

April 2020

Old British Steel Pension Scheme ('the Scheme')

Covid-19: Coronavirus update as at April 2020

Introduction

We hope that you and your families are well during the Covid-19 pandemic.

We are all concerned about the impact of the current crisis on us and our families.

The purpose of this announcement is to explain to you the actions we are taking to ensure Scheme members receive their benefits as and when they fall due. We also explain the steps we are taking to monitor the impact of the Covid-19 pandemic on the Scheme.

Pensions in payment

Please be assured, if you are a pensioner, the Scheme administrators have taken all necessary actions to ensure your pension will continue to be paid on the first day of each month. The payment of pensions is our top priority at this time.

Members who are approaching retirement

If you're due to retire in the next few months or you would like to make an application for an early or late retirement pension, please contact the Scheme administrators in the normal way (see contact details later).

Pension Protection Fund (PPF) assessment period

The Scheme remains in a PPF assessment period at this time and we continue to work with the PPF and the Scheme's other professional advisers to undertake the work required to take the Scheme through the PPF assessment period.

Security of your benefits

You should note, because the Scheme is a defined benefit (DB) pension scheme and your benefits are guaranteed, the amount of your Scheme benefits is not directly impacted by the recent upheaval in global investment markets.

As a quick reminder, a DB pension is a pension where the amount you're paid in retirement is based on how many years you worked for your employer and the salary you earned during that time. It's a defined amount of income paid to you in retirement for the rest of your life.

Your Scheme benefits will not change except to the extent they have, or will be, adjusted because of the restrictions applied because the Scheme is in a PPF assessment period.

Your Additional Voluntary Contribution (AVC) or other defined contribution (DC) pensions savings

If you have AVC or other DC pension savings in the Scheme (or any other arrangement) where your pension savings are not guaranteed, the recent upheaval in global investment markets may have impacted the value of your AVC or DC pension.

AVC or other DC pension savings provide an income based on how much you have saved into your pension pot. The value of your AVC or other DC pension savings can fluctuate depending on a number of factors including investment markets.

If you have selected your own fund for your AVC or other DC pension savings or you have selected a target normal retirement date for your AVC or other DC pension savings, you may want to review your choices and consider whether any changes may be required.

You should be careful not to make any uninformed decisions about your AVC or DC pensions savings during the Covid-19 pandemic. We recommend you take financial advice before making any decisions (see below for details on how to find an adviser if you don't have one).

Protect yourself against scammers

The Covid-19 pandemic has unfortunately resulted in a significant increase in pension scams and fraud.

Please be vigilant and exercise extreme caution at this time when making any financial decisions. You should note that it is illegal for organisations to make any unwanted or unsolicited phone calls to individuals about their pension arrangements. This does not apply where:

-) the caller is authorised by the Financial Conduct Authority (FCA);
-) the callers are the Scheme trustees including advisers such as the Scheme administrators or Target Professional Services Limited who provide tracing and existence services to us in relation to missing members;
-) you have previously agreed to such calls or have an existing relationship with the caller.

Financial advice

You should be careful about making any major financial decisions during the Covid-19 pandemic.

You should consider taking financial advice from an adviser who is regulated by the FCA. You can find a list of financial advisers in your area who are regulated by the FCA via the Money Advice Service at www.moneyadviceservice.org.uk (see Retirement Adviser Directory).

Neither we nor the Scheme administrator can provide you with financial advice.

Contact with Scheme administrators

The Scheme administrators continue to monitor the impact of the Covid-19 pandemic on the day-to-day operation of the Scheme and they can respond quickly should the situation change.

We have reviewed and will continue to monitor the Scheme administrators' business continuity plan throughout the Covid-19 pandemic.

The Scheme administrators intend to provide a full range of services to Scheme members during the Covid-19 pandemic. However, in accordance with Government guidance, most staff at the Scheme administrators are working remotely and the health and safety of such staff and their families is a major consideration for us.

If a large number of staff at the Scheme administrators need to enter social isolation or are absent from work through illness, the Scheme administrators will need to prioritise certain activities including the payment of pensions and any benefits payable on the death of a Scheme member.

We're grateful for your understanding and patience during this challenging time.

If you need to contact the Scheme administrators, their contact details are as follows:

Address: Old British Steel Pension Scheme
Barnett Waddingham LLP
Silver Springs House
2 Topaz Way
Birmingham Road
Bromsgrove B61 0GD

Telephone: 0333 566 0156

Email: BSPSmembers@Barnett-Waddingham.co.uk

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