

PensionsNews

Part of the coal mining community since 1947

2023 Newsletter



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Welcome

I'm delighted to introduce myself as Chair of the British Coal Staff Superannuation Scheme (BCSSS). My name is Cheryl Agius and I stepped into the role of Trustee Director and Chair of the Scheme in September. I'm an actuary and I've spent my career working in pensions and insurance, with companies such as Aviva and Legal & General where I was CEO of their General Insurance business.

I'm really looking forward to working with the Trustees to help our members get the most out of the Scheme. I've already been impressed with the professional manner in which the Scheme is run. From the focus on ensuring members get a good service, through to the security provided to members' pensions by the Government Guarantee.

Although I am a new Trustee, I'm very aware of the rich history behind the BCSSS. Indeed, the Scheme has been looking after members' pensions since 1947. This September we celebrated the history and community spirit of the Scheme with a series of regional meetings, which some of you might have attended. You can read more about this on page 4.

As well as providing members with their pensions for over 75 years, BCSSS can also continue to support your loved ones after you die. You can find out how on page 12.

In between these highlights, you'll find plenty of facts about the Scheme, useful information and guidance.

I hope you enjoy the newsletter and, as the festive season approaches, I wish you a very happy Christmas.



Cheryl Agius
Chair

Here's what's been happening since our last newsletter

Your pension is increasing

Your pension will go up again this year in line with the November Retail Price Index (RPI). Last year, inflation was high so your guaranteed pension increased by 14%. Inflation is still relatively high, but it has reduced recently so it's likely that your increase will be lower than last year.

If your pension is in payment, we'll send you a letter to let you know how your pension has increased. You'll probably receive this letter just before the 31 January 2024 payday. If your pension is not yet in payment, you'll get a benefit statement later in 2024 with full details.

Update on the Capita cyber incident

Earlier this year, we wrote to members about a cyber incident that happened at Capita in March. Capita provides administration services to the Scheme. Unfortunately, the incident might have affected the security of personal data for many of our members.

Since then, Capita has investigated what happened, taken steps to improve security, and worked to reduce the risk to members. We understand that Capita has no evidence that information resulting from this incident has been misused or that it is available illegally. We're not aware of any member's data being compromised.

Please look out for unusual calls, emails or activity on your bank account. You can read more about how to protect yourself from scammers on page 14.

An update on the Scheme's 2021 valuation

The Scheme's 2021 valuation showed the Scheme to be in good financial health. This is largely due to high investment returns, relative to inflation, over the 3 years since the previous valuation in 2018. In line with the rules of the Scheme, the strong funding position of the Scheme triggered a consultation with the government.

During the consultation, the Trustees asked the government to consider whether there were ways to take advantage of the strong funding position to provide additional benefits to members and payments to the government. Such an arrangement would be outside the rules of the Scheme, which is why the Trustees needed the government to agree.

The consultation has now been completed. The Guarantor did not feel it was appropriate to make changes to the Scheme, having considered the risk to the Guarantor if future investment returns fell short of those required. The next actuarial valuation is due in March 2024. The Trustees look forward to engaging with the government again as part of this process.



Looking after your pensions since 1947

“Today, January 1st, 1947, will be remembered as one of the great days in the industrial history of our country. The coal mines now belong to the nation.”

These were the words of Clement Attlee, the Prime Minister when the coal industry was nationalised. On the same day, your Scheme was established by an Act of Parliament.

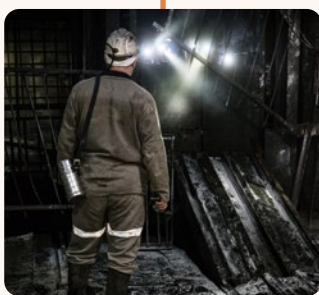
Today, BCSSS is still one of the largest occupational pension schemes in the UK, providing benefits for over 40,000 members. A lot has happened in between. Over these pages you'll see some of the key milestones.



1947

The Scheme was established after the nationalisation of the coal industry. It was known as the National Coal Board Principal Superannuation Scheme (NCBPSS).

The normal retirement age was 65 for men and 60 for women.



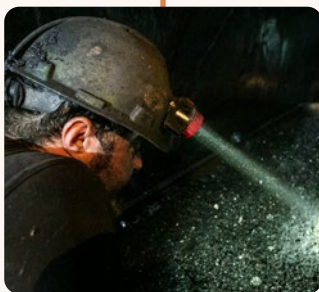
1964

Annual pension increases were introduced. Pensions went up 1.25% a year.



1971

Annual pension increases were linked to the Retail Price Index (RPI).



1987

The normal retirement age for men was lowered to 62.



1986

The Scheme changed its name to British Coal Staff Superannuation Scheme (BCSSS).

**Timeline continues
on next page**



1990

The normal retirement age for men became 60, the same as for women.



1994

Following privatisation, British Coal stepped down as Sponsor. The government became Guarantor for the Scheme and surplus sharing was introduced.



2015

The funding position of the Scheme meant that the bonus pensions, which had been paid from surplus sharing since 1994, were in danger of being lost. Key changes were therefore made to the Scheme's structure. The surplus sharing agreement ended but future benefits were fixed, meaning bonus pensions can no longer be taken away.



Which brings us to the present day...

Just over 75 years after your Scheme was established, over 400 members and their families came together in September to celebrate its birthday in a series of regional meetings across the country. We welcomed members to meetings in Nottingham, Sheffield, Newcastle and Cardiff. These meetings gave members a chance to hear from their Trustees, get an update on the Scheme, and catch up with old colleagues and fellow members.

The Trustees were delighted to reunite so many members of the coal mining community, hear their thoughts and answer their questions. You can read the responses to some of those questions on the next page.

The success of the regional meetings means the Trustees will consider hosting more in future years.

Members' questions

During the regional meetings, the Trustees were happy to answer members' questions. Here are a few of the things they talked about.

The way RPI is calculated will change in 2030 – how will this impact the Scheme?

The calculation of RPI inflation is set to change in 2030. As things stand, we expect this change to mean lower increases for members from this date. As part of the 2024 actuarial valuation, the Trustees intend to discuss with the Guarantor possible measures to mitigate any impact of this change in the way that RPI is calculated. However, under the rules of the Scheme, the government would have to agree to any changes.

Will there be any money 'leftover' when the Scheme has paid members all their pensions?

We expect that the Scheme will finish paying pensions to members in around 45 years.

The total payments expected to be made from the Scheme over this period far exceeds the current value of the Scheme assets. Therefore, the Trustees need to continue to invest and grow the assets to try to meet all the expected future payments. This means we do not expect there will be any meaningful amounts of money left when the last member dies.

And, if we ever find ourselves in the situation where we don't have enough money to pay remaining pensions, the Government Guarantee means the Government makes up the difference.

Does the Scheme pay the Pension Protection Fund (PPF) levy?

No. There is no need to pay the PPF levy because the Government Guarantee ensures we will always be able to pay members' pensions. The Guarantee means members will receive their full pension, whatever the financial outlook.



Amazing facts about our members

As at 31 July 2023



More than **100** members were over 100 years old

The oldest member was **106**. The oldest spouse was **111**



263 members had been with the Scheme since it started in 1947

Your Scheme in numbers

We've picked out some of the most important figures from the Report and Accounts to give you a snapshot of how your Scheme performed over the year ended 31 March 2023.

Our Report and Accounts explains how we've been looking after your pension. It will give you some information about the Scheme's membership and how the Scheme's investments have been managed. We've highlighted the most vital points, but you can find a lot more detail, including a copy of the Report and Accounts, on the BCSSS website.

Number of members in the Scheme at the end of the Scheme year



42,790

(31 March 2023)



44,812

(31 March 2022)

How much money the Scheme held in assets at the end of the Scheme year



(31 March 2023)



(31 March 2022)

How much the Scheme paid to members in pensions over the Scheme year



£567 million

(31 March 2023)



£557 million

(31 March 2022)

Approximately how much the Scheme paid to members every month



£47 million

(31 March 2023)



£46 million

(31 March 2022)

How we turn the Scheme's investments into money for pensions

At the end of the last Scheme year, we had £8.9 billion invested. As can be seen from the graph below, that's money invested in everything from company shares to global bonds, property and national infrastructure.

That money is there, of course, to enable us to pay members their pensions. Last year, we paid out £567 million. That means we had to turn around 6% of our investments into ready money that we could pay to members.

Some of the money we pay out will come from us getting income from our investments. For example, if we buy shares in a certain company and that company pays out dividends to shareholders, we could use that money to help pay pensions.

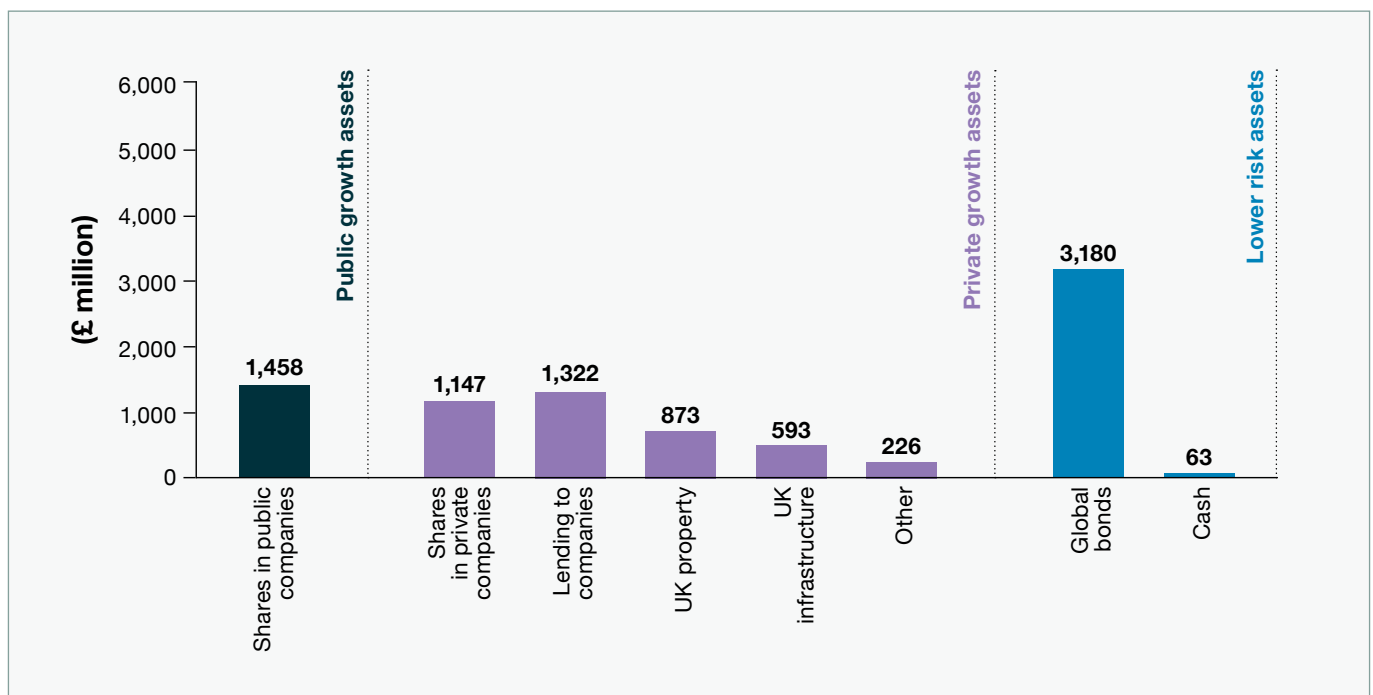
But most of the money comes from selling investments that we hold. To do this, we have a plan for what kind of investments we should sell, and when we should sell them.

Some investments are long-term, so we would be more likely to keep hold of those for longer. For example, we have held some UK properties in the portfolio for over 10 years. The property generates income through this period although, as the size of the Scheme reduces, at some point it will still need to be sold.

Other investments are shorter term, and we might take relatively quick decisions about when to sell them, depending on market conditions.

We invest in public and private markets. The public markets are open to all investors, such as companies listed on the stock exchange.

Some of our investments in public markets include shares in some of the biggest companies in the world such as Microsoft. Private markets aren't traded publicly. On the next page, you can see some of the growth assets we invest on the private market.



Investing for good

Investments that make a positive impact on the world often go hand in hand with higher returns. Here are some examples of the Scheme's investments that are delivering the returns to pay our members' pensions, while doing good for society and the environment.

Transforming lives through learning

Learning Curve Group is an international training and education specialist. It utilises government funding set aside for education and gets it to the people who need and want it most. Every year, it helps over 55,000 adults improve their lives through education, employment or training.



Promoting best business practices

MasMovil is one of the largest telecoms operators in Spain. It was also Europe's first telecoms operator to become B-Corp certified, which means it meets the highest standards of social and environmental performance, public transparency, and legal accountability to balance profit and purpose. In 2022 it attained the ISO 50001 energy efficiency certification. It has signed up to setting science-based targets and has committed to achieve net zero by 2040.



Sustainable buildings

Arc Logistics Park in Kent is a 130,000 square-foot logistics facility with impressive eco credentials. It features an onsite Ecology Park, which promotes biodiversity and sustainable practices. It also boasts solar panels, LED lighting, and electric vehicle charging points. Wildflower grassland and a butterfly bank boost biodiversity. Generous windows flood the office space with natural light, cutting energy consumption while creating a pleasant place to work.



Protecting the world's water supply

Water scarcity is a global issue, which means governments are increasingly focusing on water management. Hydro International provides high-quality products to wastewater treatment plants as well as services for the control, storage and management of storm water run-off.



An update on your Trustees

There have been some changes to your Trustees this year. Cheryl Agius has been appointed as Trustee Director and Chair of the Scheme. Cheryl took over from Dame Kate Barker, who stepped down after 9 years as Chair. The Trustees would like to thank Kate for her stewardship and oversight of the Scheme. Under her leadership, the Scheme has continued its relentless focus on supporting and serving its members.

You can find out more Cheryl in her Welcome article on page 2

The results of this year's member election

John Owen has been re-elected as Pensioner Representative of the Yorkshire and North Lincolnshire constituency for a 4-year term. John received 47% of the votes cast. On behalf of the Trustees, we'd like to congratulate John and thank all our members who stood for election, and everyone who supported them.

Results of the election at a glance

Number of candidates	6
Winning candidate	John Owen
Total number of votes cast	2,693
Number of votes for winning candidate	1,260
Percentage of eligible voters who voted	28%


Who's on your Trustee Board

There are 8 Trustees in total. Four of them are elected by members, the other 4 are appointed by the other Trustees for their skills and experience.


Elected trustees typically initially serve for a 4-year term, but there's no limit to the number of times they can be elected. Appointed Trustees initially serve for a 3 year term and can typically be appointed up to 3 times.

Whether they are elected or appointed, all the Trustees have the same key responsibilities.


Your appointed Trustees are:




Cheryl Agius
Chair of the Trustee Board



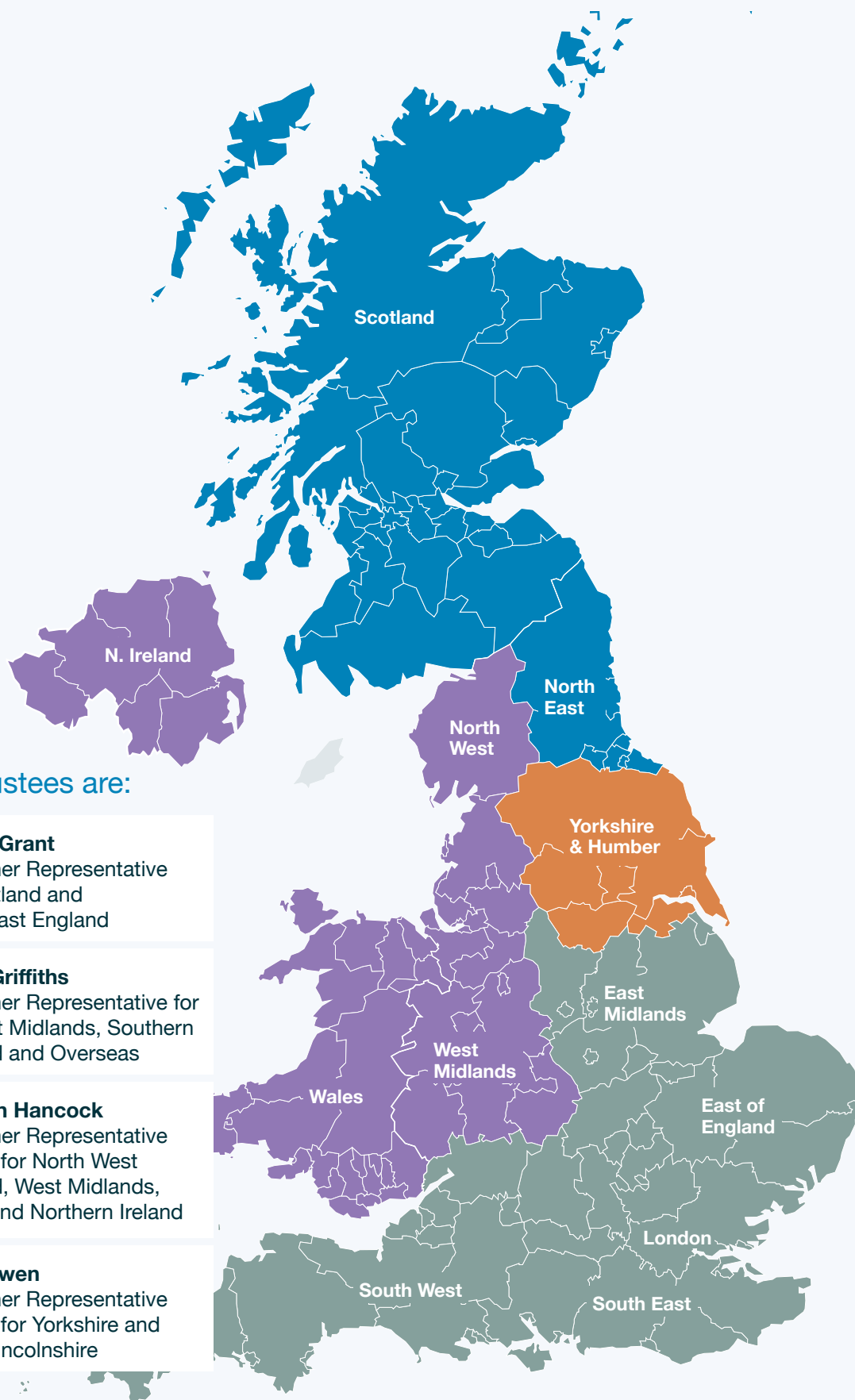
Alan Rubenstein
Chair of the Investment Sub-committee



Jim Shearer
Chair of the Administration and Benefits Sub-committee, and the Discretions and Appeals Sub-committee



Alan Whalley
Chair of the Risk and Assurance Sub-committee



Your elected Trustees are:



James Grant

Pensioner Representative
for Scotland and
North East England



David Griffiths

Pensioner Representative for
the East Midlands, Southern
England and Overseas



Bleddyn Hancock

Pensioner Representative
Trustee for North West
England, West Midlands,
Wales and Northern Ireland



John Owen

Pensioner Representative
Trustee for Yorkshire and
North Lincolnshire

Protect yourself and your family

After your death, the Scheme rules allow for the payment of certain benefits, depending on your circumstances. This could include a dependant's pension, a lump sum, or both. Here we explain how these payments work and who might be entitled to them.

Dependant's pension

The payment of a dependant's pension is different for different members but, broadly, this is how it works:

If you are married

We may pay a pension for life to your spouse or civil partner. Whether or not your spouse or civil partner is eligible will depend on whether you paid towards a spouse's pension through family benefit contributions.

If you're not married

If you're not married but are living with your partner and you support them financially, we might be able to pay them an adult dependant pension. **This will be at the Trustees' discretion.**

If you have children

We might be able to pay benefits to children if they are:

- under 18
- over 18 and in full time education
- financially dependent on you due to illness or disability

If a member left their job with a deferred pension, we won't be able to pay benefits to any children born more than a year after they left.

Typically, there is no dependant's pension payable to people who don't fall into any of the above categories.

Lump sum

If you die before you start taking your Scheme pension, or within 5 years of taking it, we may be able to pay out a lump sum. Who can get the lump sum, and how much they get, will depend on your circumstances.

There is no lump sum payable if you have been receiving your Scheme pension for more than 5 years.

You can tell us who you'd like the lump sum to go to by filling in an Expression of Wish form. If you've already filled one in, it's important to keep it up to date so it reflects your wishes. We have to pay out any money in line with the rules of the Scheme, which means we do not have to do what it says on your form. But we will take your wishes into account where we can.

You can make or update an Expression of Wish by contacting your Scheme Administrator. Their contact details are at the back of this newsletter. Or you can do it online. Go to bcsss-pension.org/login

This article is a summary of the benefits that might be payable after your death. There's more about all these benefits on the BCSSS website under the 'death benefits' section.

Ultimately, the Scheme's rules and applicable law will determine your entitlement.

Keep your pension records in one place

Your family members will need to get in touch with us when you die, to inform us and to see if they are eligible for any payments from the Scheme. The Scheme is not covered by the government's 'Tell Us Once' service, so they will need to contact us separately.

You can make things easier for your family members by keeping all your BCSSS pensions paperwork together in one place, where they can find it.

A relative can help you to contact us

If you need a relative to help you talk to us, just call our Pensions Administrator, Capita, in the usual way. Once you have answered the security questions, you can tell Capita that you give permission for them to talk to your relative.

Setting up power of attorney can reduce worry

As we get older, we're more likely to have a hospital stay or to develop a condition that reduces mental capacity. If this happens to you, it can be useful to have someone you trust to help make decisions for you. Setting up a power of attorney is a common way to do this. There are two different types. One covers decisions about your property and financial matters. The other relates to your health and welfare.

Millions of people in the UK have set this up, just in case they need it at some point in the future. If you would like to know more, Age UK has some useful information about what's involved and how to go about it.

Go to ageuk.org.uk or phone **0800 055 6112**.

If you set up a power of attorney, it will last for the rest of your life. The best way to ensure your wishes are carried out after your death is to make a will. Some charities and campaigns offer free will-writing services. For more information, visit Will Aid (willaid.org) or Free Wills Month (freewillsmoth.org.uk).



Keep yourself safe from frauds and scams

Signs of a scam

Someone:

- contacts you out of the blue. This could be by phone, text, email or by letter.
- pretends to be from a reputable organisation, like the British Coal Staff Superannuation Scheme, and then tries to talk you into giving them personal information. This could be things like your bank details or other details that could help them access your savings.
- puts you under pressure to act quickly.

The British Coal Staff Superannuation Scheme will never

- Call you unexpectedly. If we need anything from you, we typically get in touch by post first. We'll only ring you if we're calling after you've got in touch with us or you've asked us to call you.
- Put you under pressure to make a quick decision. While there may be times when we need to speak to you about your pension, we won't put you under pressure to make any quick decisions.

How to spot if you're the victim of identity theft

Identity theft is when someone pretends to be you so they can commit fraud. Sometimes they try to take money from you. But sometimes they just use your identity to defraud someone else. Here are some signs that you might be the victim of identity fraud.

- Post arrives at your house for someone you don't know.
- There's unusual activity in your bank account.
- Your credit rating changes without reason.

If you think you're the victim of identity fraud, tell your bank immediately.

How to protect your bank account

- Don't give your personal information to anyone, unless you have checked they are who they say they are.
- Never tell anyone the PIN number for your debit or credit cards. Bank employees will never ask for your full PIN. So if someone tells you they are from a bank and asks you for your full PIN, they are likely to be a scammer.
- Check your bank and credit card accounts regularly. If you see any payments that you do not recognise, report it to your bank immediately.

What to do if someone says they are from BCSSS and you think they are trying to scam you

- If they ask you to do something, don't do it. This includes giving personal information, like bank details.
- If they have called you, put the phone down.
- Call us on **0333 222 0074** or you can email us at **BCSSS@capita.co.uk**

We'll tell you if the person calling was someone on our team. We'll also talk you through ways you can protect yourself if we think it is a scam.



If you're on the internet, watch out for phishing scams

- If you use the internet or have a mobile phone, scammers can use a technique called phishing to try to defraud you. This mostly involves sending bogus emails or text messages, or tricking people into using fake websites.
- These messages look as though they come from reputable organisations. But they are trying to trick you into giving personal information, like your bank account and credit card details.

Here are some tips for protecting yourself from phishing scams

- Install the latest security software for your computer.
- Use a strong password and don't use the same password for everything you do.
- Don't share your passwords with anyone else.
- Check any links before you click on them.
- Don't open an attachment unless you're sure it's from a trusted sender.
- Be suspicious of anyone who asks for your bank or credit card details.
- Watch out for spelling or grammatical mistakes. This can be a sign of a scam.
- Check the address an email is coming from. It might say it's from someone you trust, but the address shows it's from someone else entirely.

If you think you are the victim of a scam or fraud, you can report it and get advice by calling Action Fraud on **0300 123 2040**.

How to get help with your taxes

Free, expert help on your taxes is only a phone call away.

Tax Help for Older people can give you guidance and support on anything to do with your tax. They can help you find out if you're paying too much tax, or just give you a hand with your tax return.

Some of the ways they can help you:

- Tell you what your options are if your spouse has died
- Help you check that you're on the right tax code
- Check that you're receiving all the tax allowances you're entitled to

The charity has helped many people. Some have managed to lower their tax bills. A few have received tax refunds. Many more are enjoying better peace of mind.

Contact Tax Help for Older People (THfOP)

By phone:

0333 2075653

If you can't get through, please leave a message. THfOP will do their best to get back to you within 48 hours.

By email

taxvol@taxvol.org.uk

By post

Tax Help for Older People
Unit 10A, Pineapple Business Park
Salway Ash
Bridport
Dorset
DT6 5DB

Your pension will be paid on these dates in 2024

January 31	February 29	March 28	April 30	May 31	June 28
July 31	August 30	September 30	October 31	November 29	December 20

Contact information

Who to contact and how to reach them

If you have any questions about your pension or the BCSSS Scheme, please contact your Administrator:

By phone:

0333 222 0074

By email:

BCSSS@capita.co.uk

By post:

BCSSS
PO Box 555
Darlington
DL1 9YT

If you have any queries about the tax you pay on your BCSSS pension, please contact HMRC:

By phone:

0300 200 3300 (overseas: +44 135 535 9022)

By post:

Pay As You Earn and Self-Assessment
HM Revenue & Customs
BX9 1AS

The Coal Industry Social Welfare Organisation

The Coal Industry Social Welfare Organisation (CISWO) is a national charity working across the UK to improve lives and reduce disadvantage in coal mining communities.

CISWO's services are available to those previously employed in the coal mining industry, including partners, widows and dependent children or adults with a disability.

Through its personal welfare service, CISWO aims to enhance living conditions and maintain independence. It provides a free confidential home visiting service and offers:

- Assistance with welfare benefits, including an industry-related compensation scheme
- A voice on mining-related issues, including illness and disability
- Help to access mobility equipment
- Support to reduce loneliness and social isolation
- Advocacy to express views and concerns, and defend and promote rights
- Emotional support for loss and bereavement, illness, and caring responsibilities
- Financial assistance at times of hardship through CISWO grants, or assistance through other agencies and charities
- Access to education grants for former mineworkers and their dependants

For more information, go to ciswo.org.uk or call 01709 728 115