

With the cost of living increasing sharply and the annual rate of inflation remaining high well into 2023, you may be looking at your financial wellbeing a little more closely, including your pension.

This page is to help you understand what's happening with your Retirement Savings and investments and provide additional resources.

## Understanding the changes in the value of your Retirement Savings

Your Retirement Savings are invested for your future retirement and the aim is to provide strong outcomes over the long term.

### Where are my Retirement Savings?

Your Retirement Savings are in funds, which are invested in one or more of the following ways, owning part of a company (stocks or shares), lending to companies (bonds) or lending to governments (gilts or government bonds).

Funds pool together money from lots of people to invest as one. Your money in the fund is shown by the number of "units" you have bought with your Retirement Savings. These units have a price which can go up or down.

You can make changes to your investment funds at any time through [evoLink](#). If you do not make a choice, your savings are automatically invested in an investment strategy which invests in funds chosen on your behalf, called the default, which look to reduce the fluctuations by using lots of different types of investments, which are suitable for the long term.

### Why are my investments going up and down?

Various events can cause investments to go up and down, including events that have happened over the past few years, such as global pandemics, changes in government or central bank policies, war and crises, changes in the demand and supply of certain products, and much more.

While we can't control the impact of these events on investments, the Crystal Trustee does offer a range of investment options. All investments involve some degree of risk and you should think about your risk tolerance when you're choosing your investments for your Retirement Savings. Our default investment option has a long-term outlook and, although investments may go up and down in the shorter term, over the longer term they are expected to produce a positive return.

### Why have I seen a bigger fall than usual in my investments?

Investments can go up and down in the shorter term. Over the longer term they are expected to produce a positive return, meaning that you have more money at retirement than you saved, which will help provide a good retirement.

In the 2022/2023 Scheme year, we've seen the world and investments impacted by Russia's war in Ukraine, UK Gilts affected by policy shocks during Liz Truss' term, China reopening creating a positive impact and the bank crisis in early 2023 where three U.S. banks failed causing a sharp decline in global bank stock prices.

Whilst we can't predict the future, past events show us that investment downturns have been followed by periods of recovery and growth.

### What should I do when my investments fall?

You can make changes to your investments whenever you like. However, please be aware that in times of high volatility, it is important not to panic or make any rash decisions about changes to your investments. Investing over the longer term across diversified investments generally tends to be better than trying to profit from turning points.

If you invest in the self-select fund range, you may wish to check that your investment choices reflect your longer-term goals, as some individual funds have different levels of risk and potential returns.

If you are thinking of changing your investments, you may want to get in touch with an independent financial adviser. If you do not have an independent financial adviser, you can find information through [MoneyHelper](#).

### Where can I find my investments?

You can see where your Retirement Savings are currently invested on the Member portal, [evoLink](#).

Details on the investment funds available to you are on the Crystal website, [here](#).

## Understanding your options in retirement and planning

### How can I plan for retirement?

The Pensions and Lifetime Savings Association (PLSA) has developed [Retirement Living Standards](#), to support you as you plan for retirement, especially as you adjust your household budget against the rise in costs.

## What should you be thinking about if you're considering taking your pension now?

- You are able to start taking your Retirement Savings from age 55.
- You are able to access free, impartial guidance from [Pension Wise](#) from age 50 and book an approximately 60-minute appointment with a pension expert.
- You should be aware that withdrawing money early may reduce the amount you could have in retirement due to the loss of potential investment growth.
- You should consider any tax implications when withdrawing your Retirement Savings early.
- If you decide to take money from your Retirement Savings early, you may also lose out on certain tax relief if you trigger the Money Purchase Annual Allowance (MPAA). Each year, you can pay up to £60,000 into your pension and receive tax relief on those contributions. However, if the MPAA is triggered, this reduces the amount that can be paid into a pension pot with tax relief to £40,000 (from 2023/24 tax year).

## What can you do to protect yourself against the rising threat of scams?

You should always be aware of the potential threat of scams and the Financial Conduct Authority (FCA) has produced a pension scams leaflet to provide information on how pension scams work, how to avoid them and what to do if you suspect a scam. You can view the leaflet [here](#).

Other websites that can help you are listed below:

- FCA's [ScamSmart](#) can help avoid investment and pension scams, report a scam and check the [Financial Services Register](#).
- [MoneyHelper](#) provides details on [how to spot a pension scam](#).
- [Action Fraud](#) provides information on fraud and cybercrime as well as how to report fraud.
- [Which?](#) Is a not-for-profit organisation dedicated to protecting consumers, where they can learn how to try and recover money if they've lost out to a scam.

## Cost of living crisis - Tools to help

It's not all about the long term and pensions. We have all been going through a cost of living crisis which is affecting the financial wellbeing of a lot of people.

MoneyHelper has information on managing your money, which includes information for savers on how to set up a budget, getting your budget on track, managing debt, setting a savings goal and more.

<https://www.moneyhelper.org.uk/en/everyday-money/budgeting/beginners-guide-to-managing-your-money>

### Over 50?

The UK government offers free support to people over the age of 50 through MoneyHelper's Pension Wise. You can find more information about this on their website at <https://www.moneyhelper.org.uk/en/pensions-and-retirement/pension-wise>. You can also book a free appointment with one of their pension specialists for impartial guidance on your retirement options.

### What help can I get from the Government?

If you are concerned about finances and would like to get some information on the financial support you could receive, the UK government provides a tool to [check benefits and financial support you can get](#).

Below are several examples of government support and can be found on the on the government's website, [here](#).

- **Pension Credit.** For individuals above the State Pension age and on a low income, the Pension Credit will top up an individual's weekly income by a certain amount.
- **Cost of Living Payments.** Cost of Living Payments are automatically paid to those already receiving certain benefits or tax credits. They may also apply to those found to be eligible at a later date.
- **Help with energy costs.** The Energy Price Guarantee and Energy Bills Support Scheme are government reductions that apply automatically to all UK household energy costs.
- **Help with childcare.** There are certain benefits available to families with children, including financial support for childcare, a Child Benefit, free school meals, help with maternity costs and more.
- **Income Support.** For qualifying individuals looking for additional income support – for example, those on a low income or who cannot work.
- **Financial support for people with health conditions or impairments.** Benefits and financial support are available to individuals living with a health condition or disability, including benefits like the Employment and Support Allowance (ESA) – for those with a disability or health condition that impacts how much they can work – and the Personal Independence Payment (PIP) – to help with additional living costs for qualifying individuals.
- **Help with household costs.** The UK government provides several programmes and benefits to help households cover a range of costs, including budgeting loans, cheaper phone and broadband, help paying for water, rental and housing cost assistance, tax support and more.
- **Help with travel costs.** Commuting can be expensive, so the government has compiled a list of options and benefits for qualifying individuals looking for ways to cut down on travel expenses.

## Resources

Citizens Advice - <https://www.citizensadvice.org.uk/>

Crystal and Evolve - <https://evolvepensions.co.uk/members>

Financial Conduct Authority (FCA) <https://www.fca.org.uk/consumers>

Financial Services Compensation Scheme (FSCS) - <https://www.fscs.org.uk/>

MoneyHelper - <https://www.moneyhelper.org.uk/en>

Money and Pensions Service (MaPS) - <https://maps.org.uk/>

PLSA's Retirement Living Standards - <https://www.retirementlivingstandards.org.uk/>

The Pensions Regulator - <https://www.thepensionsregulator.gov.uk/>

UK Government - <https://www.gov.uk/browse/benefits>

## Disclaimer

The information and tools provided in this document are for guidance only and do not constitute financial advice.

Where we provide links to third-party websites, we are not responsible for their content. It is therefore important you carry out your own independent research.

If you need financial advice, you can locate an adviser on the MoneyHelper website, <https://www.moneyhelper.org.uk/en/getting-help-and-advice/financial-advisers/choosing-a-financial-adviser>.