

Electricity North West Group of the  
Electricity Supply Pension Scheme

# Pension news

for the Defined Contribution section  
September 2021

**electricity  
north west**

Bringing energy to your door



## INSIDE

Welcome | Facts and Figures | Investment Performance | Pensions News | AND MORE...

# Welcome to this year's Defined Contribution section newsletter



*Malcolm* **Malcolm Sugden**  
Chairman

Since our last update, the Trustee, Pensions Team and our advisers, Railpen (formerly RPMI), Aon and Isio, have worked very hard to keep the usual business activities going despite the challenges of working from home and conducting the Group's business remotely and I thank all those involved for their efforts.

I would like to acknowledge the efforts of my fellow Trustee Director, John Hodgkinson. John has been a Trustee Director over many years and has decided to stand down at this juncture. I would like to thank John for his dedication and wish him well for the future. Following the elections, we are pleased to welcome Ken Scott as our new Member Nominated Trustee Director. We also welcome back Chris Dooley, who has successfully stood for re-election.

In this newsletter you will find information about some of the main events specific to the Defined Contribution (DC) section, including an update on the investment fund choice, Environment, Social and Governance (ESG) related points, and Retirement Living Standards.

With regard to investment performance the Trustee was pleased to see that despite a turbulent period during the first quarter of 2020, the majority of asset classes performed positively over the subsequent 12 month period to 31 March 2021. Performance figures are included in the Newsletter.

This year sees the introduction of our first Implementation Report which is a new requirement designed to demonstrate that the Group has adhered to its investment principles and its policies for managing financially material consideration including ESG factors and Climate Change. Further details are included in the Newsletter and a copy of the Implementation Report can be found online at [www.enwlpensions.co.uk/about-the-scheme/scheme-documents](http://www.enwlpensions.co.uk/about-the-scheme/scheme-documents).

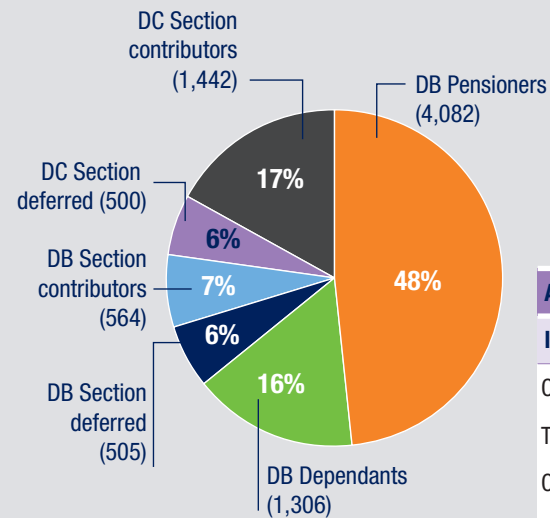
I would like to remind you that our website, [www.enwlpensions.co.uk](http://www.enwlpensions.co.uk) contains all the usual information including the full Report & Accounts, but it also has a lot of new additions, including news items, videos and tools to help you plan for life after work.

I hope you find the newsletter interesting and helpful. If you have any questions or feedback about this edition or have suggestions for articles to be included in future editions, please get in touch with the Pensions Team whose details are on the back page.

## Scheme Accounts for the year to 31 March 2021

A full set of audited accounts are prepared each year. You can find the full Trustee Report and Financial Statements on the pensions website [www.enwlpensions.co.uk](http://www.enwlpensions.co.uk). The main figures for the Defined Contribution section are:

### Membership data:



Membership numbers  
**Total members:**  
**8,399**  
as at 31 March 2021

### Defined Contributions Fund Account:

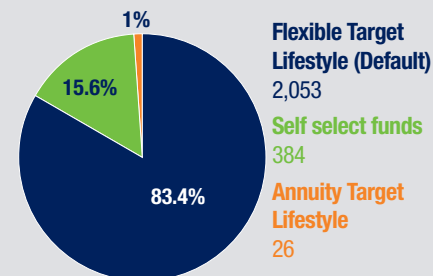
<b>Assets at 1 April 2020</b>	<b>£53.6m</b>
<b>Income</b>	<b>£29.0m</b>
Contributions	£10.1m
Transfers in	£0.1m
Other income	£0.3m
Change in the value of investments	£18.5m
<b>Outgoings</b>	<b>£3.1m</b>
Benefits	£0.6m
Transfers out	£2.1m
Investment management expenses	£0.1m
Administrative Expenses	£0.3m
<b>Assets at 31 March 2021</b>	<b>£79.5m</b>
<b>Defined benefit AVCs</b>	<b>£2.8m</b>

# Where are the Scheme's assets invested?

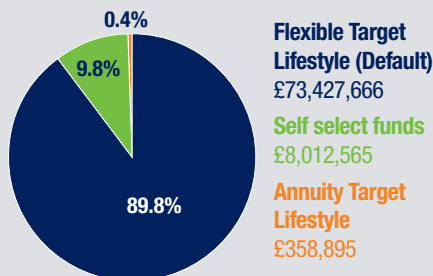
<b>Aegon BlackRock 40/60 Global Equity Index</b>	
£75,060,969	91.2%
<b>Aegon BlackRock Market Advantage</b>	
£2,983,559	3.6%
<b>Aegon BlackRock Cash</b>	
£842,017	1.0%
<b>Aegon BlackRock All Stocks UK Gilt Index</b>	
£632,403	0.8%
<b>Aegon LGIM Ethical Global Equity Index</b>	
£533,693	0.6%
<b>Aegon HSBC Islamic Global Equity</b>	
£477,821	0.6%
<b>Aegon BlackRock Pre Retirement</b>	
£462,764	0.6%
<b>Aegon BlackRock All Stocks UK Index Linked Gilt</b>	
£445,109	0.5%
<b>Aegon BlackRock Emerging Markets Equity Index</b>	
£299,343	0.4%
<b>Aegon BNY Mellon Global Equity</b>	
£245,386	0.3%
<b>Aegon BlackRock Corporate Bond All Stocks Index</b>	
£177,508	0.2%
<b>Aegon Property</b>	
£101,318	0.1%



## Number of people invested in the pension scheme



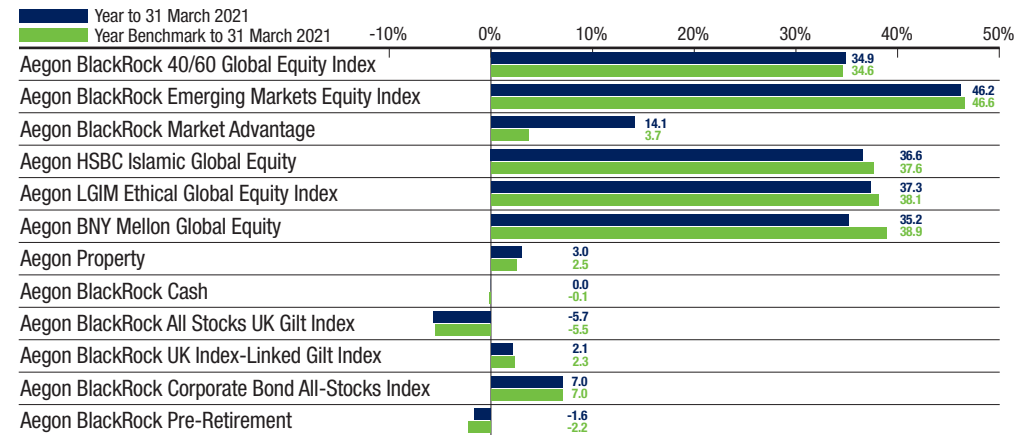
## Scheme assets split by investment profile



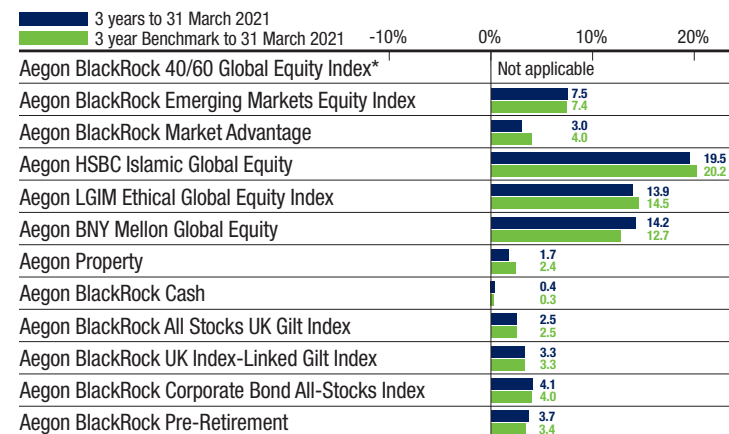
# Fund Performance

The performance of the main funds, after fees, over the year to 31 March 2021 is shown below:

## Return/Year to 31 March 2021



To give you an indication of how the funds have performed over a longer period, this is how the funds have performed over the three years ending 31 March 2021



\* Assets were switched from the 60:40 Global Equity Index Fund to the 40:60 Global Equity Index Fund within the last three year period and therefore longer term returns for the 40:60 Global Equity Index Fund are not shown as the Group has not yet invested in this Fund for that period of time.

## Benchmark

Each of the funds have their own Benchmark against which the fund performance can be measured. Generally, broad market and market-segment stock and bond indexes are used for this purpose. To give you an example, the benchmark for the Aegon BlackRock 40/60 Global Equity Index is split between 40% FTSE All Share Index / 60% FTSE All-World Developed ex-UK Index.

## Fund change

The Trustees closely monitor the performance of the funds and take advice from our investment advisers, Isio.

Having reviewed our 'default' fund (required every 3 years) a decision has been taken to reduce our exposure in UK equities by changing the Global Equity 40/60 Index Fund to a Global Equity 30/70 Index Fund. Plans are underway for the change (likely to be in October), and if you are affected by this change you will receive a letter soon with more details.

## The Chair's annual governance statement



# Market Background Summary

from the Scheme's investment advisers, Isio

Despite a turbulent period during Quarter 1 2020, the majority of asset classes performed positively over the subsequent 12 month period, largely driven by the unprecedented support measures taken by governments and central banks. Vaccine announcements towards the end of 2020 also aided the 12 month return of many asset classes.

Global equities performed well despite the reduced global economic activity over 2020. UK equities returns lagged significantly compared to other regions.

Governance is an important part of a pension trustee's role and there are minimum 'standards' of governance that have to be met for DC pension schemes. Each year the Trustee is required to include a statement (the Chair's Statement) in the scheme's annual report and accounts, describing how governance requirements have been met. The Chair's Statement can be viewed at:

[www.enwlpensions.co.uk/scheme-documents](http://www.enwlpensions.co.uk/scheme-documents)

# Environmental, Social and Governance Investing

**Environmental, social and governance (ESG) refers to the three key factors used to measure the sustainability and ethical impact of an investment.**

## Ethical Funds

Our Ethical Funds are

**Aegon LGIM Ethical Global Equity Index**  
**Aegon HSBC Islamic Global Equity**

And we are set to launch a further fund option very soon:  
**Blackrock World Multifactor ESG Equity Tracker Fund**



The Trustee is considerate of the wider social impact of the Group's investment options and recognises the need to provide options for those members that wish to make their investments more socially conscious. Our DC investment options include both Ethical and Islamic investment funds for those members who have more specific investment criteria.

The Trustee has an Environmental, Social and Governance policy that is available for you to read on the scheme documents section of our website, [www.enwlpensions.co.uk](http://www.enwlpensions.co.uk). This policy is used actively to review our approach to investing.

We have also commissioned our first implementation report. This review, conducted by our advisers,

Isio, investigates how our investment managers are working towards these principles and gives an opportunity to feedback to the investment managers for improvement. You can also find the implementation report on the website.

We will be introducing a further ESG fund very soon and our work on ESG matters will continue to evolve. We would love to hear your views on ESG and how we can develop the fund range even further in this area, to meet your needs and beliefs.

# Investments

## You have options!

Members can choose to invest in any of the 12 available funds or can choose one of the 2 lifestyle strategies.

The default (Flexible Retirement) Lifestyle Strategy is designed to suit members wishing to take a flexible approach to retirement.

The alternative (Annuity Target) Lifestyle Strategy is more suited to members who wish to purchase an annuity at retirement.

Each Lifestyle Strategy is designed to gradually and automatically move members' funds from the higher risk equity funds and into lower risk funds as they approach their normal retirement age so that they are less exposed to sudden market drops.

The Trustee regularly reviews the investment fund options available

to our DC pension members to ensure they remain appropriate.

If you'd like to know more about our pension scheme fund options, or just pension investments in general, go to the fund choices page of the pension website. Here you'll find general information about investments as well as factsheets for each of our specific fund options. There's even a video to help members understand about investment risk.

[www.enwlpensions.co.uk/dc-members/fund-choices](http://www.enwlpensions.co.uk/dc-members/fund-choices)

### What is an Annuity?

An annuity provides you with a regular guaranteed income in retirement. You can buy an annuity with some or all of your pension pot. It pays income either for life or for an agreed number of years.

Please make sure you review your own personal investment choices regularly to ensure they remain appropriate for you.

Also, when considering funds please note that past performance is no guarantee to future performance and that the value of your funds can go up or down.

## Don't forget to watch your personalised pension video

Personalised pension videos will shortly be sent to all our active members via their work email address. The video tells you how much money went into your pension pot in the year to 31 March 2021, how much income you may receive when you retire and how you can improve your retirement by saving even more! Your annual paper benefit statement also includes a QR code, which you can scan using your mobile phone to access your video directly.

The videos will be available to view until the end of October.

# Are you paying enough into your pension pot?

If you're an employee and currently paying a pension contribution rate of less than 7%, you could consider increasing this as the Company will also increase its contribution. The more you pay, the more the Company pays. Taking advantage of the generous Company contributions on offer can mean thousands of extra pounds going into your pension pot each year and that could make a huge difference to your retirement fund!

Have a look at the table below to see the total amounts that go into your pension pot for each of the employee normal contribution rate options.

Your contribution	Company contribution	Total invested
3%	6%	9%
4%	6.784%	10.784%
5%	8.784%	13.784%
6%	10.784%	16.784%
7%	12.784%	19.784%

Because you don't pay tax on pension contributions up to the annual allowance (currently £40,000), your contributions actually cost you less than you're putting in. And if you're in our Pension Saver (salary sacrifice) scheme you could also be paying lower National Insurance contributions, making your money go even further!

If you're already paying 7% you can make extra contributions as Additional Voluntary Contributions (AVCs).

We have a contribution modeller on our pension website to help you visualise how much the company will pay into your pension for your chosen contribution rate, how much tax and National Insurance you could save and the overall impact that increasing your pension contribution rate will have on your take home pay. Have a look as increasing your contributions may cost you less than you think!

Simply fill in a 'Contribution Change' form if you'd like to increase your pension contributions, or a 'Pension Saver Salary Sacrifice Agreement' if you're not in the Pension Saver scheme but would like to join. Both forms are on the pension website.

Get in touch with the Pensions Team if you'd like any more information about the contribution structure and the benefits of increasing your pension contributions.

# Our pensions website

[www.enwlpensions.co.uk](http://www.enwlpensions.co.uk)

Using our site you can access the following:

- Access your pension portal
- Contributions modeller
- Investment fund information
- Videos-to help you understand topics that affect your pension
- Forms, factsheets and booklets
- Scheme documents
- News items-to keep you up to date with what's going on in the pensions world
- A lifestyle calculator

**The Normal Minimum Pension Age is increasing from 55 to 57. For more information, please see the news section of our website.**

## Retirement Living Standards

Provides some thought provoking information for those individuals thinking about their income requirements for retirement. To find out more go to [www.retirementlivingstandards.org.uk](http://www.retirementlivingstandards.org.uk)



RPMI

RAILPEN

## RPMI to become Railpen

**Our long-standing pension scheme administrator, RPMI will shortly be rebranding to Railpen.**

Railpen have advised that:

*"There is no change to the services we provide – it's the same people and we remain fully committed to the investment in and growth of our business within the ESPS and wider third party administration arena."*

From a practical point, RPMI's email addresses will be updated to reflect the change with effect from 27th September 2021. The new email addresses will be:

Defind Contribution Members:  
[enwl@railpen.com](mailto:enwl@railpen.com)

The current @rpmico.uk email addresses will also remain in operation for the foreseeable future.

# Make sure you keep your nomination details up to date

As part of our pension benefit we offer a lump sum payment equal to the value of your pension pot if you die before you retire. In addition, if you die while still working for the company there's also a death in service benefit of four times your pensionable salary.

Because the lump sum benefit is payable at the Trustee's discretion it doesn't form part of your estate and isn't taxed if it's under the Lifetime Allowance. To make sure the Trustee is aware of who you would like the lump sum to be paid to, you need to keep your 'Expression of Wish' details up to date. You should consider updating them if your circumstances change.

The Trustee is not legally obliged to follow instructions left on an Expression of Wish form, but they usually do. Forms can be downloaded from the pension website.

You can also update your 'Expression of Wish' details directly at <http://enwl.myesps.co.uk>



The Trustee's Data Protection Policy and Privacy Notice (setting out how the Trustee uses your personal information and your rights under the General Data Protection Regulations (GDPR)) can be found on our website here:

[www.enwlpensions.co.uk/privacy-and-data](http://www.enwlpensions.co.uk/privacy-and-data)

# Don't let a scammer enjoy your retirement



According to Action Fraud, more than £30m has been lost since 2017 to pension fraud, as unauthorised 'advisers' tout unrealistic investments. Don't be the next victim of this fraud.

Anyone can be the victim of a pension scam, no matter how savvy they think they are. It's important that everyone can spot the warning signs.






Scammers try to persuade pension savers to transfer their entire pension savings, or to release funds from it, by making attractive-sounding promises they have no intention of keeping.

Scammers can be articulate and financially knowledgeable, with credible websites, testimonials and materials that are hard to distinguish from the real thing. Scammers design attractive offers to persuade you to transfer your pension pot to them or to release funds from it. It is then invested in unusual and high-risk investments like overseas property, renewable energy bonds, forestry, storage units, or simply stolen outright.

Find out how pension scams work and what to do if you suspect a scam and follow four simple steps to protect yourself from pension scams.



## Scam tactics include:

-  contact out of the blue
-  promises of high/guaranteed returns
-  free pension reviews
-  access to your pension before age 55
-  pressure to act quickly

## 1. REJECT UNEXPECTED OFFERS



If you're contacted out of the blue about your pension, chances are it's high risk or a scam.

Be wary of free pension review offers. A free offer out of the blue from a company you have not dealt with before is probably a scam. Fortunately, research shows that 95% of unexpected pension offers are rejected.

## 2. CHECK WHO YOU'RE DEALING WITH



Check the Financial Services Register ([www.fca.org.uk/firms/financial-services-register](http://www.fca.org.uk/firms/financial-services-register)) to make sure that anyone offering you advice or other financial services is FCA-authorised.

If you don't use an FCA-authorised firm, you also won't have access to the Financial Ombudsman Service or the Financial Services Compensation Scheme so you're unlikely to get your money back if things go wrong. If the firm is on the FCA Register, you should call the Consumer Helpline on **0800 111 6768** to check the firm is permitted to give pension advice.

Beware of fraudsters pretending to be from a firm authorised by the FCA, as it could be what we call a 'clone firm'. Use the contact details provided on the FCA Register, not the details they give you.

## If you suspect a scam, report it

- Report to the Financial Conduct Authority (FCA) by contacting their Consumer Helpline on **0800 111 6768** or using the reporting form at [www.fca.org.uk](http://www.fca.org.uk)
- Report to Action Fraud on **0300 123 2040** or at [www.actionfraud.police.uk](http://www.actionfraud.police.uk)
- If you're in the middle of a transfer, contact your provider immediately and then get in touch with MoneyHelper's pension helpline: **0800 011 3797**

## 3. DON'T BE RUSHED OR PRESSURED



Take your time to make all the checks you need – even if this means turning down an 'amazing deal'.

Be wary of promised returns that sound too good to be true and don't be rushed or pressured into making a decision.

## 4. GET IMPARTIAL INFORMATION AND ADVICE



For pensions specific guidance you can go direct to the pensions and retirement section at [www.moneyhelper.org.uk/en/pensions-and-retirement](http://www.moneyhelper.org.uk/en/pensions-and-retirement) or call **MoneyHelper's Pensions Helpline** on **0800 011 3797**.

**Financial advisers** It's important you make the best decision for your own personal circumstances, so you should seriously consider using the services of a financial adviser. If you do opt for an adviser, be sure to use one that is regulated by the FCA and never take investment advice from the company that contacted you or an adviser they suggest, as this may be part of the scam.

Be ScamSmart with your pension. Check who you are dealing with.

[www.fca.org.uk/scamsmart](http://www.fca.org.uk/scamsmart)



\*FCA Financial Lives

# ESPS AGM 2021



**This year's ESPS Annual General Meeting (AGM)\* will be held on Monday 22 November 2021, starting at 1pm.**

Due to the COVID-19 situation, arrangements have again been made to hold the meeting virtually. If members wish to attend the Scheme AGM they will need to register.

For the Scheme AGM itself please register by using the following link:  
<https://register.gotowebinar.com/register/2405243671823876367>

A test meeting will be held on 15 November at 10.30am for those new to the virtual arrangements. Please register by using the following link:  
<https://register.gotowebinar.com/register/5388545272933628431>

These links, along with certain other Scheme AGM information (including the Privacy Notice) will also be shown on the new ESPS website ([www.espspensions.co.uk](http://www.espspensions.co.uk)) in due course. Members are encouraged to register as soon as possible on the above links.

The purpose of the Scheme AGM is to receive the Scheme Annual Report and Financial Statements and the Auditor's Report, receive the Report of the Scheme Trustee, and conduct any general business including the consideration of any Resolutions proposed by members.

Members have up to 28 days before the date of the AGM to submit a written resolution to the Scheme Secretary at Capita Employee Solutions, 65 Gresham Street, London, EC2V 7NQ. Therefore, this year members will have until Monday 25 October 2021 to submit any written resolutions to the Scheme Secretary. In order for members to exercise their vote on any resolution they must be present (virtually) at the meeting.

Details of the agenda, resolutions and notices, along with copies of the Scheme Annual Report and Accounts and the minutes of last year's Scheme AGM are available on the ESPS scheme's website:  
[www.espspensions.co.uk](http://www.espspensions.co.uk)

\*The meeting relates to the whole of the ESPS, not just the Electricity North West Group and all members of the Scheme are welcome to attend.



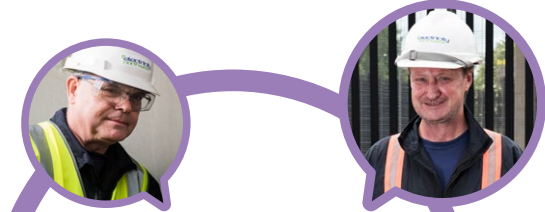
This year's AGM will take place virtually



## DC Engagement Panel Have Your Say

Now that we are returning to normal service and we can hold face-to-face meetings again, we are in the process of scheduling our next meeting. The purpose of the panel is to get feedback from members of the DC scheme regarding:

- Member communication and engagement
- Investment issues
- Retirement options/support



We are looking for volunteers to join the panel, if you would like to help, please contact [pensions@enwl.co.uk](mailto:pensions@enwl.co.uk)



## New name for pensions support

**The Government-backed Money and Pensions Service (MaPS) is launching...**

### "MoneyHelper"

From June 2021, **MoneyHelper** will offer a single place for people to go for financial guidance. This includes free pensions support and guidance, either online or over the phone.

It will merge the services currently provided by:

- The Money Advice Service
- The Pensions Advisory Service and
- Pension Wise

These services will no longer exist under separate names.

This means that from June the Government will offer just one, simple service, giving everyone access to free and impartial financial support on a range of issues, including pensions, savings, debt and budgeting.

For more information visit [moneyhelper.org.uk](http://moneyhelper.org.uk)

For pensions specific guidance you can go direct to the pensions and retirement section at [www.moneyhelper.org.uk/en/pensions-and-retirement](http://www.moneyhelper.org.uk/en/pensions-and-retirement) or call MoneyHelper's Pensions Helpline on **0800 011 3797**.



# Keep in Touch

Do keep in touch and let us know if you change your address. If you have left the Company, please contact our administrators, Railpen. Current employees should contact People Services to let them know of any changes.

And of course, if you have any questions please contact the Pensions Team!

You can contact our administrators Railpen directly:

- by telephone on **0345 600 2050**
- by email at **enwl@railpen.com**
- by letter to Railpen, PO Box 331, Brinkburn Road, Darlington, DL1 9PR

You can contact the Pensions Team in the following ways:

- by telephone on **0843 311 4530**
- by email at **pensions@enwl.co.uk**
- by letter to 304 Bridgewater Place, Birchwood Park, Warrington, Cheshire, WA3 6XG

Please remember to quote your name, date of birth and National Insurance number to help us deal with your enquiry as quickly as possible.

## Your Pensions Team

### Trustees

#### Appointed by the Company

PAN Trustees UK LLP  
(Independent-represented  
by Mike Roberts);

Malcolm Sugden (Chairman)  
Irina Krumova  
Gillian Williamson

#### Member Elected

Chris Dooley  
Mike Kay  
John Leigh  
Ken Scott

### Advisers

#### Pensions Team

Colin Ross  
Luke Warwick  
Lisa Aspden  
Leah Taylor

#### Administrator

Railpen

#### Auditor

PricewaterhouseCoopers LLP

#### Investment

Isio Ltd

#### Scheme Custodian

The Bank of New York Mellon

#### Legal

Sacker & Partners LLP

#### AVC Provider

Aegon



## Other useful contacts

### The Pensions Regulator

The UK regulator of work-based pension schemes  
[www.thepensionsregulator.gov.uk](http://www.thepensionsregulator.gov.uk)

### Pension Tracing Service

Trace a personal or company pension scheme  
[www.gov.uk/find-pension-contact-details](http://www.gov.uk/find-pension-contact-details)

### Department for Work and Pensions

Find out how to plan your pension and what you need to do as you near retirement age  
[www.gov.uk/plan-retirement-income](http://www.gov.uk/plan-retirement-income)

### Independent Financial Advice

Find an independent financial adviser near you  
[www.unbiased.co.uk](http://www.unbiased.co.uk)

### Pensions Ombudsman

Investigates complaints about how pension schemes are run  
[www.pensions-ombudsman.org.uk](http://www.pensions-ombudsman.org.uk)

### Money Helper

Provides information and tools to help you manage your money  
[www.moneyhelper.org.uk](http://www.moneyhelper.org.uk)

### Financial Conduct Authority

[www.fca.org.uk](http://www.fca.org.uk)

