

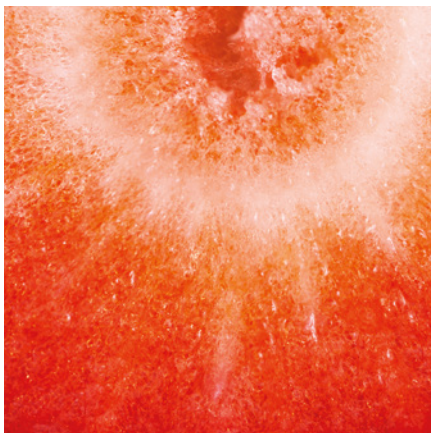
Cummins UK Pension Plan

# Pension news

For defined benefit (DB) members



**The fruits of your labour**



Spring 2024

# Welcome

Welcome to your spring issue of *Pension news*, the newsletter for defined benefit (DB) members of the Cummins UK Pension Plan.

Thank you to everyone who has recently registered to use **Manage my pension** via the Plan website.

This really is the best way to keep track of your Plan pension and make any changes you might need. If you haven't yet registered for online access, I would encourage you to do so – it's so easy to use and, amongst other things, you can check your pension details at any time. There's more information about how to log in and what you can do online on page 4.

The recent reductions in National Insurance may provide you with a good opportunity to give your pension a boost without making an obvious dent in your take-home pay. See page 6 for details.

One of the questions members often ask us is how to bring smaller pension pots from previous jobs together. It's a good way to manage your retirement savings and keep on top of things, and you can read more about this on page 10.

I hope you find this issue of *Pension news* useful and interesting. As always, please get in touch if there's a particular topic you'd like to see more about in a future issue.

**Nichola Moore**  
Chair of the Trustee



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# Your pension online

How often would you like to check your Plan pension? Once a year when you get your benefit statement or maybe more frequently? The good news is that it's never been simpler to keep track of your Plan benefits. Your pension information is just a click away.



You can log in to your personal account at any time via **Manage my pension** on the Plan website at [www.cumminsukpensions.co.uk](http://www.cumminsukpensions.co.uk) where you can:

- check the value of your pension benefits
- update your nomination of beneficiaries
- start paying additional voluntary contributions (AVCs)
- review and change your AVC investment choices
- start planning your retirement.

## We've made it easier to get online



If you still need to register for **Manage my pension**, all you need is your email address, your National Insurance number and your member number, which you can find on any letter you've received from the Plan.

1. Go to [www.cumminsukpensions.co.uk](http://www.cumminsukpensions.co.uk)
2. Click on **Manage my pension** at the top of the screen
3. Select **Register**
4. Follow the on-screen instructions to add your **email address** and **member number**.



*I thought it was going to be really difficult to get online, but it was much simpler than it used to be.*  
Shop floor colleague, Huddersfield

*I use my phone for everything, and it was so easy to register for **Manage my pension** on my phone.*  
Office colleague, Peterborough

*It's great knowing how much is in my pension fund at any time, rather than having to wait for my benefit statement.*  
Office colleague, Darlington

*I like being able to see my fund value. It makes me feel more in control of my pension. I've even started paying some AVCs to give it a boost.*  
Shop floor colleague, Daventry

# Plan noticeboard

## Save your National Insurance saving?

Since January 2024, the government has made two changes to the National Insurance contribution rate for employees, reducing it from 12% to 8%. This means that many people are taking home a bit more money each month. If you're an active member, why not redirect that saving into boosting your pension by paying additional voluntary contributions (AVCs) instead?

- ✔ You don't pay income tax on pension savings, so your money is worth 25% more when paid into your pension.
- ✔ You boost your pension without noticing an impact on your take-home pay.

Here's how it looks for three typical members:

	Sam earns £30,000	Max earns £40,000	Jo earns £50,000
Last year, National Insurance cost	£2,091.60	£3,291.60	£4,491.60
In 2024, National Insurance will cost	£1,394.40	£2,194.40	£2,994.40
Saving over the year	£697.20	£1,097.20	£1,497.20
<b>If saved into a pension instead of taken as income</b>	<b>£871.50</b>	<b>£1,371.50</b>	<b>£1,871.50</b>

## Boost your pension

Don't forget, you can give your pension a boost at any time. For example, in March, many active members decide to pay some or all of their variable compensation into the Plan as AVCs. We usually remind you about this each February. It's a tax-efficient way to add a little more to your pension benefits without having an impact on your regular pay.

## Pay AVCs whenever you like

If you're an active member of the Plan, you can pay AVCs whenever you like. Simply log in to your account via **Manage my pension** on the Plan website, where you can make a one-off AVC payment or set up a regular amount. If you do it before the **15th of the month**, it will take effect from that month's payroll.







## In the pipeline...

The Trustee's investment sub-committee is currently reviewing all the investment options that are available in the Plan. We'll let you know separately about any changes once they've been agreed and finalised by the Trustee.

## Meet the team at Isio

It's been a while since the Plan moved to Isio (formerly called Premier) for administration services, so we thought it would be good to catch up with the team and put some names to any new faces. This is the team who deal with your queries about your benefits whenever you get in touch, either by email or by phone.



**Pictured left to right:** Philip Chay, Katy Barrett, Chris Bryan, Colin Day, Paul Anderson, Jeannie Arnold, Jenni Hopton, Ashley Gale, Amelia Hughes, Stuart Galloway.

## Equality in pensions – an update



In previous issues of *Pension news*, we've reported on a High Court ruling about Guaranteed Minimum Pensions, commonly called GMPs. GMPs were accrued at different rates for men and women and were payable at different ages, reflecting the different State pension age for men and women at the time. As a result of the ruling, GMPs must now be equalised.

This is a project that many of the UK's defined benefit pension schemes are working on. It might affect you if you were an active member of the Plan between 17 May 1990 and 5 April 1997.

The Trustee has been working with its advisers on the complex process of adjusting benefits. A reconciliation exercise for the GMP that should be paid to each member of the Plan was completed in 2022, and the amount agreed with HM Revenue & Customs (HMRC). If your benefits needed to be adjusted, we wrote to you at the time to let you know.

We're now working to check that no member's GMP benefit is different based on whether they're male or female. This is called GMP equalisation. While no one's benefits will decrease, some members may see a small increase in their benefits. However, please note that the amounts involved are likely to be modest.

You don't need to do anything as we will contact you if it affects you.

# Bringing your pensions together

We recently held some highly successful drop-in pension sessions at a number of Cummins sites across the UK, and one of the most popular questions asked was how to find and combine old pensions with your Cummins pension benefits.

If you've had more than one job, it's likely that you'll have more than one pension. Bringing your pensions together could make managing your retirement savings easier and save you time. It might also save you money if the charges on your other pensions are higher.

You can transfer other pensions into the Plan on a defined contribution basis only, so these would build up as additional voluntary contributions (AVCs) alongside your defined benefit pension. To do this, simply get in touch with the administrator of your other pension or contact Isio.

Please make sure you understand any charges that may apply and consider your options carefully by taking independent financial advice before transferring.



## Track down an old pension

If you've lost contact with your old pension scheme, you can trace it using the government's pension tracing service. Please note this is a free service and it will never ask you for personal details, just the name of your former employer or scheme.

Go to [www.gov.uk/find-pension-contact-details](http://www.gov.uk/find-pension-contact-details) or call 0800 731 0193.



# Useful links

There's lots to know about pensions. If you'd like more information and guidance, the following organisations may be useful to you.

## Guidance about money and pensions

MoneyHelper is the government's free financial information and guidance service, offering trusted help for your money and pension choices. With clear and impartial help that's easy to find and use, MoneyHelper also provides links to trusted services if you need more support.

Call 0800 011 3797 or visit [www.moneyhelper.org.uk](http://www.moneyhelper.org.uk)



## Information about the State pension

When you're planning your retirement, it's good to have a clear idea about how much State pension you'll get and when you can claim it. You can check your State pension age at [www.gov.uk/state-pension-age](http://www.gov.uk/state-pension-age) and get a forecast at [www.gov.uk/check-state-pension](http://www.gov.uk/check-state-pension)



## Find a financial adviser

These websites are useful if you're looking to find an independent financial adviser in your local area:

[www.unbiased.co.uk](http://www.unbiased.co.uk) or [www.vouchedfor.co.uk](http://www.vouchedfor.co.uk)



## Check who you're dealing with

The Financial Conduct Authority (FCA) regulates financial markets and companies providing financial services in the UK. Use its register to check that the company or adviser you're dealing with is listed and authorised to provide specific financial services. Go to [www.fca.org.uk](http://www.fca.org.uk)





# Pension matters

## Mid-life MOT for your finances

The Department for Work and Pensions (DWP) has launched a new website, aimed at workers aged 45 to 65, to help them carry out a 'mid-life MOT' – basically a check-up on your finances, much as someone might receive a health check-up from their GP.

The website offers free online support to help you make decisions that will ensure the future retirement you want, looking specifically at work, health and money. It includes information on the State pension and caring responsibilities, as well as links to key organisations including the NHS, Mind, MoneyHelper and Citizens Advice.


To support the mid-life MOT, MoneyHelper has created a financial tool to provide a personalised report to help people understand what to prioritise to improve their financial position from now until retirement.

For more details, go to <https://jobhelp.campaign.gov.uk/midlifemot> 

## Be scam smart

Pension scammers promise high returns and low risk. In reality, pension savers who are scammed are usually left with nothing, and many lose their life savings. Typical scam tactics include contacting you out of the blue, promises of guaranteed returns, free pension reviews, access to your pension savings before age 55 and pressure to act quickly.

### Do:

- ✓ reject unexpected offers – a free offer out of the blue is probably a scam
- ✓ check who you're dealing with – use the Financial Services Register to make sure anyone offering you advice is FCA-authorized:  
<https://register.fca.org.uk/s/> 
- ✓ get impartial advice – MoneyHelper provides free, independent information and guidance.

### Don't:

- ✗ be rushed or pressured – take your time to make all the checks you need. A deal that sounds too good to be true probably is.



If you suspect a scam, report it to the Financial Conduct Authority (FCA) on 0800 111 6768 or at [www.fca.org.uk](http://www.fca.org.uk). If you're in the middle of a transfer, contact Isio, the Plan administrator. 

# Running the Plan

The Plan is looked after by a Trustee board. Half of its directors are appointed by the Company and half are nominated by the Plan's members.

## Your current Trustee directors

Anthony Waller	Martin Bruniges*	Stephen Coughlan
Ian Smith*	Natalie Morton*	Steve Seslar
James Guyett*	Nichola Moore, Chair	Stuart Stubbings*
Lisa Thornton	Paul Bennett	

\*member-nominated directors (MNDs)

The Trustee has been running a selection process for an MND who is a contributing member of the Plan. The application deadline was **2 April 2024**, and the process is expected to be completed in the coming weeks. We'll bring you more on this in our autumn newsletter.



## Sub-committees

The Trustee has four sub-committees focusing on the key areas of communications, discretions, governance and investment.

- Communications sub-committee (CSC): provides clear, engaging pensions information to members.
- Discretions sub-committee (DSC): reviews and decides on behalf of the Trustee how to pay death benefits from the Plan.
- Governance sub-committee (GSC): ensures that the Trustee's processes and providers comply with the Pensions Regulator's expectations, legal requirements and good business practice.
- Investment sub-committee (ISC): advises the Trustee on strategic investment, risk management and covenant issues. It reviews the providers we use to help us with this.



# Get in touch

If you have a question about the Plan or your benefits, please get in touch with Isio, the Plan administrator.



**Call us:**

0800 122 3266

+44 (0)203 3722 113 (from overseas)



**Email us:**

[cummins.helpdesk@isio.com](mailto:cummins.helpdesk@isio.com)



**Write to us:**

Isio

PO Box 108

Blyth NE24 9DY



**Plan website:**

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

## Has anything changed?



Please remember to update your details online if you change your address or any other personal details. If you currently work for Cummins, please use OneSource.

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*Pension news is available in large print on request.*

You can also read it online on the Plan website.



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