

October 2024

Member News



In this issue

New: free pension calculator

Update on ill-health early retirement

The Fund in numbers

Bridging pension option

Contents

Page 4

Get help planning for retirement with a free pension calculator
 Administrator's name has changed
 We have a new investment adviser

Page 5

Annual statements
 How we are making the Fund better for the planet

Page 6

Update on ill-health early retirement benefits

Page 7

Update on the benefits review

Page 8

The Fund in numbers

Page 10

Some pensions could go up at age 65
 You could even out your income with a bridging pension

Page 11

Watch out for pension scams

Back page

Contact us
 Finding members who have changed address

Welcome from the Trustee

We are pleased to be providing you with our Autumn 2024 newsletter.

The Trustee has been conducting several activities during the year to improve our processes to ensure good governance is exercised at all times.

We take our responsibility for looking after your pension promises very seriously and continuously seek to achieve the highest standards of good governance.

Our primary objective is to ensure we provide our members with security and assurances concerning your pension. This has been demonstrated by the conclusion of the triennial valuation to assess the Fund's financial position.

As part of our role and responsibilities we have diligently achieved some significant cost savings through effectively streamlining the way we work. During the year, we have reviewed our investment strategy and decided to transition to a new fiduciary manager to take us forward in our drive to helping deliver member benefits.

Within the newsletter you will see a range of updates on recent activities.

Please take the opportunity to review the various items within the newsletter, providing you with useful and worthwhile commentary on how the Fund is delivering existing and new services to members.

We would like to confirm that the Trustee Directors have all been re-elected to the Trustee Board by the Maritime Pensions Forum (the 'MPF'). This will ensure stability and continuity as we continue to deal with challenging projects and strive to make further improvements.

We consistently review the scope and budget of our service providers and advisers associated with the Fund to better manage member outcomes.

Please note the details at the end of the newsletter if you would like to contact the Fund.

On behalf of my fellow Trustee Directors, I wish you a healthy and happy Autumn.



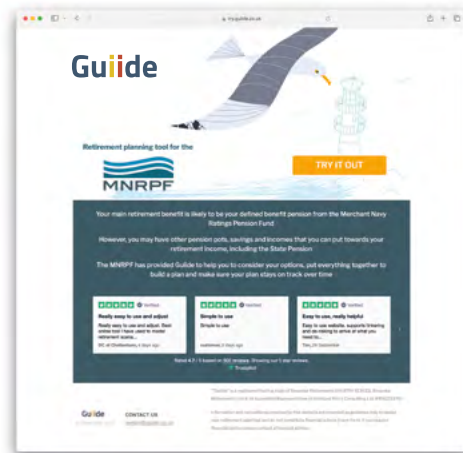
Doug Ross
 Chair of the MNRPF
 Trustee board

Get help planning for retirement with a free pension calculator

If you are thinking about retirement, we want to make it easier for you to get your finances organised. So we are pleased to introduce a free-to-use pension calculator for our members, called Guide. It can support you before and after your retirement by producing a tailored retirement plan.

This retirement plan will help you to see your MNRPF benefits in the context of all your finances. Alongside that, Guide has lots of helpful information about tax, the State Pension, and getting financial advice. Ultimately, Guide should help you to make better-informed decisions about your retirement.

Find out more about Guide and get started at try.guide.co.uk/mnrpf



Administrator's name has changed

In January of this year Aptia UK Limited bought part of Mercer's UK pension business, which includes the Fund's administrator. That means any communication you would have received from Mercer will now be from Aptia. Only the name has changed – it will not change your pension or how you get services. You don't need to do anything.

We have a new investment adviser

We consistently review the scope and budget of our service providers and advisers associated with the Fund. In 2023, we undertook a competitive tender process for our investment adviser and decided that it was time to make a change and appointed Schroders Solutions to work with us to evolve and implement our investment strategy. For more about Schroders, see mnrpf.co.uk/news

Annual statements

As part of wider governance considerations we have decided to stop issuing annual benefit statements to deferred members. This also supports our net zero targets – see below.

The information on these statements does not tend to change much from one statement to the next. Should you wish to have an update of your entitlements, please contact our administrator. Their details are on the back of this newsletter.

For some members who are still working, we may be legally required to continue to send annual statements and will do so.

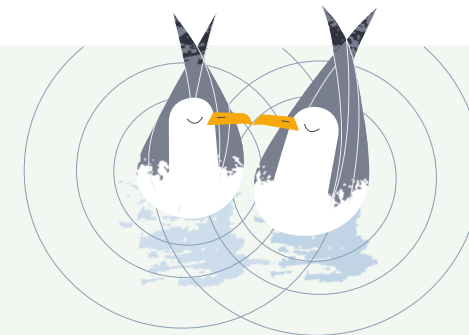
What if I have more than one record?

This change only applies to the part of your pension you are not yet taking.

Will I still get payslips?

If you are already receiving a pension from the Fund, you will still get a payslip whenever there's a significant increase to the payments we make to you. The changes outlined above only affect the annual statement.

How we are making the Fund better for the planet



According to research by the campaign Make My Money Matter, a sustainable pension is 21 times more effective at cutting carbon than stopping flying, going vegetarian and switching energy supplier combined.

That is why we have set a target to get our carbon footprint to net zero by 2040. Find out about our progress and our approach to achieving this on our website at mnrpf.co.uk/climate-change-and-your-pension

Update on ill-health early retirement benefits

As members will know from previous updates, in 2022 the High Court approved a settlement for members who were affected by changes to the Fund's ill-health early retirement benefits in the 1990s. As a result, we've been working very closely with our advisers and administrators to implement the Court-approved settlement, as this allows us to (a) pay compensation where we know it is owed, and (b) contact members with an invitation to make a claim if they think they are eligible for compensation. To the end of August 2024, we have paid compensation of nearly £30 million in lump sums (made up of back payments with interest) and almost £0.7 million in increases to future yearly pension payments. Further payments continue to be progressed. We set out below our latest update on the progress we are making in implementing the ill-health early retirement settlement.

Members who took ill-health early retirement

Nearly all of these members have now been paid. They were members whose ill-health benefits were scaled back or reviewed. Where we've learnt that the

member has died, we've taken detailed steps to trace their estates, so that we can pay the compensation due. This has been a complex and lengthy process as it requires us to obtain documentation from executors to ensure that we are paying the correct person. We continue to make good progress in making these payments. Work continues to try to trace the executors in around a third of eligible estates cases. By the end of August 2024, we had paid around £21 million in lump sum compensation owed and approximately £0.6 million per year in increases to future pension payments.

Members being invited to make a claim for potential compensation

We've written to around 3,500 members inviting them to make a claim if they think they may be eligible for compensation. Those eligible are members in service on 8 October 1993, who had the required length of service and left due to ill-health (permanent unfitness for sea service). Around 10% of the members invited have submitted a claim. Two thirds of these claims have been determined eligible, adding up to £8.7 million in lump sum compensation and approximately £87,000 per year in increases to future pension payments.

We have identified around 1,500 members who have died, and we have taken steps to trace their estates so that we can let them know about the opportunity to make a claim. As we mention above, this has been a complex

and lengthy process. Around 800 claim forms have been issued in these cases and we continue to pursue tracing of the executors and /or next of kin in the remaining cases (approximately 700). Where a claim is submitted and determined eligible, we must then obtain documentation from the executors to ensure that we are paying any compensation due to the correct person.

We would like to thank all members, former members and estates for their cooperation and patience whilst we progress their cases. It can take time to obtain medical evidence to support consideration of a claim, as well as the necessary documentation to enable us to make payment to the correct person and we appreciate your support in this. We're still contacting some members and their estates. If you receive a letter from our administrators asking you to get in touch, please do make contact, using the details below.

If you have a question or want more information about implementing the settlement, phone our helpline on 0800 197 6923 (if you're calling from overseas, phone +44 330 818 7286). The helpline is open Monday to Friday from 8:30am to 5.30pm. We can also arrange to call you outside these hours if necessary. Alternatively, email mnrpf.mailings@mercero.com

If you would like to view the settlement, email mnrpf.mailings@mercero.com

Update on the benefits review

Since 2020, we have been reviewing the benefits we pay members, checking if they align with the Fund's current and past rules and legislation. This has revealed some anomalies which the Trustee is working through.

There is nothing you need to do. We are working through all of the details as quickly as we can, but it is a complex piece of work going back over many years of benefit records and calculations, so it will take time to complete. We hope to provide a more detailed update in the first half of next year.

The Fund in numbers

We are on track to meet all benefit promises as they fall due

Every three years, we complete a valuation – an in-depth review of how the Fund’s finances stood on a certain ‘valuation date’. Our most recent valuation date was 31 March 2023. We completed this valuation in June this year.

The valuation works out the:

- **assets** – how much money the Fund has
- **liabilities** – the estimated amount we need to pay benefits, now and for the life of the Fund
- **shortfall** – the gap between the Fund’s assets and its liabilities
- **funding level** – assets compared to liabilities, as a percentage

Here’s how the figures have changed since the 2022 update, and since the previous full valuation in 2020:

	2020 valuation	2021 update	2022 update	2023 valuation
Assets (£m)	1,333	1,253	1,200	860
Liabilities (£m)	1,429	1,309	1,220	1,012
Shortfall (£m)	96	56	19	152
Funding level	93%	96%	98%	85%



Our strategy to increase the funding level

As you can see, the funding level increased gradually from 2020 to 2022, but then decreased in 2023. Although both asset and liability values fell significantly at the end of 2022 as a reflection of changes in the global economy, the funding level stayed on track.

As part of the formal valuation in 2023, we adjusted our allowance for potential extra benefits due to members, which increased the liabilities. This reduced the funding level. To offset this, we have:

- reviewed the way the assets are invested in order to aim for higher returns in the future
- allowed for the latest circumstances such as statistics on how long members will live, and put in some insurance protection
- asked Employers to pay further contributions to remove the shortfall by 2030

Facts we are required to tell you

The law requires us to tell you:

- the Fund has not been subject to any interventions by the Pensions Regulator under section 231(2) of the Pensions Act 2004
- the Regulator has not modified the Fund, issued directions, or imposed a schedule of contributions
- we have not paid any money from the Fund to the Employers

Our funding level if we wound up the Fund

As part of the valuation, we are required to calculate what would happen if the Fund were to wind up, and so cease to exist. If the Fund had started winding up on 31 March 2023, we would have had to pay an insurance company to provide a policy for each member. Our actuary estimates we would have had 78% of the money we needed for these policies. In reality, we are not winding up the Fund.

Some pensions could go up at age 65

Some male Fund members may see an increase in their pension when they turn 65, if:

- they started taking their pension on or after their 62nd birthday (and before their 65th birthday), and
- their pension includes Guaranteed Minimum Pension (GMP)

The State Pension Age (when you start getting your State Pension) used to be different for men and women, which means men generally start to receive

GMP when they turn 65, five years later than women.

You could have GMP if you were contracted out of the Additional State Pension before 5 April 1997. Check if you were contracted out of the Additional State Pension at [gov.uk/additional-state-pension/contracting-out](https://www.gov.uk/additional-state-pension/contracting-out)

When you receive your retirement quote, there will be more information about this increase at age 65 and whether it applies to you.

You could even out your income with a bridging pension

A bridging pension is a way to even out your income when you retire. It means you get more money early on and less later.

One reason you might be due an uneven income is if you start taking your MNRPF pension before your State Pension Age. Your State Pension Age is when you start getting your State Pension. For example, if you take your MNRPF pension at 62 but do not get your State Pension until 66, your overall income will increase when you reach age 66.

A bridging pension can even out your income by giving you some of your future money earlier, with a corresponding lower level of pension later. This way, you will not have a step up (or as much of a step up) in overall income at a certain age. You will be reminded of this option when you receive your retirement quote.

Note that there can be tax implications of taking up such an option so you should consider taking personal tax advice if you would like to take up the option. Neither the administrator nor the Trustee is able to provide you with tax advice.

Watch out for pension scams

Pension scams have cost victims more than £26 million in recent years, according to the Pensions Management Institute. So it is more important than ever to be vigilant when it comes to your hard-earned retirement.

Scammers can be convincing – they often look like real companies and sound like experts.

Before you trust someone with your pension, ask yourself these 3 questions:

1. Is this a cold call? It's illegal for companies to cold call you about your pension. So if you get a phone call you're not expecting, or an email or text from someone you've never heard of, it could be a scam.

2. Am I being pressured? Reputable companies will not pressure you to make a decision. If you're being rushed, end the conversation and get a second opinion.

3. Have I had a second opinion? Speak to an independent financial adviser before you make a big decision. You can find a financial adviser who's qualified to help with pensions at [moneyhelper.org.uk](https://www.moneyhelper.org.uk)



If someone tries to scam you, tell us immediately. Then report them to the police at [actionfraud.police.uk](https://www.actionfraud.police.uk) to stop someone else getting scammed.

The Financial Conduct Authority has clear information about how to avoid scams. Go to [fca.org.uk/scamsmart](https://www.fca.org.uk/scamsmart)

Contact us

The best place to find out about the Fund and get help is online at **MNRPF.co.uk**

If you need to talk to someone, contact our administrator, Aptia (formerly Mercer). You can contact Aptia online, by phone and by post.

Please have your membership number or National Insurance number to hand so they can find your records quickly.

Website

pensionuk.aptia-group.com

Portal

aptiaoneview.co.uk/MNRPF

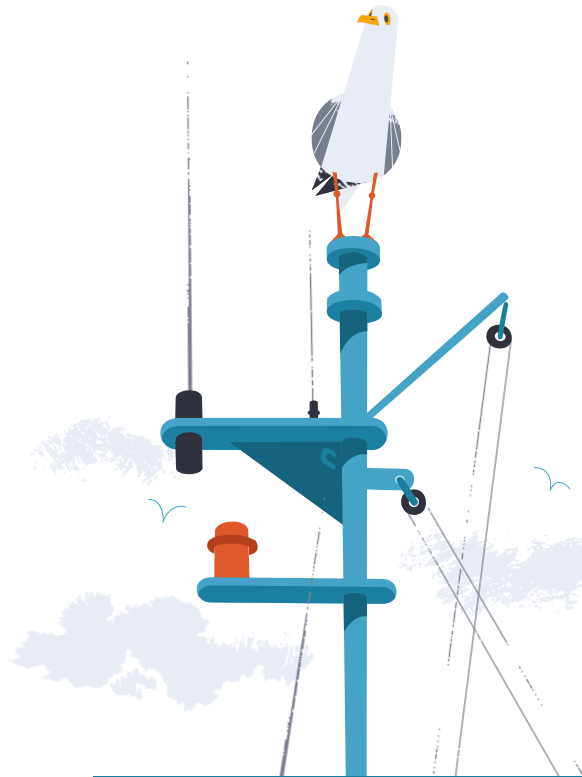
Phone

01372 200 385

Monday to Friday 8.30am to 5.30pm, except bank holidays

Post

MNRPF, Aptia, Maclaren House,
Talbot Road, Stretford,
Manchester M32 0FP



Finding members who have changed address

We are keen to find members who have changed address but not given us their new details. To help do this, we use tracing agencies.

If you know an MNRPF member who has moved recently, or who didn't get this newsletter, please help them by asking them to make sure Aptia has their correct address.