

Coronavirus (COVID-19) and financial uncertainty

We appreciate that the impact of the Coronavirus outbreak on stock markets may be causing you some concern, especially if you have seen the value of your pension savings go down. You may be wondering whether there is anything you should do.

What is best for you financially now will depend on how close you are to retirement, your individual circumstances and attitude to risk. We cannot give you financial advice but we can direct you to information and resources, including a directory of independent financial advisers.

Why are the markets so volatile?

Investment markets do not like uncertainty. Coronavirus has undoubtedly created a lot of uncertainty which could potentially have a large financial impact, for example the change in demand for certain products and services, such as travel and hospitality, have already significantly affected companies.

Markets were also affected during previous viral outbreaks, such as SARS, as well as the financial crisis in 2008, but after a period of uncertainty, the markets recovered. Whilst this is likely to be the outcome following Coronavirus, we do not know how long the uncertainty will last or how long a recovery could take.

Should I change where I invest my DC contributions?

While the concern surrounding Coronavirus is unprecedented, falls in the stock market are not. The value of shares is never guaranteed, so there will always be short-term fluctuations in the value of your fund. Over the long-term (five years or more), shares are generally expected to outperform cash investment although past performance is not a guarantee of or guide to future performance. Building savings for your future is a long-term investment.

Please note that if you have a DB pension with the Plan, the investments are managed by the Trustee and its advisers.

I am due to retire soon, what should I do?

If you are nearing retirement and you use a lifestyling investment option for your DC benefits, your savings could have been shielded from the recent market movements to an extent as your funds will have been moving to lower risk investments.

We will send details of benefit options to you if you are approaching your target retirement date so that you have the information you need to make any decisions about taking your pension benefits.

Will this affect my pension payments?

If you receive a DB pension payment from the Plan, please rest assured that we are working closely with XPS and that maintaining pensioner payroll is our top priority. With regards to payment of retirement, death or transfer benefits, these will be done as quickly as possible but may take a bit longer so we ask you to be patient as the team are working their hardest to continue to deliver their service in this unprecedented time. Please also see the XPS update also posted on this site for information about how they are adapting to the current environment.

Find out more and take advice

The **Money Advice Service** has a web page, '**Coronavirus and your Money**' which includes a **section about pensions**, at www.moneyadviceservice.org.uk/en/articles/coronavirus-and-your-money.

It is your decision whether you move your investments at this time, but before you make any decisions or changes, we recommend that you seek independent financial advice. You can use the Money Advice Service's online retirement adviser directory to find an independent financial adviser at www.moneyadviceservice.org.uk/directory.

You should only take advice from a financial adviser who is regulated by the Financial Conduct Authority (FCA), so that you are protected if things go wrong. An FCA regulated adviser can help you to make a suitable decision, by taking into account your financial and personal circumstances.

Be ScamSmart

Whether you are thinking of accessing your pension savings to retire or to transfer them elsewhere, be aware that there are scammers who will be taking advantage of the situation. You can find out more at www.fca.org.uk/scamsmart and remember, take advice from a financial adviser who is regulated by the Financial Conduct Authority.