



North East Scotland Pension Fund

nespf

**Pensions
Newsletter 2024**

Your Pension Increase

Pensions are increased each April to keep up with the cost of living. This year the full increase is **6.7%**.

However, depending on your age and the date you retired, you may not get the full increase. If you are under age 55, and did not retire due to ill health, your pension will not increase. When you turn 55, your pension will increase to the level it would have been, had it increased every year since you retired.

If your pension payments began after **23 April 2023**, you will only get part of the increase. The table below shows how much your pension will increase by based on the date your pension began.

Date Pension Began	% Increase
On or before 23rd April 2023	6.70%
24th April 2023 to 23rd May 2023	6.14%
24th May 2023 to 23rd June 2023	5.58%
24th June 2023 to 23rd July 2023	5.03%
24th July 2023 to 23rd August 2023	4.47%
24th August 2023 to 23rd September 2023	3.91%
24th September 2023 to 23rd October 2023	3.35%
24th October 2023 to 23rd November 2023	2.79%
24th November 2023 to 23rd December 2023	2.23%
24th December 2023 to 23rd January 2024	1.68%
24th January 2024 to 23rd February 2024	1.12%
24th February 2024 to 23rd March 2024	0.56%



How is the pensions increase decided?

The Fund does not set the pension increase amount. We must follow pension legislation which states the Pensions Increase to be applied each April is to be based on the Consumer Prices Index (CPI) for the previous September. So the 6.7% increase in April, is based on the CPI rate from September 2023. These regulations also outline the partial increase for certain members as described above.

When will my pension increase?

Your pension will increase from 8 April. As this is part way through the month, you'll only receive part of the increase. From May onwards, your monthly pension will include the full increase.

You will receive a payslip in April which will confirm your new pension amount. If your pension has increased by 50p or more per month, you will also receive a payslip in May showing your new monthly payment.

Why is the increase lower than expected?

If you paid into the Fund before 6 April 1997 and have now reached State Pension Age, it is likely you will have a Guaranteed Minimum Pension (GMP). GMP is the minimum amount of pension we must pay you. Your GMP is also increased but some or all of it is paid with your State Pension.

So while the increase from us may be lower than expected, your State Pension will also increase giving you the full 6.7% increase you are entitled to.

The exception to this is members whose State Pension Age is after 5 April 2016, the Fund will pay the full increase in these cases.

Why has my pension gone down?

Some people will find that their net pay is lower than last month, in spite of the pension increase. This is most likely because of changes to your tax code or your pension now being above the Personal Allowance. When it comes to tax there are 2 things to keep in mind:

- 1. Personal allowance – this is the amount of income you can have before you pay tax and is currently £12,570 per year. Personal Allowance has not increased in line with inflation like your pension.**
- 2. Your state pension is deducted from your Personal Allowance. So, if for example your state pension was £6,000 a year, your Personal Allowance would reduce to £6,570.**

The state pension has increased this year, which will reduce your Personal Allowance further and may cause a change to your tax code. As your NESPF pension has also increased, this could increase your tax, or result in you beginning to pay tax. The net total between your state pension and your NESPF pension should still be higher than previous months (for most).

Unfortunately, we do not set, nor can we change your tax code. Any questions about tax must go to HMRC at 0300 200 3300.

State Pension Increase

The basic State Pension will increase by 8.5%. This is higher than the Fund's pension increase because of the 'triple lock'. The triple lock means that Government must increase the State Pension by whichever of the following is highest:

- ▶ **Wage growth, or** ▶ **Inflation, or** ▶ **2.5%**

Wage growth was highest, even more so than inflation which is used for our pensions increase, meaning the State Pension increases in line with wage growth this year.

For more information on your State Pension visit www.gov.uk or call **0800 732 0469**.

Tax

P60

We will issue a P60 to you at the end of April. Your P60 will show you how much pension has been paid to you over the last 12 months and the tax deducted from it.

Can't wait?

Your P60s and payslips will be available online by mid-April.

Tax Codes

Your final tax code for 2023/24 can be found on your P60. Your tax code for the coming year (2024/25) will be on your April payslip. If your tax code changes you do not need to contact us as HMRC automatically tell us any changes.

If you receive a letter from HMRC informing you of a change to your tax code, please check your April payslip to ensure the correct code has been used.

Any questions about tax must be directed to HMRC. The Fund does not set and cannot change your tax code so queries must go to HMRC at 0300 200 3300.



Pay Days 2024/25

Your pension is paid on the 15th of each month. If this falls on a Saturday, Sunday or public holiday, it will be paid on the previous working day.

2024	
April	Monday 15th
May	Wednesday 15th
June	Friday 14th
July	Monday 15th
August	Thursday 15th
September	Friday 13th
October	Tuesday 15th
November	Friday 15th
December	Friday 13th
2025	
January	Wednesday 15th
February	Friday 14th
March	Friday 14th

Change of Circumstances

Please let us know if you change your:

- ▶ **Name**
- ▶ **Marital Status**
- ▶ **Address**
- ▶ **Bank details**

You can update your address and bank details online through *My Pension+*. Alternatively, you can send a letter notifying us of any changes. We cannot accept bank details over the phone for security reasons.

Going Online with our New My Pension+ Portal

See all your pension details in one place, at any time

My Pension+ is a secure online tool that gives you instant access to your pension details. Recently upgraded, the new and improved site makes keeping up to date with your pension as easy as online banking. While certain parts of the website are still being worked on, you can explore the changes that have already been made.

With an updated look and simpler login process, *My Pension+* lets you:



Pension Values

- ▶ Check your pension value
- ▶ See your spouse's/partner's survivor's pension
- ▶ View the value of your death grant



Documents

- ▶ See payslips and P60s
- ▶ Upload forms, certificates and other documents
- ▶ Access newsletters, guides and forms



Update Details

- ▶ Change bank account details
- ▶ Update address and contact information
- ▶ Make or change death grant nominations



Security

- ▶ *My Pension+* is fully accredited and certified to meet the latest online security requirements

Accessing My Pension+

If you already have a My Pension account, you'll need to do a quick update of your login details before you can access *My Pension+*. This follows security upgrades to help keep your data more safe and secure.

The good news is that once you've completed the update, you'll have less to remember as you only need your email address and password to login.

To update your login details visit **nespf.pensiondetails.co.uk** and select the option "I have previously registered for My Pension and need to update my login details for My Pension+".

If you've never signed up before, you can simply create an account at **nespf.pensiondetails.co.uk/registration**

Cost of Living

The rising cost of living is putting pressure on people's finances. Whether it's the cost of filling up your car, at the checkout for the weekly shop or when paying your energy bills, everyone's feeling the pinch.

Here's where you can find extra support:

- ▶ **Age Scotland:** Provide information on a range of topics from energy bills to benefits that you may be entitled too. Call for free, confidential advice over the phone **0800 12 44 222** or visit **www.ageuk.org.uk/scotland/**
- ▶ **Citizens Advice:** Get help with queries about employment, housing, debt, benefits and consumer issues like energy bills. Call free on **0800 028 1456** or visit **www.cas.org.uk/**

Fund in Figures



£5.6billion
Total Fund Value



76,878
Members



26,146
Pensioners



1,514
Votes at AGMs



52,171
My Pension+ users

Financial Summary

Income	£m
Employee Contributions	37
Employer Contributions	124
Transfers In	3
Investment Income	83

Outgoing	£m
Pension Benefits	172
Transfers & Refunds	4
Admin & Investments Costs	21

Top 5 Directly Held Stock as at 31 Dec 2023

	£(m)	% of Fund
Amazon.com	£108.6	1.85
Microsoft	£75.4	1.28
Nvidia	£67.3	1.14
Intuitive Surgical	£66.2	1.12
PDD Holdings	£62.2	1.05

Responsible Investment & ESG

As a long-term investor the Fund has a duty to engage with the companies we invest in on environmental, social and governance (ESG) issues, and to work with others to effect change.

ESG in practice

There are several things that we as an investor can do to make changes for the better.

► Climate Statement

NESPF recognises the risks associated with climate change and the potential for these to impact on the value of investments. However, we also see the opportunity for investment reward, for example in green energy investments, particularly during the transition to a lower carbon economy. The Fund's approach to managing climate related risks and opportunities involves both its asset allocation decisions and a robust approach to engagement and voting.

► Direct Investment

The Fund has been increasing exposure to renewable energy opportunities since 2017, including wind, solar and energy from waste infrastructure projects. The Fund has approximately £200 million in direct renewables holdings.



Help us reduce our carbon footprint by opting to get your newsletter, payslips and P60s online.

Simply contact us or login to *My Pension+* to update your communication preference.

► Collaborate

There are limits to what we can achieve as a single investor and believe greater progress can be made through collaboration with other investors. By working together, we can use our collective size to influence decision making and promote better standards of corporate responsibility. The Fund is a member/signatory of several ESG initiatives including:

- **Climate Action 100**
- **Carbon Disclosure Project**
- **UN Principles for Responsible Investment**

UN Principles for Responsible Investment (PRI)

The Fund became a signatory to the PRI in August 2010. This initiative shows a commitment to responsible investment. It also means we have to complete a Reporting Framework survey on our responsible investment activities.

Our latest Assessment Report and Summary Scorecard has now been published. We are really pleased with our summary results in all areas, scoring well above the PRI median in our categories.

To find out more about PRI visit www.nespf.org.uk/about/investment/responsible-investment/pri/

More information on our investments can be found on our website.





Contact Us

If you have any questions or would like more information, please get in touch.

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Web: www.nespf.org.uk

Visit: Face-to-face appointments must be booked in advance to ensure availability and can be booked via our website at www.nespf.org.uk/contact-us/ or by phone.

Data Protection

Member privacy is paramount to us and all personal information collected will be managed in accordance with the Data Protection Act 2018 and the General Data Protection Regulation (GDPR).

To enable us to carry out our statutory duty, we are required to share your information with certain bodies but will only do so in limited circumstances. To find out more, view our Privacy Notice available on our website www.nespf.org.uk/about/data-privacy/