benefits Plan (the ‘Plan’) for the 12-month period that ended on 31 July 2012.

As your Trustees, it is our responsibility to oversee the running of your Plan and to ensure it is as financially healthy as possible. To do this, we work closely with the University and our appointed professional experts including investment managers and legal advisers.

The Plan was originally set up by the University to provide good quality pension benefits for its employees at retirement and this objective continues today. Staff welfare has always been important to the University and the Trustees take their responsibilities to all members seriously. Although members have different personal circumstances, for example age, income or family situation, we always work to ensure that the Plan is run in the best interests of all.

The University continues to contribute the majority of the money needed to maintain the fund. In 2013, the Plan actuary will carry out the three-yearly valuation of the fund and, if they are available in time, we will report his findings in next year’s newsletter. In the meantime, you will find an interim funding update shown on pages 4 and 5.

In last year’s edition, we mentioned that three of our member-nominated Trustees (MNTs) were nearing the end of their five-year periods of service and asked you to make nominations. Thank you to those...
members who got in touch. I can report that Richard Warhurst and I will each serve another five-year term.
A warm welcome from all the Trustees goes out to Martin Robertson, who has replaced Ian Graham. We thank Ian sincerely for his dedication and hard work while serving as a Trustee.
We also thank Michael Bird for his service to the Board, the Plan and its members. Michael has decided to step down from his Trustee role. Michael, Chairman of the Investment Sub-Committee as we go to print, also provides his annual investment review on pages 6 and 7. You can read more about the Trustee changes on page 10.
As usual, a round-up of the annual accounts and a summary of the membership figures are shown on page 8.
I hope you find this issue of Pension Matters informative and useful. We aim to provide you with enough detail for you to make informed decisions about your retirement planning. If you have any questions about any of the points raised, or about your benefits in general, please get in touch with Val Wall using the contact details on the back page.

Margaret Levy
Chair of the Trustee

For active members

Your annual benefit statement

If you are an active member, you will receive your annual benefit statement during the early part of next year, after the pay award for August 2012 has been processed. It is an important document as it outlines what your retirement income might be from the Plan when you retire. It also includes information about your dependants’ benefits. Please take the time to read it through carefully.

Boosting your retirement savings

If you don’t feel your projected retirement income will be enough to provide you with the lifestyle you want when you retire, you might want to consider paying Additional Voluntary Contributions (AVCs).
AVCs are a flexible and tax-efficient way to boost your benefits from the Plan and any State pension you might receive. They are invested in your own personal account, where they benefit from the same tax concessions as your normal contributions.
You can start paying AVCs, increase your contributions, or stop at any time. For more details, go to the University’s intranet site and download the guide ‘Boosting your Plan benefits’ or contact Val Wall (see the back page).
Currently, up to 100% of your taxable earnings can be paid as tax-free pension contributions, including University contributions, subject to the Annual Allowance (see page 9).
For retired members

Email request

We are always looking for ways to increase our efficiency in communicating with you. One way we can do this is to send you Pension Matters electronically. It would save on our administrative costs as well, which would be an added benefit. To do this, we would need your email address, if you have one. Please help us by sending an email to pensions-enquiries@newcastle.ac.uk, with ‘Pension Matters email request’ in the subject line. Please type your full name and personnel number (as shown in your pension payslip) in the body of your email. After you send your email, please check that you receive an automatic reply from us – this will ensure we have your correct email address. It will also let you know that we have received your request. If your email address changes, please let us know.

We would only ever use your email address to keep you updated about the Plan and would not pass it on to any third parties.

Pension payslips

As you know, we send you a monthly ‘payslip’ which details how much pension you receive. In a further effort to reduce our administrative costs, we are proposing to issue payslips only when there is a change to your monthly pension amount. We are looking to phase in this change next year.

Your final monthly payslip will be issued in April 2013. After that we will issue a payslip once a year each April. (The only exception would be if your pension were to go up or down by more than £5 from the previous month.) We will continue to inform you in writing of the annual pension increase and provide you with a P60 form for your tax records. Your bank or building society will have a record of your monthly pension credited to your account, so you will still be able to see how much you receive on your regular bank statement.
Summary funding statement

This two-page report summarises the actuary’s latest update on the Plan’s funding position, which was carried out using information at 1 August 2012. It also looks at how the funding position has changed since last year’s update, and the most recent full valuation at 1 August 2010.

The funding level

<table>
<thead>
<tr>
<th>Update 1 August 2012</th>
<th>Update 1 August 2011</th>
<th>Valuation 1 August 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>£158.2 million</td>
<td>£147.2 million</td>
<td>£136.3 million</td>
</tr>
<tr>
<td>£151.1 million</td>
<td>£142.5 million</td>
<td>£129.0 million</td>
</tr>
<tr>
<td>Shortfall of £7.1 million</td>
<td>Shortfall of £4.7 million</td>
<td>Shortfall of £7.3 million</td>
</tr>
</tbody>
</table>

2012 funding update

As you can see from the chart above, the funding level has dropped slightly when compared to last year’s funding update – from 97% to 96%. However, it remains higher than it was at the 2010 valuation. In addition, while the funding deficit has risen since the 2011 update, it has reduced by £200,000 when compared with the more in-depth valuation in 2010. Given the volatility of the financial markets, this is encouraging news.

Why the change?

The funding target increased by more than £10 million over the year to 1 August 2012, following a similar increase in the preceding year. This was largely due to the challenging market conditions.

To explain – when working out the value of all members’ benefits, the actuary is required to make assumptions regarding the expected long-term returns on the Plan’s assets. This investment return assumption needs to be in line with the method adopted at the full valuation in 2010 and takes into account the returns available on Government bonds (gilts). Unfortunately interest rates on gilts in the financial markets have fallen to levels unseen for many years, so the value of the Plan’s liabilities has risen. This is the main reason for the increase in the funding target since the 1 August 2010 valuation.

However, we are pleased to report that the Plan’s assets achieved higher returns over each of the last two years than was assumed in the 2010 valuation. This has offset the impact over the last two years of the increased funding target.

Note: the values of the Plan’s assets shown above do not include members’ Additional Voluntary Contributions which are invested separately.

Simon Corbett
Actuary

Note: the values of the Plan’s assets shown above do not include members’ Additional Voluntary Contributions which are invested separately.
Making up the difference

There has been no change to the schedule of contributions.

- The University and participating employers are contributing 13.25% of active members’ Pensionable Salaries each year – 2.1% of this goes towards making up the deficit identified at the 2010 valuation.
- Active members are contributing 6.75% of Pensionable Salaries each year.

The 2013 valuation will show whether the University's deficit contributions are on track to remove the shortfall, as planned, by the end of July 2026.

And finally...

There are a number of items we must include as part of this report.

The full solvency position

When calculating the Plan’s funding position, the actuary assumes that the Plan will carry on into the future and continue to pay members’ benefits. This is known as the ‘ongoing’ basis. By law, the actuary must also work out the funding level if the Plan were to end, otherwise known as the ‘full solvency’ basis.

To clarify – this does not mean that the University is considering ending the Plan.

The full solvency funding level is almost always lower than the ‘ongoing’ funding level. This is because if the Plan did wind up, all members’ benefits would need to be purchased from an insurance company in one fell swoop, rather than be paid gradually over time.

In addition, when working out the cost to provide policies, insurance companies add in their own profit margin and administrative costs.

The full solvency funding level is calculated every three years at the date of the full valuation of the Plan. If the Plan had started winding up at 1 August 2010, the actuary estimated the full solvency funding level was 51%.

Protecting your benefits

In an extreme situation – such as the Plan winding up because the University went out of business – the Pension Protection Fund (PPF) provides protection to members of pension schemes such as the Plan, and may compensate some or all of the members’ benefits. You can read more about the PPF online at www.pensionprotectionfund.org.uk

The Pensions Regulator, the UK watchdog of UK workplace pension schemes, has the authority to make changes to how the Plan is run, and even impose a schedule of contributions, if it feels the need arises. We can confirm that the Regulator has not needed to intervene in this way for our Plan. To read more about the Regulator’s work, go to www.thepensionsregulator.gov.uk

Payments to the University

Lastly, we also have to let you know if the Plan has made any payments to the University in the previous 12 months. It has not. Indeed, such payments are extremely unusual and have never occurred in the Plan.
Our primary objective when investing funds for the Plan is to see that enough money is available when it is needed to pay pensions to the members. All investments can go up and down in value, so an important second objective is to take care to protect against the downside risks.

Some members are already retired and being paid a pension, some are getting close to retirement and some have many years of working life ahead of them.

We try to match our investments to best fit the objectives and membership profile. The table below shows the way funds are currently invested. The proportion in each category should change as the member profile changes and as opportunities to make better returns occur.

It is the job of the Investment Sub-Committee, advised by Simon Rhodes of Aon Hewitt, to monitor progress and recommend to the Trustee Board where funds should be invested and with whom.

<table>
<thead>
<tr>
<th>Investment</th>
<th>Manager</th>
<th>% of assets invested</th>
</tr>
</thead>
<tbody>
<tr>
<td>UK Equities</td>
<td>Majedie Asset Management</td>
<td>37.1</td>
</tr>
<tr>
<td>Active Corporate Bond Over 10 Years</td>
<td>Legal &amp; General</td>
<td>21.8</td>
</tr>
<tr>
<td>Index-Linked Bond</td>
<td></td>
<td>13.9</td>
</tr>
<tr>
<td>World (ex-UK) Equity Index</td>
<td></td>
<td>12.7</td>
</tr>
<tr>
<td>Global Absolute Return Strategies (GARS)</td>
<td>Standard Life</td>
<td>7.4</td>
</tr>
<tr>
<td>Property</td>
<td>Threadneedle</td>
<td>5.4</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>Global Infrastructure Partners II</td>
<td>1.7</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100.0</strong></td>
<td></td>
</tr>
</tbody>
</table>

The table overleaf shows investment returns, and indicates how each part of the investment mix has performed over one, three and five years. The actual return is compared with an index of all investments we could have made of that type. As you can see, some years we have done well, some not so well.

The total weighted average performance would show that over one year the fund gained 6.0% against an index of 4.3%. This five-year period includes the financial crisis of 2007/08, which next year will largely have disappeared from the record – but it still hurt us!

As our overall objective is to grow fund value by 6.2% year on year, you can see that we have done very well over time. But values fluctuate and quite quickly too. Had these tables been prepared at the end of September 2012, they would have shown an even better picture.

The one big change this past year is that we have started to invest in an Infrastructure Fund called Global Infrastructure Partners II – ‘GIP II’ for short. I mentioned that we were about to do this in my report last year. This fund will own and operate infrastructure assets like airports, seaports, gas and water pipelines and waste management companies. GIP II follows on from GIP I which owns both Gatwick and London City airports along with Biffa waste management in the UK. Further afield it owns the largest wind farm in California, the Port of Brisbane in Australia and several more large operations.

The total fund will eventually invest some £5 billion. We have pledged £10 million and actually invested about one quarter of this. We are now part owners of Edinburgh Airport and Chesapeake Midstream Partners, one of the largest natural gas pipeline networks in the USA. More investments will be made soon.

This kind of fund can and should make higher returns than the equities that we have always held. It has its drawbacks, however, the main one being that it is long term and we expect it to be ten to twelve years before the full returns are made. But, as I noted above, some members will still be a long way off retirement – so it matches their needs for a pension way into the future.

This is the last annual update I will give as Chairman of the Investment Committee. I am getting older, aren’t we all, and at my advanced years I have also started a degree course which means I need to cut back on some of my activities, so I will retire at the end of the year.

I have much enjoyed this role and its challenges and I have learned a lot. I would like to thank colleagues on the Committee and the full Board for their kindness and companionship over the years; in particular the Chair, Margaret Levy. The University has a well-run, forward-looking scheme which is a credit to the University and a great benefit to staff. Long may that continue.

Michael Bird  
Chairman of the Investment Sub-Committee
Investment performance

There are no figures available for GIP II as these investments were made partway through the year. Similarly, there are no mid or long-term figures for Legal & General’s index-linked and corporate bond investments as they have not been held for long enough.

<table>
<thead>
<tr>
<th>Investment returns to 31 July 2012 (%)</th>
<th>Return over one year</th>
<th>Annual average return over three years</th>
<th>Annual average return over five years</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Fund</td>
<td>Index</td>
<td>Fund</td>
</tr>
<tr>
<td>UK equities</td>
<td>2.8</td>
<td>(0.8)</td>
<td>12.5</td>
</tr>
<tr>
<td>Corporate bonds</td>
<td>18.1</td>
<td>16.2</td>
<td>n/a</td>
</tr>
<tr>
<td>Index-linked bonds</td>
<td>12.9</td>
<td>12.7</td>
<td>n/a</td>
</tr>
<tr>
<td>Overseas equities</td>
<td>10.1</td>
<td>10.0</td>
<td>9.2</td>
</tr>
<tr>
<td>Absolute returns</td>
<td>9.7</td>
<td>8.3</td>
<td>10.3</td>
</tr>
<tr>
<td>Property</td>
<td>1.8</td>
<td>2.9</td>
<td>7.7</td>
</tr>
</tbody>
</table>

Income tax personal allowances

Changes due to income tax allowances could affect how tax applies to your pension. From April 2013:

- The personal tax allowance (the amount of income you can receive without paying tax on it) for people under the age of 65 will go up, from £8,105 to £9,205 a year.
- The personal tax allowance for people aged over 65 will be frozen to allow the allowance for the under 65s to catch up. Over time this will create one personal tax allowance for all.
- The annual salary at which 40% income tax takes effect will go down from £42,475 to £41,450.
- The top rate of income tax will go down from 50% to 45%.

Financial advice

The law does not allow anyone involved with the Plan to give you any individual financial advice. If you are considering making a change to your pension plans, please think about talking to an independent financial adviser (IFA).

If you do not have an appointed IFA, you can find one in your area by going online to www.unbiased.co.uk. Simply type your postcode into the search bar on the homepage for a list of IFAs local to you. Check that whoever advises you is appropriately authorised and qualified to do so. You can do this via the Financial Services Authority website at www.fsa.gov.uk/register/home.do or you can phone the FSA helpline on 0845 606 1234.

Please remember that you may have to pay a charge for any advice that you receive. The University website also provides links to many of these useful resources via the Keep Well@Ncl pages. Go to https://my.ncl.ac.uk/staff/wellbeing
The year in numbers

The table below shows the financial movements in the Plan for the 12-month period that ended on 31 July 2012. The figures have been verified by the Plan’s appointed auditors, PricewaterhouseCoopers LLP. Last year’s figures are included so you can see how the Plan is developing.

The value of the Plan increased by £8,518,297 over the year, from £143,772,817 to £152,291,114.

<table>
<thead>
<tr>
<th>Value of Plan on previous 1 August</th>
<th>£</th>
<th>£</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2012</strong></td>
<td><strong>2011</strong></td>
<td></td>
</tr>
<tr>
<td>Employers’ contributions</td>
<td>3,064,944</td>
<td>3,372,882</td>
</tr>
<tr>
<td>Additional Employers’ deficit payments</td>
<td>570,560</td>
<td>0</td>
</tr>
<tr>
<td>Additional contributions for augmentations</td>
<td>68,567</td>
<td>164,921</td>
</tr>
<tr>
<td>Member contributions arranged through Pensions+</td>
<td>1,673,567</td>
<td>1,561,418</td>
</tr>
<tr>
<td>Member contributions outside Pensions+, including Additional Voluntary Contributions</td>
<td>310,682</td>
<td>358,408</td>
</tr>
<tr>
<td>Transfers in from other pension plans</td>
<td>40,743</td>
<td>144,938</td>
</tr>
<tr>
<td>Insurance policy claims</td>
<td>0</td>
<td>313,109</td>
</tr>
<tr>
<td><strong>Total income</strong></td>
<td><strong>5,729,063</strong></td>
<td><strong>5,915,676</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenditure</th>
<th><strong>2012</strong></th>
<th><strong>2011</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Pensions</td>
<td>4,648,790</td>
<td>4,323,409</td>
</tr>
<tr>
<td>Cash lump sums on death</td>
<td>10,205</td>
<td>182,164</td>
</tr>
<tr>
<td>Cash lump sums on retirement</td>
<td>1,450,907</td>
<td>1,752,619</td>
</tr>
<tr>
<td>Payments for leavers</td>
<td>339,283</td>
<td>1,269,223</td>
</tr>
<tr>
<td>Group life assurance premiums</td>
<td>294,715</td>
<td>162,459</td>
</tr>
<tr>
<td>Administrative fees and expenses</td>
<td>511,617</td>
<td>663,002</td>
</tr>
<tr>
<td><strong>Total expenditure</strong></td>
<td><strong>7,255,517</strong></td>
<td><strong>8,352,876</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Investment returns</th>
<th><strong>2012</strong></th>
<th><strong>2011</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment income</td>
<td>2,772,734</td>
<td>2,313,117</td>
</tr>
<tr>
<td>Change in market value of investments</td>
<td>7,982,101</td>
<td>14,396,920</td>
</tr>
<tr>
<td>Investment management expenses</td>
<td>(710,084)</td>
<td>(826,232)</td>
</tr>
<tr>
<td><strong>Net investment returns</strong></td>
<td><strong>10,044,751</strong></td>
<td><strong>15,883,805</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Value of Plan on 31 July</th>
<th><strong>2012</strong></th>
<th><strong>2011</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>152,291,114</strong></td>
<td><strong>143,772,817</strong></td>
<td></td>
</tr>
</tbody>
</table>

At 31 July 2012, there were 3,666 members in the Plan. The table below shows a breakdown of the numbers of active, deferred and pensioner members on that date.

1,461 Active members are building up benefits in the Plan and employed by the University, Students Union or NUIINTO.

1,029 Deferred members are no longer building up benefits, but have left them in the Plan to take at retirement.

1,176 Pensioner members, including the dependants of members who have died, are receiving a pension from the Plan.
State Pension reforms

Last year we reported on the Government's proposal to reform the structure of the State Pension – either by speeding up the process of changing the State Second Pension (S2P) into a flat-rate payment, or by combining S2P with the basic State Pension.

Since then, the Government has announced plans to combine the two arrangements so that individuals receive one payment. The new system is expected to be introduced by 2016.

The combined single payment will be at least as high as:

• the standard Guarantee Credit (the minimum level of pension payable from the State); and
• the level of State Pension the individual has already built up through paying National Insurance contributions.

We expect a further announcement shortly and will update you in due course.

State Pension Age

State Pension Age is the earliest age at which you can claim your State Pension. Historically, men could claim the State Pension from the age of 65 and women from 60. Over the coming years, State Pension Age is set to rise for everyone.

As part of the spring 2012 Budget, the Government announced gradual increases to State Pension Age to reflect the fact that people are living for longer.

State Pension Age is due to rise to age 65 for women by 2018. It is then scheduled to rise for men and women as follows:

• to age 66 by 2020;
• to age 67 by 2036; and
• to age 68 by 2046.

However, the Chancellor’s latest proposal is to bring some of these changes forward so that State Pension Age will be age 67 by 2028, and to link the State pension age to future life expectancy. This change will need to be approved by Parliament for it to become law.

It seems likely that further changes may also be proposed over the coming months. We will continue to update you on developments.

If you are unsure when you will be able to claim your State Pension, there is a State Pension Age calculator at www.gov.uk/calculate-state-pension or you call 0845 3000 168 (Monday to Friday 8am to 6pm).

Auto enrolment

You may have seen or heard about auto enrolment recently. This is a Government initiative which aims to address the fact that too many UK workers do not put money aside for their retirement. If the situation were to continue indefinitely, this would put an increasing financial pressure on the State – more so if you consider the fact that people, on average, are living for longer.

Under the new auto enrolment rules, workers in the UK will be entered into a pension scheme automatically by their employer, provided they meet certain conditions. These measures are being phased in over a number of years. Large companies were the first to be affected on 1 October 2012.

The University will bring in auto enrolment from 1 May 2013, but other employers will have different dates, as it depends on the size of the company. Please bear this in mind if you work for more than one employer.

Our Plan satisfies all the criteria regarding auto enrolment so, if you remain a member, you will be unaffected and will not need to take any action when the University launches auto enrolment. However, if you also work for another employer you might want to check whether you will be affected at www.gov.uk/workplacepensions

Pension tax allowances

The Government limits the total value of benefits you can draw from pension schemes without having to pay a tax charge. This is known as the Lifetime Allowance and from April 2012, it reduced from £1.8 million to £1.5 million.

This change follows the reduction in the Annual Allowance to £50,000 from the start of the 2011/12 tax year.

In his Autumn Statement on 5 December 2012, the Chancellor of the Exchequer announced that there are to be further changes to pension tax allowances. From the start of the 2014/15 tax year, the Lifetime Allowance will be reduced to £1.25 million and the Annual Allowance will be reduced to £40,000.

These allowances will normally only affect high earners. However, since both have recently reduced, they will now affect more people and it is your responsibility to check how close you may be to either – we also include details of this in your annual benefit statement. If you are unsure, consider talking to an IFA (see page 7).
Your Trustee team

The Plan is set up as a ‘trust’ of money under the directorship of a trustee company, Newcastle University Pension Trustee (1971) Limited. We are the directors of this company.

Our responsibilities include making sure that your benefits are paid correctly and on time, overseeing the Plan’s investment strategy and managing the Plan in line with its own Rules and the law. We always aim to act in members’ best interests. Last year the full Trustee Board met formally three times in addition to various other meetings with our appointed advisers.

We also have three Trustee Sub-Committees to cover the more detailed aspects of Investment, Administration and Communications matters. Each Sub-Committee holds separate meetings during each year and reports regularly to the full Board.

There are currently nine Trustee directors. Six are University-appointed and three are elected by the members.

On 30 June 2012, Ian Graham’s time as a member-nominated Trustee (MNT) came to an end. All of the Trustees thank Ian for his work on behalf of the Plan and its members during his service, particularly in his role as Chairman of the Communications Sub-Committee.

We are pleased to announce that Martin Robertson was elected onto the Board as a member-nominated Trustee to replace Ian on 1 July 2012. We welcome Martin and look forward to working with him over the coming months. You can read more about Martin’s background below.

The Board is set to change further as Michael Bird will step down at the end of December 2012. Michael’s enthusiasm, commitment and expertise will be much missed and we would like to put on record our thanks for his contribution to the Plan’s development over the years. We wish him well.

The University will be announcing details of Michael’s replacement shortly and we will provide more details in the next edition of Pension Matters.

Your current Trustee directors are:

**Member nominated**

Meet Martin, your new Trustee

Working as a Land Surveyor in the School of Civil Engineering and Geosciences at the University, our new MNT Martin Robertson has a busy life both at work and socially.

He first joined the Department of Surveying 35 years ago, when the department consisted of five people.

Previously, he worked for surveying firms at various locations including the central motorway in Newcastle, Thames Barrier, Kielder Water and Port of Tyne.

Martin represents the Unite Union on the University grading panel. He has been central in encouraging the University to take on trainee technicians again, after a long break in this practice.

During his working life, Martin has seen many changes in technology. Optical instruments and steel bands have given way to state-of-the-art laser scanning equipment and remote sensing systems. However, he says that the same basic principles still apply.

Outside work, Martin is married with two grown-up children. He has been an Auxiliary Coastguard in the South Shields Volunteer Life Brigade for all of his adult life. Now a Captain and Trustee of the Brigade, which has a listed building to care for, he carries out cliff rescues and searches along the South Shields coastline.

A lover of the outdoors, he has walked the Pennine Way, Coast to Coast and West Highland Way. He has also completed the Great North Run an impressive 18 times! Modestly, he also adds that he ‘just about manages’ the Blaydon Run most years…. All this and he still finds time to play badminton regularly.

As well as sporting hobbies, Martin also has musical interests. He has been playing the Anglo concertina for 40 years, with a nice ‘sideline’ of performing with local ceilidh bands.

**University appointed**

Michael Bird

Michael Buckley

Veryan Johnston

Mary Coyle

Simon Wilmot

Wayne Connolly
Keeping us up to date

Your Expression of Wish form

This is the form we refer to in order to help us decide who should receive any benefits that are due if you die before you retire. This prevents any lump sum payment from incurring any inheritance tax. You can choose family members, friends or organisations to receive any such benefits.

It is important that you keep your nominations up to date as we would always refer to your most recent form. Bear in mind that if you marry, divorce or become a parent, you may want to change your decision.

If you would like to update your form, you can print one from the University’s intranet site (see page 12) or request a blank one from Val Wall (see over also).

Your details

It is also important that we have the correct contact details for you so that we can write to you about the Plan and your benefits. If you change your name or address, please let us know as soon as possible.

As mentioned earlier, to improve the way we communicate with you, we are asking retired members to send an email to pensions-enquiries@ncl.ac.uk Please type ‘Pension matters email request’ in the subject line and include your full name and your personnel number (as shown on your pension payslip) in the main body of the email.

If you are receiving benefits from the Plan, please also remember to let us know if you change your bank or building society account so that you don’t miss any payments.

Plan documents

As a member, you are entitled to see certain documents if you would like more detail about how the Plan is run. These include:

- the Statement of Funding Principles which explains the arrangements that are in place for funding the Plan;
- the Statement of Investment Principles which details how the Trustee invests the money paid into the Plan;
- the Annual Report and Accounts for the year that ended on 31 July 2012;
- the Valuation Report at 1 August 2010;
- the Recovery Plan which sets out the steps that we have agreed with the University in order to clear the shortfall that was identified in the latest valuation; and
- the Trust Deed and Rules which governs how the Plan is run.

You can download some of these documents from the University’s intranet site. Alternatively, please contact Val Wall.

**Our advisers**

Here is a list of our appointed advisers.

**Administrator**
Aon Hewitt

**Actuary**
Simon Corbett, Aon Hewitt

**Auditor**
PricewaterhouseCoopers LLP

**Bankers**
Bank of Scotland

**Investment Managers**
Threadneedle Asset Management Limited
Majedie Asset Management Limited
Legal & General Assurance (Pension Management) Limited
Standard Life Investments
Global Infrastructure Partners (appointed 12 September 2011)

**Solicitors**
Irwin Mitchell (ended 30 August 2012)
Addleshaw Goddard LLP (appointed 27 September 2012)

Following a review of their legal advisers, the Trustees decided to appoint Addleshaw Goddard LLP with effect from 27 September 2012. AG Secretarial Limited, part of Addleshaw Goddard LLP, has also taken over the role of company secretary to the Trustee company.
Contact details

If you have a question about the Plan that this newsletter does not cover, or a general query about your benefits, the University’s intranet site is likely to have the answer. It includes past issues of Pension Matters, formal Plan documents as well as all of the relevant forms you need as a member. Go to:

www.ncl.ac.uk/internal/hr/pensions/rbp.htm

Otherwise, if you would like an individual response to your query, please contact Val Wall.

Email: val.wall@newcastle.ac.uk
Phone: 0191 222 6496
Or write to:
Payroll Section,
Finance and Planning Office,
Newcastle University,
King’s Gate,
Newcastle upon Tyne
NE1 7RU

Useful websites

www.newcastle.gov.uk
The Newcastle Welfare Rights Service provides independent information on a range of money issues, including benefits and tax. You can access the service online via the Newcastle City Council website. The full link is: www.newcastle.gov.uk/benefits-and-council-tax/welfare-rights-and-money-advice

www.pensionsadvisoryservice.org.uk
The Pensions Advisory Service (TPAS) is an independent organisation which provides information and guidance on all types of pensions. TPAS may also be able to help if you have a complaint or dispute with a company or personal pension arrangement (although you would need to have been through the scheme’s formal complaint procedure in the first instance).

www.moneyadviceservice.org.uk
This independent service was set up by the Government to provide impartial guidance on all money matters. It includes a downloadable guide on finding an IFA and what questions to ask.