



Cummins UK Pension Plan

Pension news

For defined contribution (DC) members

The fruits of your labour



Spring 2024

Welcome

Welcome to your spring issue of *Pension news*, the newsletter for defined contribution (DC) 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 fund balance at any time. There's more information about how to log in and what you can do online on page 4.

If you find that thinking about your pension can be a bit daunting – maybe you're not sure what you need to do and when – our handy guide on page 6 is based on how old you are. It gives a broad overview of the things to focus on at different stages of your life.

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 8 for details.

Members often ask us how to bring smaller pension pots from previous jobs together. You'll find more about this on page 11.

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 pension fund value? 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 pension. 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.cumminsupensions.co.uk where you can:

- find out the current value of your pension fund
- update your nomination of beneficiaries
- check your contributions and make changes
- review and change your investment choices
- change your target retirement age
- 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.cumminsupensions.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

Your pension: what to do and when

We know that pension saving can seem complicated. Depending on your age, here are some simple things you can do to stay on track.

In your
**20s
to 30s**

 **SAVE**

Save as much as you can as early as possible to give your money the most time to grow.

 **INVEST**

Use the default lifestyle investment option or choose your own investments.

 **REVIEW**

Check your benefit statement each year or log in to your account to see your fund balance at any time.

In your
**30s
to 40s**

 **SAVE**

Make sure you're getting the maximum Company contribution to help build up your pension fund.

 **INVEST**

Check if the default lifestyle option is still right for you. If you're self-selecting your investments, keep a regular check on your investment fund performance and choices.

 **REVIEW**

If you want to retire earlier than your State pension age and you're using the lifestyle option, set a target retirement age. Check your benefit statement each year.

In your
**40s
to 50s**

 **SAVE**

Are you saving enough? Do you need to increase your contributions or pay AVCs to make up for gaps from career breaks or starting later?

 **INVEST**

Check if the default lifestyle option is still right for you. If you're self-selecting your investments, make sure the way your savings are invested is still right for you.

 **REVIEW**

Is your target retirement age right for your plans or do you need to adjust it? Do you have other pensions that you want to bring together? Start thinking about how much income you'll need in the future and whether you're on track to achieve this. You can find out more at www.cumminsukpensions.co.uk/news/how-much-money-will-you-need-in-retirement

In your
**50s
to 60s**

 **SAVE**

Paying AVCs is a tax-efficient way to give your pension a boost in the final years to retirement.

 **INVEST**

Does your current investment choice fit with the way you plan to take your retirement benefits?

 **REVIEW**

Now's the moment to find out about your options at retirement, giving yourself plenty of time before you need to make any big decisions. Check your benefit statement each year.

 **PLAN**

Get independent financial advice to help you understand your options for the future well in advance. The Gateway2Retirement service is available to you, subsidised by Cummins. To find out more, call 0203 372 2114 or email: cumminsadvice@premiercompanies.co.uk

There's lots more about how to save, invest, review and plan for your retirement on the Plan website:

www.cumminsukpensions.co.uk 



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 your pension instead?

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
If saved into a pension instead of taken as income	£871.50	£1,371.50	£1,871.50

- ✓ 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.

Boost your pension

Don't forget, you can give your pension fund 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. This is called paying a one-off additional voluntary contribution (AVC). We usually remind you about this each February. It's another tax-efficient way to add a little more to your pension fund without having an impact on your regular pay.

Save more whenever you like

If you're an active member of the Plan, you can increase your regular contributions or 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.

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 into your Cummins pension fund.

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. 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 or call 0800 731 0193.



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. If you're in the middle of a transfer, contact Isio, the Plan administrator. 

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

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 and get a forecast at 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 or 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

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

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.



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



Write to us:

Isio

PO Box 108

Blyth NE24 9DY



Plan website:

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.

FSC Logo
to go here

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Pension news is available in large print on request.

You can also read it online on the Plan website.

