

THE BEACON

MEMBER NEWSLETTER SPRING 2021



STEADY AS SHE GOES

WELCOME FROM THE CHAIR

Steady-as-she-goes

**(nautical) A cry from a helmsman to keep on the current course.
(idiomatic) Steady; careful; avoiding sudden change.**

Never has a familiar saying been more apt! I am pleased to report that over the past 6 months the MNOFP has continued steadily on course to achieve its long-term goals.

Continued good progress

In this full actuarial valuation year, when the MNOFP carries out its triennial evaluation of the funding level, the Fund continues to perform well.

On page 2, we look at the latest data presented to the Trustee Board at its meeting in March 2021 - the steps being taken to secure member pensions and take advantage of the world-wide investment market recovery.

Recognition for the MNOFP

I am delighted to share that the MNOFP has been presented with the IPE Highly Commended Award for the United Kingdom 2020.



The award was given to the MNOFP in recognition of the Trustee's prioritisation of member wellbeing during the Coronavirus pandemic through Wellbeing People's programme of webinars, retreats and recalibration course.

You can read more about the programme and how to access the webinar series videos on page 4.

Making the right retirement decisions

The MNOFP secures your pension benefits through risk-reduction initiatives, investment strategy and good governance. It is also important to us that our members have the information needed to make good decisions at retirement and can access the right help and advice.

On page 3, there are details of a new Pension Decision Service that can help guide you through your pension choices at retirement, plus the latest advice on how to avoid being scammed.

Please keep in touch

We always appreciate your feedback. If you wish to contact us about The Beacon, the MNOFP, or suggest topics for inclusion in future Fund communications, please get in touch using the details on page 4.

As we finally emerge from the grips of the pandemic I wish you and your family good health and wellbeing for the year ahead.

With warmest wishes,

Rory Murphy
Chair of MNOFP Trustees Limited



Journey Plan and investments | 2021 Actuarial Valuation |
Retirement matters | Wellbeing programme | Member Forums

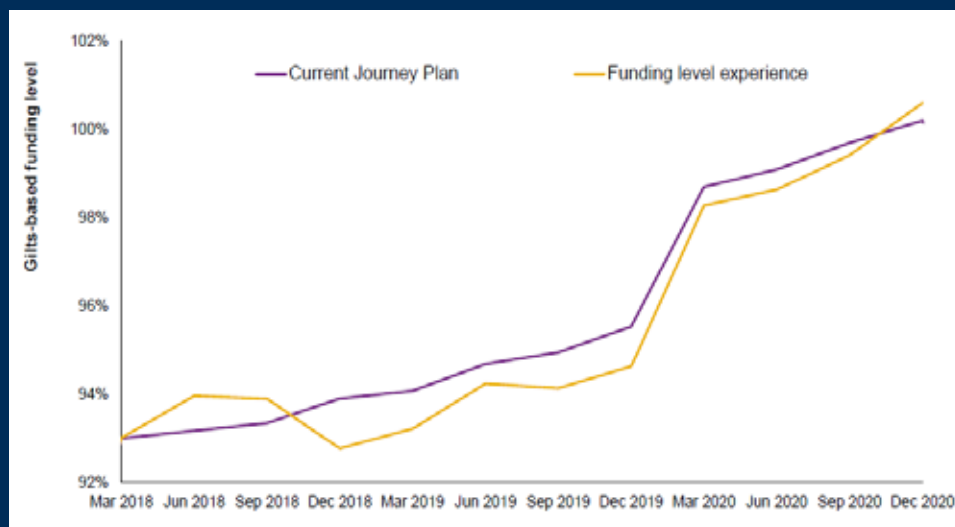
JOURNEY PLAN AND INVESTMENTS

News of Coronavirus vaccine breakthroughs together with monetary and economic incentives have meant that world equity and credit markets have continued to perform well in the second half of 2020. The MNOF took advantage of these market recoveries, to reduce further its allocation in equities and other return-seeking assets.



This positive investment performance is the main reason why the funding level increased over the last quarter of 2020.

The Fund outperformed its target return by 2.0% during the quarter to 31 December 2020, and by 4.1% over the year, and is now slightly ahead of its Journey Plan as shown in the chart below:



Reducing risk

The Trustee has used the strong funding level performance as an opportunity to de-risk and 'bank' some of the recent investment gains. This has been achieved by reducing the targeted investment return twice; in December 2020 and February 2021. This allows the Fund to reduce the investment risk going forward, making your pension safer, whilst remaining on track to meet the overall Journey Plan target of securing at least 103% of member benefits by 30 June 2025.

2021 ACTUARIAL VALUATION

The Trustee must carry out a full actuarial valuation at least every three years to assess the scheme's funding level. The next MNOF Actuarial Valuation will refer to the three-year period ending 31 March 2021.

Following a period of consultation with the MNOF's participating employers, the final valuation results will be agreed by the Board towards the end of 2021 and communicated to members and employers in the first half of 2022.

PENSION INCREASES

We have previously reported that the estimated funding level of the MNOF has reached 100%. The full actuarial valuation of the MNOF as at 31 March 2021 is taking place currently, but the results will not be known and agreed until the end of the year. This will inevitably result in an adjustment to the funding level and therefore the Trustee has decided that it remains

prudent not to award any discretionary pension increases.

The non-discretionary (those that are required by law) increases to pensions payments that apply for 2021/22 can be found on the MNOF website at www.mnopf.co.uk

RETIREMENT MATTERS

Pension Decision Service

The Pension Decision Service, provided by the MNOPF's administrator Mercer, is a new service soon to be available to MNOPF members that have not yet drawn their pension. The service will help guide you through the retirement process, explain the options available both within and outside of the scheme, and support you in reaching an informed decision about your MNOPF pension.

How does the process work?

12 months prior to your normal retirement age (for most members this is 61) you will be sent a retirement pack which explains your options and given a helpline number to speak with a personal Retirement Relationship Manager.

Retirement Relationship Managers are non-regulated (guidance only) finance experts who will take you through the retirement pack, explain all the options available to you – including highlighting possible pension scams – to help you make an informed decision. They can also help you fill in the paperwork so that your retirement process runs smoothly.

Face-to-face meetings can be arranged if you prefer and you can contact your designated Retirement Relationship Manager at any time throughout the whole process.

What if I need advice?

Should you wish to take formal advice, your Retirement Relationship Manager will facilitate a referral to either a Mercer adviser, your own adviser, or help you find a local regulated financial adviser.

An online portal is also available with information, videos and case studies to help explain your options.

Thinking of transferring your fund?

The Trustee would like to remind members that where a member does not have the statutory right to transfer pension benefits out of the MNOPF (typically, where the member is aged over 63), the Trustee is required to make a discretionary decision about the transfer and may refuse a transfer out request, especially if it is against independent financial advice.

If you are considering transferring your benefits out of the MNOPF, the Trustee would strongly encourage you to use the Pension Decision Service if you are nearing retirement, and/or take regulated financial advice to fully understand your options before making any decisions. Authorised Financial Advisers can be found at www.unbiased.co.uk.

STAYING SCAM SMART

Scammers are more sophisticated and opportunistic than ever.

The **ScamSmart** website has information on the latest methods scammers are using to try to access your money – specifically in relation to Coronavirus – and reminds us to:

- use the **Financial Services Register** and **Warning List** to check who you are dealing with.
- reject offers that come out of the blue.
- beware of adverts on social media channels and paid for/sponsored adverts online.
- not to click links or open emails from senders you do not know.
- avoid being rushed or pressured into deciding.
- use the contact details on the Register to check you are dealing with the genuine firm if you receive an unexpected call.
- never give out your personal details.

Find out more at Scamsmart



MNOPF WELLBEING PROGRAMME

The MNOPF continued its collaboration with Wellbeing People to present a day of free virtual workshops for MNOPF members on 19 February 2021.

The sessions were attended by around 115 members and included topics designed to improve physical, mental and emotional wellbeing. The art class was full of budding Picassos and proved to be a much-needed serotonin boost for many stuck in lockdown, as can be seen in the screenshot image below:



Webinars still available to view

In 2020, many of you took part in the popular programme of 13 wellbeing webinars. The videos of these webinars remain available to view until the end of July at:

www.wellbeingpeople.com/mnopf/

The password to view is 'mymnopf'.

For more details of the MNOPF wellbeing programme, including future events, please visit the MNOPF website at www.mnopf.co.uk/wellbeing_webinars.html



EMPLOYER CONTRIBUTIONS

The Trustee has continued to collect monies owed to the Fund from employers from past shortfalls, or deficits.

Amount that remains to be collected by September 2023, inclusive of instalment interest:

£7.3m

Reduction in two years:

Over 80%

MEMBER FORUMS

As much as we enjoy seeing MNOPF members face-to-face, and many members relish the opportunity to meet with friends and former colleagues, the ongoing Coronavirus restrictions have prevented the Trustee from hosting member forums around the UK over the past year.

As the Fund nears the end of its Journey Plan to achieve full funding, it is important that all members have the opportunity to hear from the MNOPF Trustee and be able to ask questions about the Fund's future.

Therefore, the MNOPF will be hosting an online member forum webinar, for all members, in the Autumn.

Invitation to join the webinar will be via email. If you are reading this issue of The Beacon on the MNOPF website, and you have not yet provided us with your email contact details, please do so by contacting myMNOPFpension using the information under "Contact Us" below. Please do encourage any members you know to send in their e-mail contact details too if they have not already done so.



CONTACT US

Mercer is continuing to prioritise payments to pensioners including retirements, transfers, and death benefits. This is in line with The Pension Regulator's guidance on pensions administration practice during the Coronavirus pandemic.

For the time being, the best way for myMNOPFpension to respond to your enquiry quickly continues to be to contact them by email:

enquiries@mymnopfpension.co.uk

Or you can call myMNOPFpension on 01372 200200.

Thank you for your patience and understanding whilst usual working practices are disrupted.