

Members of the Public Employees
Pension Fund

26 June 2020

Dear Member,

Your Pension Benefits - The Impact of the Coronavirus

You may be aware of the impact of the Coronavirus pandemic on financial markets in recent months.

The purpose of this letter is to reassure you that the Fund's Committee of Management (the **COM**) has been working closely with its advisers and with the Government of Jersey Public Employees Pension Team to consider the appropriate actions to take for the Fund given recent global events.

The COM would like to provide you with the following assurances:

- If you are already in receipt of a pension, your pension will continue to be paid.
- If you have not yet retired, you will still be able to take your benefits and exercise any options you may be eligible for at retirement, in the usual way.
- The COM and its Investment Subcommittee have been regularly monitoring the impact on the assets of the Fund. There have been periods of time, particularly in March 2020, when the value of the assets has fallen. However, the important thing is that money is available to pay benefits as members take their benefits from the Fund. We believe our investment strategy for the Fund remains appropriate and we will continue to monitor the financial position of the Fund.
- The COM and its advisers have been able to continue to operate despite the restrictions resulting from the spread of the Coronavirus. We have tested and implemented our business continuity plans to ensure that we can respond to any further changes in circumstances and are holding regular virtual meetings to make decisions.
- All the services provided by our Public Employees Pension Team as Fund administrator are continuing to be provided. Payment of benefits will be prioritised, so please be patient if more routine enquiries take longer than normal.

For further information we have enclosed FAQs with this letter.

Whilst writing we take this opportunity to draw to your attention a heightened risk that scammers and unscrupulous financial advisers may try to take advantage of the current Coronavirus situation by targeting pension scheme members. We have included some tips in the FAQs to keep you fully informed.

Finally, we hope that you and your family keep safe and healthy as the situation continues to unfold in the coming weeks and months.

Yours faithfully

A handwritten signature in black ink, appearing to read 'G. Pollock', written in a cursive style.

Gordon Pollock
Chairman of the PEPF Committee of Management

Enc: Frequently Asked Questions (FAQs)



Frequently Asked Questions (FAQs)

Are our administrators still operational?

Like many other employers, the Government of Jersey has been supporting its staff to work flexibly and from home at this time. Whilst this flexibility should not impact the service that the Public Employees Pension Team provides you, we would like to ask for your understanding to support the team's flexible working patterns and your patience if more routine enquiries take longer than normal.

Please note however that payment of benefits will be prioritised.

How has this affected the Fund's financial position?

These are testing times on the financial markets, with share prices having at times fallen sharply in response to concerns about the Coronavirus and its potential impact on the global economy, and at other times rising.

This volatile situation has had a knock-on effect on the Fund, which, like many pension arrangements, invests a proportion of its assets in share-based funds. However, we are supported by professional investment advisers and we have robust arrangements in place to manage the Fund– including an investment strategy that is designed to weather market volatility and support the Fund's development years into the future.

A priority for the Fund is that sufficient cash is available as members take their benefits from the Fund. Given the Fund's current cash reserves and the continued payment of contributions by employers and Fund members, there is currently no need for the Fund to 'cash-in' investments in order to meet benefit payments.

The financial position of the Fund is subject to a comprehensive review (called an "actuarial valuation") every three years. The next actuarial valuation is due as at 31 December 2021. We continue to work closely with our professional advisers to monitor current developments, to understand what they might mean for the Fund and to consider any steps that might be appropriate before the next actuarial valuation is due.

Annual pension increases are awarded in line with the Jersey Retail Prices Index. As is always the case, the continuing ability of the Fund to afford pension increases at this level will be reviewed at future actuarial valuations. Increases in line with rises in the Jersey Retail Prices Index following future actuarial valuations are not guaranteed and are subject to the financial condition of the Fund being satisfactory.



How do I find out more?

Remember: If you have any questions about your pension, look on the Fund's web pages first and you may well find the answer. If you cannot find the answer you are looking for and your query is urgent, please contact the Public Employees Pension Team using the details below.

You can email the Public Employees Pension Team with any queries or if you require further information at pept@gov.je.

Alternatively, you can write to them at:

Public Employees Pension Team
Treasury and Exchequer,
19-21 Broad Street,
PO Box 353,
St Helier,
Jersey,
JE2 3RR

How do I access the Fund's web pages?

You can visit the Fund's dedicated page at: www.gov.je/yourpension

What is a pension scam?

It's important to be aware that while the majority of financial advisers are regulated and pension arrangements are approved, this is not always the case. There is a heightened risk that scammers and unscrupulous financial advisers will try to take advantage of the current COVID-19 (Coronavirus) situation by targeting pension scheme members.

Your pension benefits are valuable assets. Like anything valuable, your benefits can become the target for scammers.

Pension scams can take many different forms, but broadly take the form of members being persuaded to transfer their pension out of a scheme to allow access to their funds.

Some schemes will be unlawful and others may operate within the law, but members and schemes could face serious adverse financial consequences.

Pension scammers may:

- Try to obtain personal information about you (either illegally or by convincing you to provide the information).
- Apply pressure for you to make a quick decision.



- Make claims that seem “too good to be true”.
- Try to flatter you in to making a bad decision.
- Downplay the risk associated with the decision.

You can find out more about pension scams at www.fca.org.uk/scamsmart .

How can I protect myself from a pension scam?

To avoid being the victim of a scam there are several steps you can take:

- Check who you are dealing with. Use the www.jerseyfsc.org/industry/regulated-entities/ for Jersey-based financial advisers who are regulated by the Jersey Financial Services Commission (or the equivalent national website for an investment adviser based overseas).
- Use the resources provided by the Jersey Financial Services Commission to avoid scams www.jerseyfsc.org/protecting-the-public/ and www.jerseyfsc.org/response-to-covid-19/information-for-the-public-covid-19/
- Beware of adverts on social media channels and paid for/sponsored adverts online.
- Do not click links or open emails from senders you don't already know.
- Avoid being rushed or pressured into making a decision. If a firm calls you unexpectedly, use the contact details on the Jersey Financial Services Commission's website to check that you're dealing with a genuine firm.
- Do not give out personal details (bank details, address, existing insurance/pensions/investment details).
- There are also helpful resources available from UK regulatory authorities and advisory bodies which you may wish to read, as follows:
 - The UK Pension Regulator has published guidance on pension scams, which you can find at: www.thepensionsregulator.gov.uk/en/pension-scams
 - ScamSmart (www.fca.org.uk/scamsmart) which has specific guidance relating to pension transfers and COVID-19
 - The Money and Pensions Service (www.pensionsadvisoryservice.org.uk) is also a useful resource.

Remember that if it sounds too good to be true then it probably is.