

# IN TOUCH 2021/22

HAYS PENSION SCHEME (THE SCHEME)

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# CHAIR'S WELCOME

Welcome to the 2021/2022 issue of *In Touch*, the annual newsletter for members of the Hays Pension Scheme (the Scheme).

The past year has been difficult for everyone in the UK and across the world but with the roll-out of the vaccination programme, there seems to be light at the end of the tunnel.

In this issue, you can see the latest financials for the year ending 30 June 2021. Despite it being another challenging year, the Scheme continues to be well placed to cover its commitments to you – our members. Find out more on pages 8 to 10.

Unfortunately, the Covid-19 pandemic has also seen a spike in the number of people who have lost money to scammers. We don't want anyone else enjoying your hard-earned cash, so make sure you know how to identify the signs of a scam, how to report one, and what to do if you fall victim to one. See pages 5 and 6.

The Government will be raising the Normal Minimum Pension Age from age 55 to age 57 from 2028. This means that, from 2028, you won't be able to access your benefits in the Scheme until you reach age 57.

If you'd like free and impartial advice about planning for your retirement, get in touch with MoneyHelper. They also provide financial education and debt-management guidance. Find out more on the back page.

And finally, we'd like to encourage you to help us go green and commit to receiving future issues of *In Touch* electronically, if you can. If you haven't registered for online communications already, you will have received a letter with the step-by-step instructions.

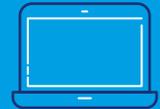
If you have any questions after reading this issue of *In Touch*, or you'd like to find out more about the Scheme, visit the website at [www.hayspensionscheme.com](http://www.hayspensionscheme.com)

Alternatively, you can contact the Administration Team or Kath Bedford, Pensions Manager, using the details on the back page.

As ever, we love hearing from you, so if you have any feedback on this newsletter please do share it with us.

**Sean Burnard**  
**Chair of the Trustee Board**

Throughout the newsletter, there are references to where more information is available on the Scheme website. For each of these, we've added the following icon:



# LATEST NEWS

## THE FUTURE OF THE SCHEME

We wrote to you in February 2021 to let you know that the long-term plan of the Trustee and Hays plc is to secure all members' benefits with an insurance company through a buy-out policy.

Insuring members' benefits is a positive move because insurers can provide greater long-term financial security for pensions as, by law, insurers must hold assets that significantly exceed their liabilities.

Buying-out all of the Scheme's benefits is still some way off as, before this can happen, we need to ensure that the Scheme has sufficient assets to cover the cost of securing all Scheme benefits with the selected insurer.

We are therefore taking this time to make sure that the data we hold for all members is correct and up to date.

You may remember that we wrote to you in September asking you all to complete a questionnaire to help us verify the personal details that we hold about you. It is vital that we have up-to-date full information. Thanks to everyone who has already responded. If you haven't managed to complete it yet, please help us by doing this as soon as possible. Please let us know if you need another copy (see our contact details on the back page) and we'll be happy to send you one.



### Further information

As a reminder, you can find the letter and FAQs about the buy-out that we sent you in February 2021 in the 'Other Scheme information' section of the Document store at [www.hayspensionscheme.com/document-store](http://www.hayspensionscheme.com/document-store) – select the 'Long Term Strategy' link.

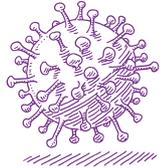
## COVID-19 UPDATE

Although the markets are slowly starting to recover from the initial impact of Covid-19, it may take a while for them to return to their pre-pandemic levels.

The Trustee continues to work closely with its investment managers to safely increase the assets to match the liabilities.

The Scheme's administrators, Equiniti, have had a mixed year of either working completely at home or sometimes splitting their time between office and home as the advice has changed. In either case, their systems are well established enabling them to provide continued excellent service and adapting their systems to the current crisis.

As this situation may change, they ask that you continue to email them wherever possible when you want to get in touch.

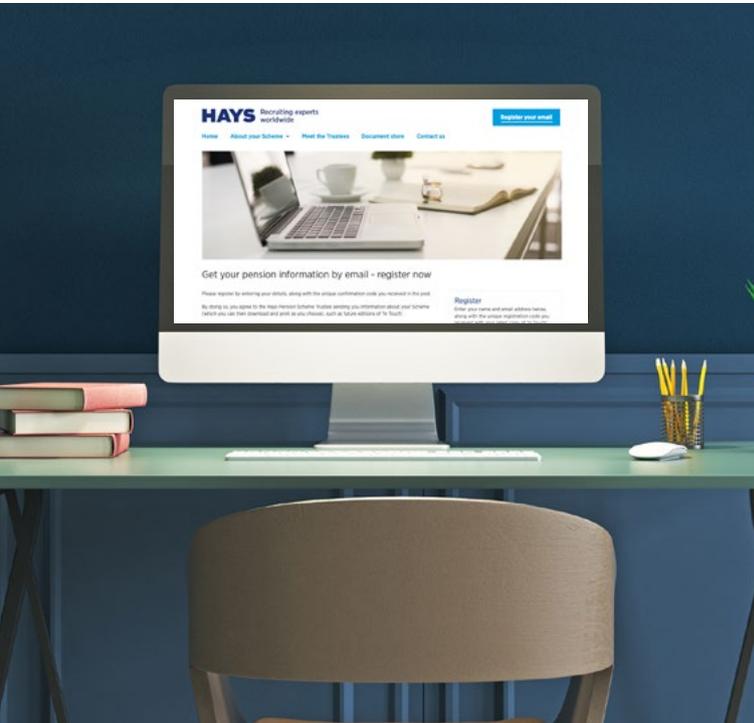


# LATEST NEWS (cont...)

## GO GREEN – REGISTER YOUR EMAIL ADDRESS FOR DIGITAL COMMUNICATIONS

As part of our commitment to lower our carbon footprint, we're moving towards paperless communications.

If you don't already, you can receive *In Touch* online instead of by post, as well as other non-personalised Scheme updates.



## WHAT ARE THE ADVANTAGES FOR YOU?

1. Access *In Touch* whenever you want, wherever you want through your smartphone, tablet or computer
2. Locate Scheme documents of interest in the online Document store

Remember, we don't hold any of your personal information on the website.

## FOUR SIMPLE STEPS TO ONLINE REGISTRATION

1. Enter your unique registration code (you'll find this in the letter you have received) and your details at [www.hayspensionscheme.com/register](http://www.hayspensionscheme.com/register)
2. Look out for a confirmation email – this will contain a registration link
3. Click on your registration link to confirm your online registration
4. If you don't receive your confirmation email within a couple of minutes, check your junk/spam folder – if you find your email there, just add [admin@hayspensionscheme.com](mailto:admin@hayspensionscheme.com) to your safe senders list to complete these steps

Once you've registered your email address, we'll be able to email you to let you know when *In Touch* is available, or when there are any Scheme updates or news.

# WATCH OUT FOR SCAMS

Changes to the way we live our lives because of Covid-19 have created the perfect conditions for an increase in all types of online fraud, including pension scams. We have highlighted some of the signs that can help you to identify a scam and some of the ways you can protect yourself – and your retirement income.



## COVID-19 SEES RISE IN SCAMS

While the pandemic has increased our reliance on all things digital, the pensions industry is urging savers to remain vigilant about carrying out safety checks before making any decision to move their pensions. According to Action Fraud, £1.8 million was lost to pension scams in the first three months of 2021 alone. That's an increase of 45% on the first three months of 2020.

There are different types of pension scam, but they can all lead to you losing a lifetime's worth of savings in a moment.

Often criminals will present you with 'one-time only' investment opportunities that can look convincing, complete with sophisticated websites and associated advertising materials. They could claim to know of loopholes that would allow you to access your pension below age 55 (the current minimum pension age – although this is rising to 57 in April 2028). Don't believe them: there is no loophole and you'll be faced with a large tax bill if you do take your pension before you reach the minimum pension age.



To find out more about the new pension transfer regulations and how they give you additional protection if you are thinking about transferring, visit

[www.hayspensionscheme.com/news](http://www.hayspensionscheme.com/news)

# WATCH OUT FOR SCAMS (cont...)

## WHAT TO WATCH OUT FOR

If anyone approaches you about your pension, follow these five steps:

1

### Cold calling

This is a huge red flag. It's been illegal to make cold calls since 2019. If anyone calls you about your pension simply **hang up quickly and block the number**. But also watch out for unsolicited approaches by email or through social media or even the post.

2

### If it sounds too good to be true...

Most real financial advice isn't exciting, so offers of 'market-busting returns at zero risk' really is unfortunately too good to be true.

3

### Pressure selling

This is a well-known tactic used by criminals. They don't want you to have time to do your research and risk finding out that what they're offering is fraudulent.

4

### Check the FCA register

Go to [www.fca.org.uk/scamsmart](http://www.fca.org.uk/scamsmart) and check that any investment opportunity you've been offered doesn't appear on their scam warning list.

5

### Check your adviser is regulated

Check that the person who contacted you is regulated to give advice about pensions (remember that a bona fide adviser will never make unsolicited contact with you). Go to [www.fca.org.uk/firms/financial-advisers](http://www.fca.org.uk/firms/financial-advisers)

## KNOW WHO YOU'RE DEALING WITH

Knowing who you're talking to about your pension is one of the best ways you can help keep it safe.

**Who would legitimately contact you, when and what information would they ask you to provide.**

**The Pensions Manager and your Equiniti Administration Team will never cold call you.** They'll only ever contact you to return a call you have made to them or to follow up on a query if you've written to them.

They **will** ask you to prove your identity, but they'll only ever ask for:

- Your name;
- Your address;
- Your date of birth; and
- Your National Insurance number.

## KEEP YOUR PERSONAL INFORMATION TO YOURSELF

Never give out any other personal information – like your bank details – over the phone, and never give any PINs or passwords to anyone.

# GUARANTEED MINIMUM PENSION (GMP) UPDATE

## BACKGROUND

In May 1990, the European Court ruled that pension benefits for men and women had to be equalised. This meant that the retirement age and the pension for both sexes had to be the same.

There was, however, one element within the total pension, the GMP which, by UK law, was still payable at age 60 for women and age 65 for men.

The pensions industry has been waiting for the UK Government to provide direction on how to equalise the GMP pension element. The Lloyds Banking Group and their Pension Trustee however needed answers and took their case to the UK courts. In October 2018, the High Court ruled that the

“GMP element of pension accrued [or built up] between 17 May 1990 and 5 April 1997 between men and women must be equalised” in all pension schemes. The ruling also detailed several ways that this could be done.

## NEXT STEPS

We are pleased to report that good progress has been made in the Hays Pension Scheme to equalise the benefits as required. While we still have some unanswered questions, we were able to plan the exercise and equalise around 75% of the deferred membership at 30 April 2021.

The Scheme’s pensioner members are the next group whose benefits we’ll be working to equalise. Plans are well under way to equalise their benefits at 1 March 2022 and, by the time you read this, this should have been completed for all or most of our pensioner members.

Once this part of the exercise has been completed, we will be equalising any remaining members as soon as possible. We will write to each member to notify them at that time.



You can find out more about GMP equalisation at [www.hayspensionscheme.com/news](http://www.hayspensionscheme.com/news)

# WHAT IS RESPONSIBLE INVESTMENT?

To many people, responsible or sustainable investment means only investing in companies that look obviously ‘green’ or ‘environmentally friendly’ – for example, wind turbine or solar panel manufacturers. However, responsible investment covers not only environmental issues, but also social and governance factors too and to make the biggest impact in all of these areas, investors can often have more influence by working with companies rather than just excluding them.

The Trustee seeks to take Environmental, Social and Governance (ESG) factors into account when managing the Scheme.

The Trustee believes that ESG factors may have a material impact on investment risk and return outcomes, and that good stewardship can create and preserve value for companies and financial markets as a whole. The Trustee recognises that long-term sustainability issues, such as climate change, present both risk and opportunities that may require explicit consideration.

To read more about how the Trustee is considering these issues, visit [www.hayspensionscheme.com/news](http://www.hayspensionscheme.com/news)

# THE FINANCIALS

Below you'll find an overview of the Scheme's membership figures, along with its income and expenditure in the Scheme year ending 30 June 2021. We've also provided figures for the previous year for comparison.



## SCHEME MEMBERSHIP\*



## SCHEME VALUE

This table shows the value of the Scheme for the year ended 30 June 2021 compared with its value at 30 June 2020.

Value at the beginning of the year	+ Income	- Expenditure	+/- Returns from Investments	= Value at the end of the year
<b>2021</b> <b>£969.701m</b>	£39.360m	(£33.923m)	(£67.530m)	<b>£907.608m</b>
<b>2020</b> <b>£842.807m</b>	£40.532m	(£34.725m)	£121.087m	<b>£969.701m</b>

## INCOME AND EXPENDITURE

	30 June 2021	30 June 2020
<b>Income</b>	<b>£000s</b>	<b>£000s</b>
Company contributions	£16,215	£15,742
Investment and other income	£23,145	£24,790
<b>Total income</b>	<b>£39,360</b>	<b>£40,532</b>

	30 June 2021	30 June 2020
<b>Expenditure</b>	<b>£000s</b>	<b>£000s</b>
Pensions paid	£15,164	£14,936
Lump sum (retirement and death benefits)	£2,091	£2,136
Payments to and in respect of leavers	£11,817	£13,984
Other payments	£29	£22
Administration and investment expenses	£4,822	£3,647
<b>Total expenditure</b>	<b>£33,923</b>	<b>£34,725</b>

## KEY POINTS

While the Covid-19 pandemic has undoubtedly had a significant impact on global stock markets, we'd like to reassure you that this **does not** impact your 'defined benefit' pension arrangement or your retirement income from the Scheme. Your pension is a promise to you under the Scheme Rules and doesn't change depending on what is happening in the wider world. However, the assets of the Scheme may be affected by global events, and the Trustee has had to manage investments and global risks in light of the Covid-19 pandemic. The Trustee considers situations such as the Covid-19 pandemic and has designed and implemented the Scheme's investment strategy, taking a long-term view, and has built in resilience to withstand short-term fluctuations. The management of the Scheme, together with the factors likely to affect its future development, performance, and financial position are set out in the Annual Report and Accounts. As at 30 June 2021 the value of the assets were estimated to be 101% of the amount needed to cover the Scheme liabilities on a Technical Provisions basis so the Scheme is well placed to manage its risks and contractual commitments.

**£62.093m**

decrease in Scheme value  
over the year

**-£67.530m**

investments returned  
over the year



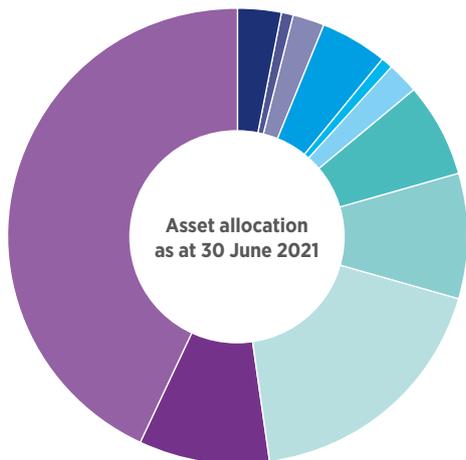
You can find a copy of the full Report and Accounts at  
[www.hayspensionscheme.com/document-store](http://www.hayspensionscheme.com/document-store)

You can also find the Chair's Statement within the full Report and Accounts. If you would like a hard copy of the Report and Accounts, simply get in touch with the Pensions Manager using the contact details on the back page.

# THE INVESTMENTS

The Trustee invests its assets to make sure that there is enough money in the Scheme to pay members' benefits both now and in the future.

The Trustee and its investment advisers review the Scheme's investment strategy regularly to make sure that it remains appropriate.



Synthetic equity	3.3%	Global Multi-Asset Credit	7.3%
Synthetic Equity (UK)	1.0%	Property	9.5%
Synthetic Equity (World)	2.3%	Corporate Bonds	19.3%
Absolute return	5.0%	Short Dated Corporate Bonds	9.7%
Cash	1.0%	Gilts and equivalent bonds (LDI)*	45.8%
Cash drawdown sub-portfolio	2.2%	Short cash exposure	(3.1%)

\*Liability Driven Investments

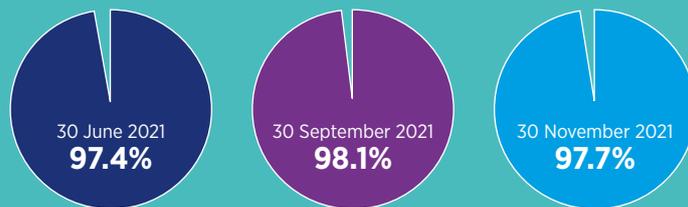
## INVESTMENT PERFORMANCE

The Scheme's annual investment returns are measured against a target. This is known as a benchmark and it helps the Trustee to measure whether the investment strategy is working successfully. You can see the latest performance results in the table below, which shows how the Scheme's investments have performed against their benchmark at one, three and five-year intervals.

	Actual	Benchmark
One year	(5.3%)	(6.7%)
Three years	8.4%	8.8%
Five years	8.7%	8.3%

## FUNDING LEVEL

The last full actuarial valuation was completed as at 30 June 2018 and the results from this were reviewed and signed off on 27 March 2019. The formal actuarial valuation as at 30 June 2021 is currently underway. The statutory deadline for this is 30 September 2022.





## IMPORTANT SCHEME DOCUMENTS

The Trustee has to make certain Scheme documents publicly available – these include the Chair’s Statement (which can be found in the Report and Accounts), the Report and Accounts, the Statement of Investment Principles and its Implementation Statement. You can find these online at [www.hayspensionscheme.com/document-store](http://www.hayspensionscheme.com/document-store)

## CONTACT US

For any enquiries about the information in this year’s edition of *In Touch*, please contact:

 [hays@equiniti.com](mailto:hays@equiniti.com)

 0333 207 5957

 **Hays Pension Administration Team**  
Equinti Pension Solutions, Sutherland House,  
Russell Way, Crawley, West Sussex RH10 1UH

For other enquiries, or if you would like to see a copy of the full Report and Accounts, please contact the Pensions Manager:

 [pensions@hays.com](mailto:pensions@hays.com)

 0333 010 7079

 Kath Bedford, Pensions Manager  
Hays plc, 20 Triton Street, London NW1 3BF

## LOOKING FOR GUIDANCE AND SUPPORT OR IN NEED OF EXTRA HELP?

### MoneyHelper

Worried about your finances, debt, benefits or planning for your retirement? Get free, confidential and impartial help from MoneyHelper, on all these topics.

MoneyHelper was introduced to speed up and simplify finding and accessing the right help in relation to money and pensions guidance. It combines the services of three Government-backed financial guidance providers: Pensions Wise, the Pensions Advisory Service and the Money Advice Service.

0800 011 3897

[www.moneyhelper.org.uk](http://www.moneyhelper.org.uk)

You can also talk to an adviser online using the ‘Live Chat’ function, or there’s a helpful form you can complete specifically for pensions guidance which you can access at [www.moneyhelper.org.uk/en/contact-us/pensions-guidance/pensions-guidance-enquiry-form](http://www.moneyhelper.org.uk/en/contact-us/pensions-guidance/pensions-guidance-enquiry-form)

### The Pension Tracing Service

Help with finding ‘lost’ pensions from previous employers

[www.gov.uk/find-pension-contact-details](http://www.gov.uk/find-pension-contact-details)

### You and your State Pension

Find out how much State Pension you might be entitled to at [www.gov.uk/check-state-pension](http://www.gov.uk/check-state-pension)

Check when you can start receiving your State Pension at [www.gov.uk/state-pension-age](http://www.gov.uk/state-pension-age)

Find out how to get your State Pension at [www.gov.uk/get-state-pension](http://www.gov.uk/get-state-pension)

### Other formats

If you struggle to read this newsletter, we’ll happily supply it to you in an alternative format. This includes braille, large font and audio recording. Please contact the Pensions Manager if you wish to request an alternative format.