

# Bridon Group (2013) Pension Scheme

## Newsletter

Winter 2023

**Welcome to this latest issue of your Scheme newsletter, in which we update you on Scheme developments and wider pensions news that may be relevant to you.**

At the time of writing, the rise in the UK's level of inflation has started to slow, though it remains much higher than the Government's target level of 2%. Household budgets continue to be squeezed for many people and the broader economy remains unpredictable. As always, with the support of our professional advisers, we keep a close eye on national and international financial matters that may impact the Scheme and we continue to be proactive in making any changes we consider necessary.

### **Pension Roadshows**

During November we visited the Doncaster and Willington Quay sites to deliver a series of member roadshows. See page 4 for further details.

### **Scheme website**

Remember that the Scheme website is available 24/7 to support you. See page 7 for further information.

### **Wider news"**

In other pensions news, we provide updates on:

- the Retirement Living Standards,
- the Pensions Dashboards Programme and
- changes to the pension tax allowances.

If you have any questions about the Scheme or your benefits, or you have a topic you want to see covered in our next issue, please get in contact using any of the details on page 7.

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**Susan Anyan (Professional Trustee), representing  
Capital Cranfield Pension Trustees Limited  
Chair of the Trustee**



# In numbers

## The membership

At 31 December 2022 there were 306 members in the Scheme compared with 311 members at 31 December 2021.

<b>170</b>	<p><b>Deferred members</b> No longer building up benefits but have benefits in the Scheme for when they retire.</p>
<b>136</b>	<p><b>Pensioner members</b> Receiving benefits from the Scheme (and including the dependants of members who have died).</p>



## The accounts

Here we show headline figures from the Scheme's Annual Report and Accounts. If you would like more detail, please request a copy of the full report using the contact details on page 7.



The value of the assets (excluding AVCs) supporting the Scheme at 31 December 2021

**£95.3M**



The decrease in the value of the assets over the reporting year \*

**(£38.8M)**



The total value of benefits paid to members during the year.

**(£3.5M)**



The value of the assets (excluding AVCs) supporting the Scheme at 31 December 2022

**£53.0M**

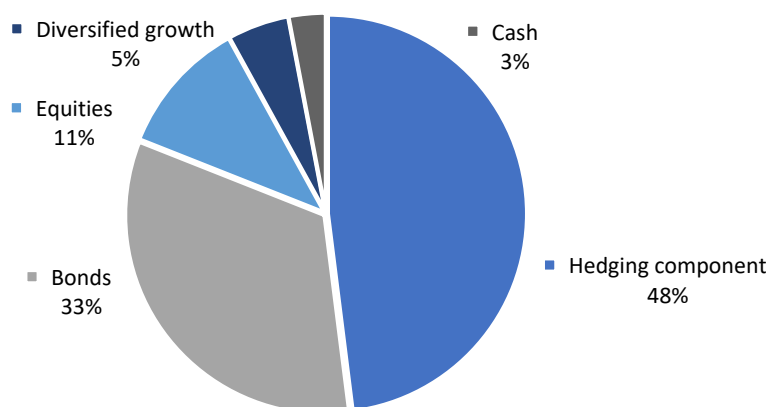
\*The considerable decrease in the value of the assets was matched by a similar decrease in the value of liabilities. This is primarily due to the rise in gilt yields which reduces both the value of the assets and liabilities.

# Investment update

**As Trustee, it is our responsibility to decide on the overall investment strategy, and to make changes as and when appropriate. We work closely with our investment advisers, and we keep a close eye on how the funds are performing.**

## Asset allocation

At 31 December 2022, the Scheme held assets of £53.0M compared with £95.3M at the same date last year (not including AVCs).



Although there has been a large fall in the value of the assets, the Scheme's liabilities have fallen by a similar amount. The actuarial valuation, as at 31 December 2022, is currently in progress and the results will be included in the next newsletter.

## Performance

The table below shows how the Scheme's investments have performed compared with their agreed benchmarks. Each benchmark is an agreed indicator of how the fund is expected to perform bearing in mind economic and market expectations.

Over the year to 31 December 2022		Since inception* (% per year)	
Performance	Benchmark	Performance	Benchmark
-41.6%	-39.0%	-8.8%	-8.7%

*\*Inception date is 30 April 2019. This is the date that the Scheme's investments were transferred to Aon Investment Limited.*

You can see that Scheme's investment has broadly matched the benchmark over the year to 31 December 2022 and since inception.

We will continue to monitor performance and make any changes we feel are necessary.

For further details on our investment approach, read our Statement of Investment Principles (SIP) at [Investment | Bridon Group \(bridonpensions.co.uk\)](https://www.bridonpensions.co.uk).

You can also read our Engagement Policy Implementation Statement showing how our policy on engagement activities and voting has been followed during the year. You can also see our Implementation Statement showing how we have implemented the requirements of the SIP over the last scheme year.



# Pension Roadshows

## Member Roadshows

During November, Susan Anyan (Chair of the Trustee) and Ian Emery (Pension Manager who works at Aon) attended the Doncaster and Willington Quay sites to deliver pension roadshows.

Employees who are deferred members of the Scheme were given the opportunity to attend a seminar and book a one-to-one session to discuss pension matters.

The sessions were very well received, and we hope to repeat them again soon and also invite deferred members who have left Bridon.

If you are not currently employed at Bridon but would be interested in attending a pension roadshow in the future, please contact Ian Emery ([ian.emery@aon.com](mailto:ian.emery@aon.com) or 0121 262 5057).



# In the news



## Retirement Living Standards

The Retirement Living Standards provide a guide to how much you might need each year in retirement based on the standard of living you're aiming for – broadly, a 'minimum', 'moderate' or 'comfortable' lifestyle.

The Pensions and Lifetime Savings Association (PLSA) has recently updated the figures to reflect higher inflation and the current cost-of-living crisis. The figures are in respect of a single person and for a couple.

- The cost of a 'minimum' lifestyle has increased by 18% for a single person and by 19% for a couple.
- The 'moderate' level has increased by 12% and 11% respectively.
- The cost of a 'comfortable' lifestyle has increased by 11% and 10% respectively.

The higher increase in the cost of retirement for those looking to achieve a 'minimum' lifestyle is due to the higher proportion of their budget going towards the things that have risen the most in price: food and energy.

You can find more details on the types of lifestyles, along with an indication of what amount of income is now likely to be needed to meet them, on the PLSA website. Go to [www.retirementlivingstandards.org.uk](http://www.retirementlivingstandards.org.uk)

### Which Standard are you heading for?

If you're unsure which Standard your retirement benefits might provide you with:

- check your Scheme benefits,
- check any other pension savings you have,
- factor in your State Pension entitlement (go to [www.gov.uk/check-state-pension](http://www.gov.uk/check-state-pension)),
- allow for any other sources of income you may have, such as ISAs or property rental, and
- work out your approximate total yearly retirement income and deduct income tax.

## Pensions Dashboard Update

In previous issues, we have reported on the Government's Pensions Dashboard Programme – an industry-wide project to develop a 'dashboard' portal which anyone could use to keep track of all their pension savings on one secure online site.

Due to the size and complexity of the task – which will involve all UK pension schemes linking to the system – the Government has extended the project's timetable.

Previously, the intention was to onboard groups of schemes in stages, with the largest first.

There is now a single deadline for all schemes to connect: 31 October 2026 (a year later than planned). Individual schemes will still be given guideline connection dates to aim for in the meantime.



For more information about the pensions dashboard, visit [www.pensionsdashboardsprogramme.org.uk](http://www.pensionsdashboardsprogramme.org.uk).

# In the news



## Changes to the pension tax allowances

The Chancellor's Spring Budget included some sweeping changes to the pension tax allowances.

In summary:

- The Lifetime Allowance is being removed in two stages:
  - From April 2023, the 'Lifetime Allowance tax charge' on any benefits above the Allowance will stop. Instead, you would pay tax on your normal highest rate on the 'extra' benefits.
  - From April 2024, the Lifetime Allowance is due to be abolished – although further details are likely to emerge about what measures may still apply to pension benefits (if any) or what might replace the current Allowance.
- The Annual Allowance increased from £40,000 to £60,000 with effect from 6 April 2023.
- The tapered Annual Allowance now starts to apply to those earning £260,000 per year (up from £240,000 per year), while the minimum tapered Annual Allowance has increased from £4,000 to £10,000.
- The Money Purchase Annual Allowance has also increased, from £4,000 to £10,000 with effect from 6 April 2023.

If you're uncertain about how these changes may affect your retirement plans, consider taking impartial financial advice (see page 7).

**The Lifetime Allowance** is a limit on the total amount of pension benefits you can build up over your lifetime (excluding the State pension) without triggering an extra tax charge.

**The Annual Allowance** is a limit on the amount of pension benefits you can build up in a tax year without triggering a tax charge. A tapered Annual Allowance applies for high earners.

**The Money Purchase Annual Allowance** works in a similar way to the standard Annual Allowance but only applies if you access Defined Contribution (DC) pension savings and continue to build up pension benefits.

## How to protect yourself from pension scams

Recent events – from the worldwide impact of the pandemic, to issues closer to home, such as the cost-of-living crisis – have all had an effect on how people handle money matters. Many people are having to pay closer attention to their saving and budgeting. More and more financial transactions now take place online.

Sadly, these developments all create situations where scammers can thrive, whether trying to take advantage of the vulnerable, or attempting to get hold of savers' personal and financial information.

Beware any approach – by email, post or phone (it is actually illegal to cold-call you about your pension) – that asks you to supply details you would normally keep secure, or tries to steer you towards a quick financial decision.

You can find lots of useful information to help you spot and avoid scams on:

- **The MoneyHelper website:** [www.moneyhelper.org.uk/en/money-troubles/scams/how-to-spot-a-pension-scam](https://www.moneyhelper.org.uk/en/money-troubles/scams/how-to-spot-a-pension-scam)
- The 'ScamSmart' area of the Financial Conduct Authority website: [www.fca.org.uk/scamsmart](https://www.fca.org.uk/scamsmart)

# More information



## Scheme website



To find out more about the Scheme, go to:  
[www.bridonpensions.co.uk](http://www.bridonpensions.co.uk)  
or scan the QR code to the left with your tablet or smartphone

You can find the following information on the site:

- General information about the Scheme
- Member guide and other useful documents
- Questions and answers
- Contact details

## Contact point

Please use any of the methods below to get in touch with the Administration team.

Email: [bridonpensions@aon.com](mailto:bridonpensions@aon.com)

Phone: 0345 268 8476

(lines are open Monday to Friday, 9am to 5pm)

Write to: Bridon Pensions  
Aon  
PO box 196  
Huddersfield  
HD8 1EG

As Trustee, we maintain up-to-date knowledge of pensions, investments and finance. We meet regularly throughout the year to discuss how the Scheme is progressing.

As reported at the end of 2022, due to the increased burden in terms of regulatory and legislative complexity, Bridon decided to replace the current Trustee Board from 1 January 2023 with Capital Cranfield Pension Trustees Limited (“Capital Cranfield”), which now act as a professional corporate sole trustee company for the Scheme. Susan Anyan represents Capital Cranfield and has a team who assist her.

Capital Cranfield collaborates regularly with the Member Engagement Group, updating it on the Scheme’s activities and sharing views on member issues.

## Reminder to keep us up to date

Please let us know if you change your name or address so we can continue to contact you about the Scheme and your benefits.

Please also update your Expression of Wishes form if you need to. This tells us who you would like to receive any benefits that become payable in the event of your death. As the Trustee, we have the final say over who receives the benefits. We will consider your Expression of Wishes form, so if you have never filled one in, or you have not done so recently, particularly if your circumstances have changed, please complete a form and send it to us.

Please use the contact details on the left to request a blank form.

## Taking advice

If you would like advice about your retirement plans, we recommend you speak with an independent financial adviser (IFA).

To help deferred members aged over 54 to fully understand their options, UK-based members can receive independent financial advice, which is paid for by the Scheme and provided by HUB Pension Consulting. If you are a deferred member aged over 54 and would like to receive free financial advice, please get in contact (details on the left) and the team will explain the next steps.

Alternatively, you can find an adviser in your area by searching MoneyHelper’s online directory.

Go to [www.moneyhelper.org.uk](http://www.moneyhelper.org.uk) and choose *Pensions and retirement > Taking your pension > Find a retirement adviser*.

We also appoint professionals to support us on areas of particular expertise.

<b>Administrator</b>	Aon Solutions UK Limited
<b>Actuary</b>	A Shah, FIA Aon Solutions UK Limited
<b>Auditor</b>	Ernst & Young LLP (resigned on 27 March 2023) Assure UK (appointed on 31 March 2023)
<b>Investment Adviser</b>	Aon Investments Limited
<b>Legal Adviser</b>	Gunnercooke LLP