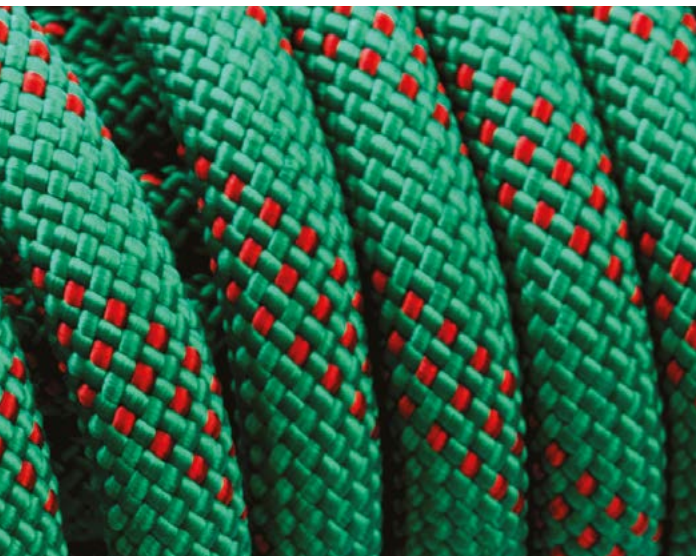


Cummins UK Pension Plan

# Pension news

For defined contribution (DC) members



Autumn 2024

# Welcome

**Welcome to your autumn issue of *Pension news*, the newsletter for defined contribution (DC) members of the Cummins UK Pension Plan.**

Earlier this year, we carried out our annual value-for-money assessment of the Plan. We're pleased to confirm that the Plan continues to provide very good value for money for the fund costs and charges that members pay. You can read more about this on page 4.

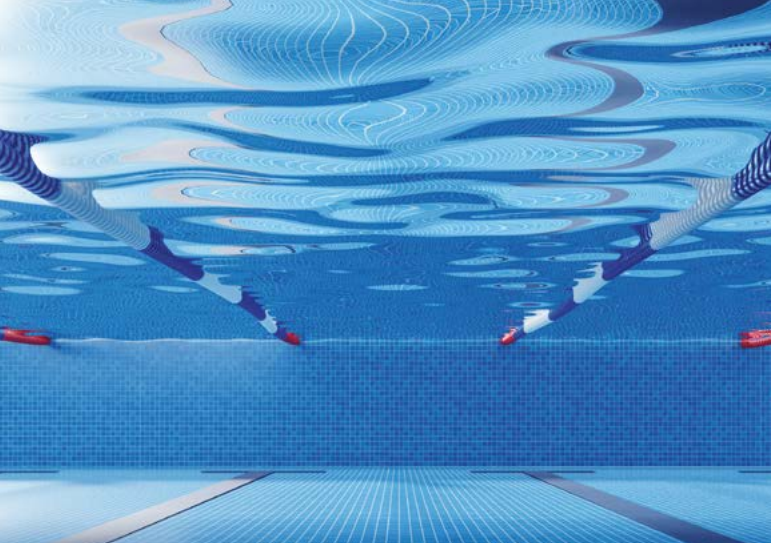
During the last 12 months, we've said farewell to some of our Trustee directors who have stepped down from the board. We thank Emily Chapman, Gloria Griesinger, James Guilfoyle and Anthony Waller for their hard work and service to the Plan on behalf of our members.

We welcome Steve Seslar as a Company-appointed director and, following the selection process that we held in April for a member-nominated director (MND), we welcome Connor Redden to the board.

I hope you enjoy reading this issue of *Pension news* and find it useful. If there's a particular subject that you'd like to know more about in a future issue, please get in touch.

**Nichola Moore**

Chair of the Trustee



## In this issue

Value for money and the Plan	4
Keeping an eye on your pension	6
Plan noticeboard	8
Pension matters	10
Running the Plan	14
Useful links	15
Get in touch	16



# Value for money and the Plan

**Every year, the Trustee carries out a value-for-money assessment of the Plan. This looks at the charges applied by the fund managers to members' Plan savings, along with any transaction costs, to check that these represent good value. Our most recent value-for-money assessment was in April 2024.**

It's important to recognise that value for money doesn't necessarily mean the lowest fee, and we've also considered the overall quality of the service that members receive as part of this assessment. Our investment adviser, LCP, confirmed that the Plan's fund charges are competitive when compared with other DC pension schemes of a similar size.

In looking separately at the fund transaction costs, compared with similar DC schemes, these were varied, with some being above average while others are in line with or below the average. The assessment also took account of the Trustee's review of the performance of the Plan's investment funds in the context of their investment objectives during the year.

LCP confirmed that the Plan's range of self-select funds offers members access to all major asset classes.

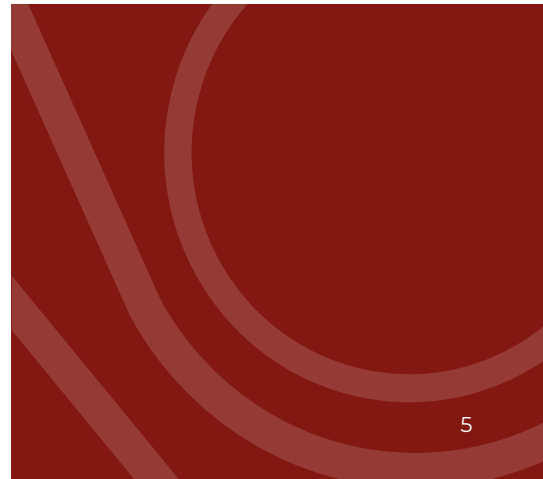


In addition to these costs, we looked at the other benefits that members receive from the Plan, which include:

- the Trustee's governance and oversight, making sure that the Plan complies with legislation and monitoring the Plan to address any issues that may affect members
- the design of the default strategy and how it reflects the interests of members
- the Plan's range of investment options and strategies
- the quality of communications that members receive
- the quality of support services to members, such as the **Plan website** to access fund information
- the efficiency of administration processes
- the benefits available from the Plan at retirement.

Overall, the Trustee found that our members are receiving very good value for money for the charges and costs they pay. We aim to improve value by continuing to monitor all these areas to make sure they remain competitive, appropriate and efficient, focusing on the areas that matter most to members.

If you'd like to know more about the Plan's value-for-money assessment, please see the Chair's governance statement on the **Plan website**. 



# Keeping an eye on your pension

We understand that when things get busy and life takes over, keeping track of your pension tends to move down the list of priorities. However, spending a few minutes bringing yourself up to date with how your savings are doing can help you feel more in control of your future.

## Check your benefit statement

We recently sent you your annual benefit statement. Please remember to take a look at this document because it shows the progress of your pension fund, which depends on the amount you pay in and how your investments perform.



### *For active members*

If you work for Cummins and are currently paying contributions, don't forget that you can increase your contributions whenever you like, and that they're a tax-efficient way to save for your future.

If you're already getting the maximum contribution match from the Company, remember you don't need to stop there. You can pay additional voluntary contributions (AVCs) to boost your pension fund – either regularly or as a one-off payment. Log in via **Manage my pension** to start paying AVCs and to check your target retirement age.

If you'd like more information about how much to save and whether you're saving enough, take a look at the new series of articles on the **Plan website** about achieving the retirement you want. ✨

### *For deferred members*

If you no longer work for Cummins, you can't pay further contributions into the Plan, but you can still review and make changes to your investments, if you wish to. It's a good idea to review these from time to time and check your target retirement age to make sure that you're still on track with your plans for retirement.

Your pension savings will stay invested in the Plan until you either decide to retire and start taking your benefits, or you choose to move them (transfer) to an alternative pension arrangement, such as your current employer's pension scheme.

## Log in to Manage my pension

Remember that you can keep up to date with your Plan benefits by logging in to your account via

**Manage my pension** on the Plan website:

**[www.cumminsukpensions.co.uk](http://www.cumminsukpensions.co.uk)** 

You can use it to:

- see how much is in your pension fund
- update/reconfirm your nominated beneficiaries every two years
- review and change your investments
- check your target retirement age
- change your contributions/start paying AVCs (active members only)
- find out about your retirement options.



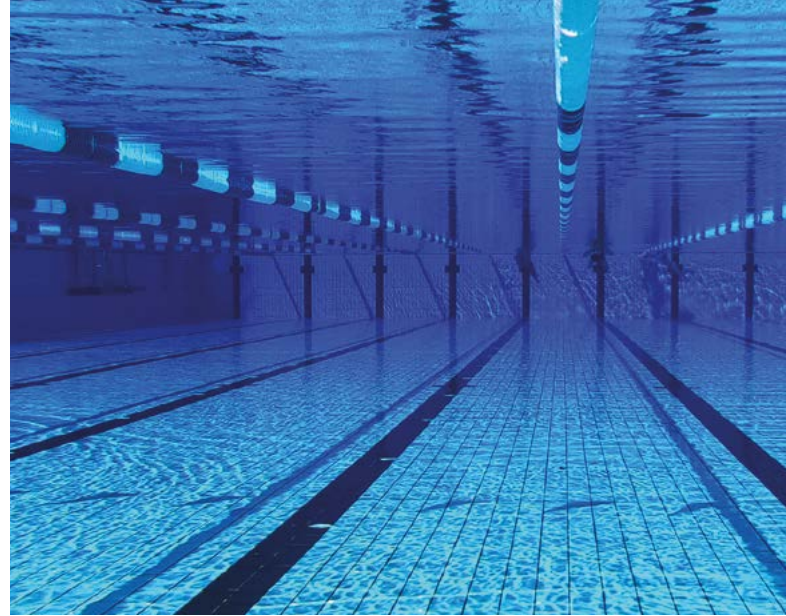
# Plan noticeboard

## Our latest Climate change report

As the Plan's Trustee, we view climate change as a significant factor affecting our investments and therefore your savings.

The Plan's 2023 Climate change report outlines our activities over 2023, such as reviewing our governance on climate-related matters, comparing the effects of various climate scenarios on our members' assets, reviewing our investment managers' approaches to managing climate-related risks and opportunities and analysing our funds' climate metrics to help us assess their management of climate-related risks and opportunities. The Trustee and its investment consultant, LCP, also continue to monitor the investment managers' progress on climate-related matters and engagement.

If you'd like to know more about our approach to climate-related investment matters, you can read the full Climate change report on the **Plan website**. 





## A reminder about nominations

Thank you to everyone who has updated or reconfirmed their nomination of beneficiaries recently. This is a huge help to the Trustee, as it's so important that we know your wishes about how you'd like your pension fund to be paid if the worst should happen to you.



### *Time for tea?*

Even if you're new to the Plan and your pension fund is still getting off the ground, or you're a deferred member and your savings in the Plan are not your main pension, it's a good thing to make sure you've nominated a beneficiary or beneficiaries. You can do this online by logging in to your account via **Manage my pension**.

It only takes a few minutes – why not pop the kettle on and make a brew while you log in? By the time you've completed your nomination, your cup of tea will be perfect.



## In the pipeline...

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





# Pension matters

## Pensions dashboards update



The pensions dashboards project is the government-backed initiative to allow people to access information about their pensions across different schemes and with different providers all in one place, including the State pension. It aims to increase people's awareness and understanding of their pensions, helping them plan for retirement and make informed decisions, as well as find any pension schemes they may have lost touch with.

Schemes are being invited to join the dashboards gradually, according to their size and type. We're currently working with Isio, the Plan administrator, to make sure that the Plan is ready for our connection date, which is expected to be June 2025. The Pensions Regulator hasn't yet announced when the pensions dashboards will be available to the public, but it's not expected to be until 2026/27.



## A reminder about changes to the normal minimum pension age from April 2028

The Plan's default target retirement age is State pension age. If you're thinking of retiring earlier than this, please note that the government is raising the normal minimum pension age and this may affect your plans. From April 2028, the earliest you can access your pension is going up from age 55 to 57, unless you're in serious ill health or have a lower protected minimum pension age. Please contact Isio, the Plan administrator, if you think your retirement plans may be impacted by the rise in the normal minimum pension age.





## Do you have National Insurance gaps?

HMRC has announced that taxpayers now have until April 2025 to fill in gaps in their National Insurance record so they can get the full State pension – a boost that will be particularly welcomed by individuals who took time out to raise a family, carers and those who've worked abroad.



This is the second deadline extension – it was previously changed from 5 April to 31 July 2023 – and follows reports that government helplines had been completely overwhelmed by demand, preventing callers from being able to get the necessary advice. In addition to extending the deadline, the cost of paying voluntary NI contributions will remain frozen until 5 April 2025. You can find out more at:

**[www.gov.uk/voluntary-national-insurance-contributions](https://www.gov.uk/voluntary-national-insurance-contributions)**



## Stay alert for scammers

Pension scams come in many shapes and sizes, but the result is the same – you could lose your life savings. Action Fraud reported in 2021 that, on average, victims of pension scams each lose over £50,000; while the Financial Conduct Authority and the Pensions Regulator now put this figure at £75,000.

Unfortunately, pension scams are getting ever more sophisticated. The use of artificial intelligence (AI) by fraudsters is making scams more convincing and harder to spot. While the methods can vary, the purpose is always to obtain personal information and money.

Examples of AI scams include:



deepfakes (a video where a person is digitally manipulated to look like someone else)



voice cloning (where victims are convinced they're having a genuine phone conversation with a person)




chatbot phishing (with text that replicates the tone and coherence of legitimate messages).

Look out for the small details on videos, particularly in people's faces. Note any inconsistencies and discrepancies and pay attention to tone of voice, as AI scams usually lack emotion.

You can find more information about spotting pension scams and fraud at:

[fca.org.uk/scamsmart](https://fca.org.uk/scamsmart) 

[moneyhelper.org.uk/en/money-troubles/scams/how-to-spot-a-pension-scam](https://moneyhelper.org.uk/en/money-troubles/scams/how-to-spot-a-pension-scam) 

[stopthinkfraud.campaign.gov.uk](https://stopthinkfraud.campaign.gov.uk) 



# Running the Plan

The Plan is looked after by a Trustee board.

## Your current Trustee directors

Connor Redden\*

Ian Smith\*

James Guyett\*

Lisa Thornton

Martin Bruniges\*

Natalie Morton\*

Nichola Moore, Chair

Paul Bennett

Stephen Coughlan

Steve Seslar

Stuart Stubbings\*

\*member-nominated directors (MNDs)

## Sub-committees

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

- Communications sub-committee (CSC): works to provide 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 in accordance with the Plan rules.
- 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): makes recommendations to the Trustee on strategic investment issues and reviews the providers we use to help us with this.

# Useful links

Feeling puzzled about pensions? There's lots to know so if you're looking for more information and guidance, the following organisations have useful websites.



## 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)** 



## Find out about your 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)** 



## Need a financial adviser?


These websites are useful if you're looking to find an authorised 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)** 

# 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)

## What's new with you?



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 MyHR.



This product is made of material from well-managed, FSC®-certified forests and other controlled sources.

Please recycle this document after use.



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

You can also read it online on the **Plan website**.