

THE PDSA RETIREMENT BENEFITS PLAN (1978)

2025 Member Report



Hello and welcome ...

to the 2025 Member Report from the PDSA Retirement Benefits Plan (1978) (RBP) Trustee

Welcome to the latest edition of our newsletter.

Since we were last in touch, we've concluded the 31 December 2023 Actuarial Valuation and you can find the results of this as well as the 31 December 2024 update on page 12 under "Summary Funding Statement". As you may recall, this is something that we need to do every three years in order to measure the funding level of the RBP and is a type of financial health check to calculate how much PDSA needs to contribute now and in the future to ensure that all members receive their benefits when payable.

We're looking for a new Member Nominated Trustee Director to fill a vacant position on our Board - you can find out more on page 10. Would you be interested in taking on this rewarding challenge? -As a Trustee Director, you'd have access to expert training and advice, both in-person and online, ensuring you feel confident and supported in your role. Many of our meetings are held virtually, significantly reducing any potential obstacles for those who would prefer a more balanced approach to their commitments. If you're keen to learn something new as well as making a difference, then we'd like to hear from you.

We've started work on getting the RBP ready to connect to the Pensions

Dashboard, which will mean you will eventually be able to view all your pensions in one place. This is an exciting and ambitious initiative that is moving ever closer to its go-live date. So don't miss out on this opportunity to obtain your consolidated pensions information by making sure we hold the right details for you. If your details are correct and up to date, any enquiry from you should immediately match our records. You can easily check the details we hold by logging onto the RBP member site. Read more about how to do this on page 9.

The Trustee continues to maintain a good working relationship with PDSA and an update on PDSA matters can be found by clicking on the link on page 8.

Don't forget to read about pension scams on page 18, and please take special note if you are thinking of transferring your pension. It's always better to take your time to consider your options rather than making any hasty decisions.

And please remember you can always get in touch with us if there is anything you would like to see in future editions.

Best Wishes

Ian Phoenix

Chair of the Trustee – The PDSA Retirement Benefits Plan (1978)

Jargon Buster

Absolute Return Bond Fund – a fund that seeks to achieve a positive absolute return (or increase in the overall value of the fund) over a period of 12 months regardless of market conditions

Bonds – a form of debt issues by companies (corporate bonds) or the government (gilts)

Covenant – an employer's legal obligation and financial ability to support its defined benefit scheme

Diversified Growth Funds – funds which invest in a wide range of asset classes

Equities – stocks and shares issued by companies

Financially material considerations – including (but not limited to) environmental, social and governance considerations (including but not limited to climate change), which the trustees of the scheme consider financially material

Guaranteed Minimum Pension – the pension that an occupational pension scheme (such as the RBP) needs to pay members who were contracted out of the State Earnings Related Pension Scheme between 6 April 1978 and 5 April 1997

Hedging – an investment that is made with the intention of reducing the risk of adverse price movements in an asset

Inflation hedging – hedging the risk of inflation by for example using inflation linked swaps which change the shape of the cash inflow to be a closer match to the scheme's liabilities (current and future)

Liabilities – future benefit payments that a pension scheme is required to make

Liability driven investments – investments that move broadly in line with the liabilities

Non-financial matters – the views of the members and beneficiaries including (but not limited to) their ethical views and their views in relation to social and environmental impact and present and future quality of life of the members and beneficiaries of the scheme.

Rules – the PDSA Retirement Benefits Plan (1978) Trust Deed and Rules

Self-sufficiency – the pension scheme will be able to keep running until the last pension payment is made to the last surviving member without the need for the employer to make additional contributions

Yield – the realised return on an asset such as a corporate bond often in the form of an interest or dividend payment

Summary Report & Accounts

As at 31 December 2024, the Plan's assets were worth £93.5 million. Below is a snapshot of the Plan's finances in the year to 31 December 2024

Plan assets at the start of 2024 £99,576,000

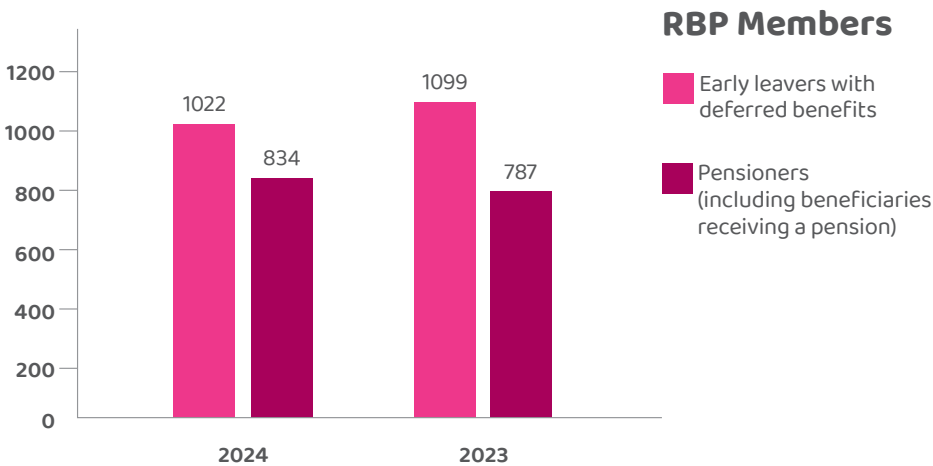
In	Total Contributions	£3,852,000
Less	Total expenditure	£5,593,000
Less	Change in market value of investments	£8,379,000
Plus	Investment income	£4,162,000

Plan assets at the end of 2024 £93,618,000

In	Regular contributions received from PDSA	£3,852,000
	Investment income	£4,162,000
		£8,014,000
Out	Benefits paid	£4,542,000
	Investment management expenses	£436,000
	Administration and actuarial fees	£492,000
	Audit and accountancy fees	£20,000
	Other expenses	£66,000
	Leavers (transfers out)	£37,000
	Change in the value of investments	£8,379,000
		£13,972,000

RBP Membership

This chart shows a comparison of the RBP's membership as at 31 December 2023 and 31 December 2024.



Investment of the RBP's assets

Investment strategy

The investment objective of the Plan is to maintain a portfolio of suitable assets of appropriate liquidity which will generate investment returns to meet, together with future contributions, the benefits of the Plan payable under the Trust Deed and Rules as they fall due.

The RBP's investment policy is set out in the Statement of Investment Principles. The latest version of the Statement of

Investment Principles can be found on the RBP website: <https://www.pdsarbp.co.uk/>

Strategy as at 31 December 2024

In February 2024, the Plan's strategic asset allocations were updated to increase the equity benchmark from 12% to 15% and correspondingly decrease the target return portfolio benchmark from 23% to 20%. This enabled some rebalancing of exposure between equity and active manager risk in line with the decision taken when the Trustee sold the Baillie Gifford proceeds (in October 2023).

On 30 September 2024, the Schroders European Property Fund paid out its final distribution. The Fund was fully liquidated and no longer forms part of the Plan's investments.

The Trustee has a strategy to gradually move the Plan's assets towards a defined self-sufficiency portfolio. As at 31 December 2024, the Plan's strategy was to hold:

- **45% in investments** that move broadly in-line with the value of the Plan's liabilities. This investment is in Liability Driven Investments (LDI) and comprises of UK government bonds (gilts), gilt repurchase agreements, interest rate swaps and cash instruments. The purpose of these assets is to hedge against the impact of interest rate and inflation movement on long-term liabilities. As at 31 December 2024, the LDI portfolio had a target to hedge 95% of the Plan's funded liabilities against movements in interest rates and inflation.
- **10% in credit assets**, including absolute return bonds and asset backed securities.
- **45% in return-seeking investments** comprising UK and overseas equities, diversified growth funds and alternative investments.

The Plan has set out target investment allocations in its Statement of Investment Strategy (SIS). The Trustee recognises that the actual allocation will vary over time as a result of market movements.

ESG Investing

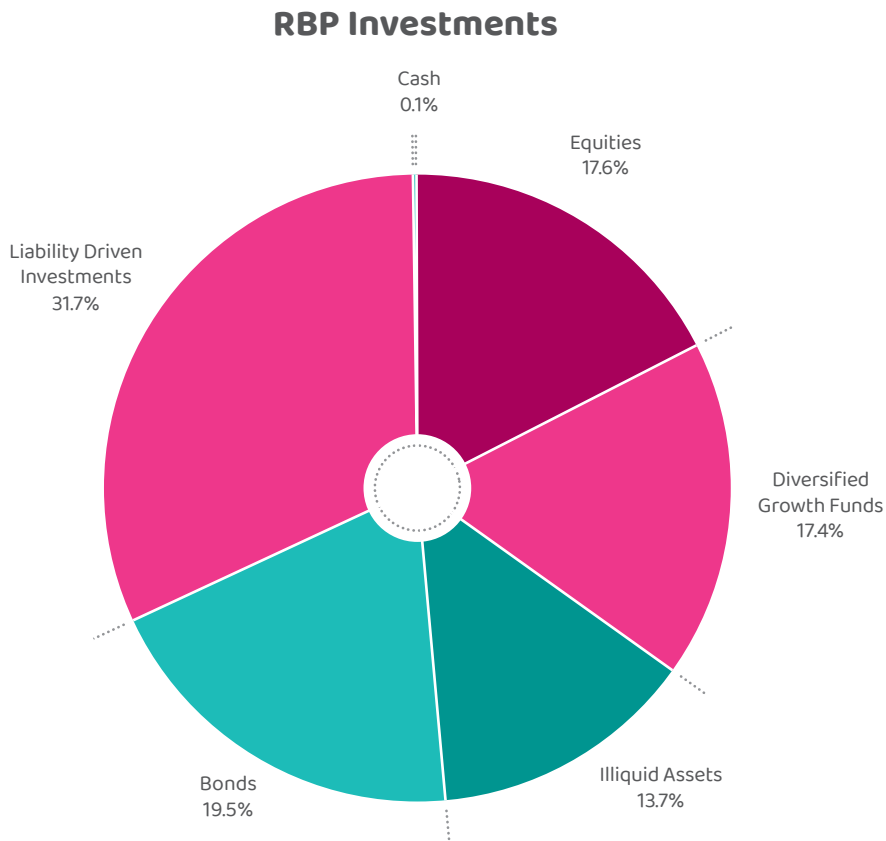
The Trustee believes that environmental, social, and governance factors are financially material and therefore has a policy to consider these, alongside other factors, when selecting or reviewing the Plan's investments. Given the maturity profile of the Plan and the objective to fund future member benefits from the Plan's assets as they fall due, the Trustee has a long-term time horizon over which they take into account the financial materiality of ESG factors (including climate change).

The Trustee believes it would be good governance to try, wherever reasonably practicable, to ensure their manager selection and existing manager monitoring process can identify investment approaches that can have a positive material impact on both risk and returns allowing for ESG issues.

For the Plan's holdings in the BlackRock ACS World Equity Tracker Fund, the Trustee has chosen to implement a Socially Responsible Investment ("SRI") focused third party proxy voting policy and votes are cast in accordance to this policy using BlackRock's voting infrastructure. This allows the Plan to incorporate a pre-defined voting policy that better reflects the Trustee's beliefs.

Investment split

The chart below shows the proportion of the overall portfolio that was invested in each asset class as at 31 December 2024:



Figures may not sum due to rounding

In addition to the above, £16.2 million is held by the RBP in insurance policies, which were purchased to match the pensions in payment in 2016. There is also £0.730 million held by the RBP in relation to members' Additional Voluntary Contributions.

The day-to-day investment management decisions are made by the investment managers appointed by the Trustee. The table below shows the proportion of the overall portfolio, excluding AVC investments, that each manager was responsible for as at 31 December 2024.

Manager	Proportion of portfolio (%)
BlackRock Investment Management (UK) Limited	26.3%
Insight Investment	51.4%
Pictet Asset Management	8.6%
Barings International Fund Managers	9.6%
Arcmont Asset Management Limited	4.1%
Total	100.0%

Economic Environment

In the 12-month period to 31 December 2024, the dominant economic factors have been high, but falling, inflation through the first half of 2024, followed by interest rates cuts through the second half of the year. In the final quarter of 2024, current inflation, and expectations of future inflation, began to rise again.

By 31 December 2023, inflation had already fallen significantly from its 2022 peak but remained above its 2% target. To bring inflation back under control the Bank of England (BoE), Federal Reserve (Fed) and European Central Bank (ECB) raised rates to their highest levels since the Global Financial Crisis and rates remained at these levels until the second half of 2024 when inflation fell close to target and central banks began to cut rates.

Falling inflation and interest rates, coupled with strong US economic growth, boosted market hopes for a “soft landing” in the global economy (where inflation falls back to target without a deep recession). This helped global equities to rise by 20.6% over the period. The US market, which makes up approximately 65% of the global index,

drove most of these gains, with technology stocks continuing to perform well on the back of market optimism over the future of artificial intelligence.

Stronger growth and more persistent inflation in the US led to markets pricing in fewer rate cuts by the Fed over 2025. The election of Donald Trump as US president exacerbated this trend as markets attempted to price in the impact of his policies such as tax cuts and trade tariffs, which are expected to raise US inflation. This caused global bond yields to rise in the final quarter of the year and led to significant movements in exchange rates as the US dollar strengthened against all other major currencies.

Over the year to 31 December 2024, all major central banks loosened monetary policy in response to falling inflation..

- The Bank of England reduced the base rate from 5.25% to 4.75%. In the September 2024 meeting, the Bank announced that it would maintain the pace at which it reduces the stock of gilts held on its balance sheet at £100 billion per year.
- cont...

- The European Central Bank reduced its deposit rate from 4.00% to 3.00%.
- The Federal Reserve reduced the Federal Funds Rate range from 5.25%-5.50% to 4.25%-4.50%.

Market Performance

The 12 months to 31 December 2024 saw strong positive returns across equities although bonds performed poorly as government bond yields rose in the final quarter of the year. Property produced a positive return over the period.

- **Equities:** Global equities produced strong positive returns across all major regions. The FTSE All World rose by 20.6% over the year to 31 December 2024. The best performing region, in local currency terms, was North America (+25.0%), and the worst performing region was Developed Asia ex-Japan (+3.4%).

The Plan is exposed to global equities through its holdings in the BlackRock iShares Emerging Market Index Fund and the BlackRock ACS World ESG Equity Tracker Fund. Both funds produced returns slightly above their respective benchmarks, and in line with the broader market, over the year to 31 December 2024.

- **Bonds:** Over the year to 31 December 2024, UK gilt yields rose at all terms longer than one year. UK fixed interest gilts (all stocks) produced negative returns (-3.3%). UK Index-Linked gilts (all stocks) also produced negative returns (-8.3%) as implied inflation rose only slightly over the year. UK corporate bond spreads (all stocks) tightened (-0.4%) over the year.

The Plan's exposure to bonds is through its holdings in the Insight Bonds Plus Fund, Insight Global ABS Fund, Insight Liquid ABS Fund, Pictet Dynamic Asset Allocation and the BlackRock Dynamic Diversified Growth Fund. All these funds outperformed their respective benchmarks over the year to 31 December 2024. The Plan's investment in government bonds through the Insight Enhanced Selection LDI Funds and Partially Funded Gilt funds all performed broadly in line with their respective benchmarks over the year.

- **Property:** The MSCI UK All Property Index rose by 6.5% over the year to 31 December 2024.

The Plan had no direct exposure to property as at 31 December 2024.

Find out more about the Society

To find out more about the Society and what they have been focusing on over the year to December 2024, you can access their annual report and accounts by clicking the following link:

www.pdsa.org.uk/what-we-do/annual-reviews

There's lots of interesting information to read about the work they do as well as the financial highlights.

RBP News

The Pensions Dashboard moves a step closer to being operational, so why not make sure all your details are correct by creating an account on the RBP member website

The Plan continues to progress one of the pension industry's most significant initiatives - the rollout of the Pension Dashboard. This government-backed project allows individuals to securely access their unclaimed state, private and workplace pension information in one place. This will help locate lost pensions and view pensions not yet in payment, with greater ease.

The Plan is set to connect in November 2025. This first connection stage will be for testing purposes with full roll out to the public not expected until a later date. The timeframe for this will be set by the Government but is unlikely to be before the summer of 2026 at the earliest.

To ensure the best chance of being able to see all your pension information once the Dashboard is available, you should make sure that all your pension schemes hold up to date information for you. **You can review and update the personal data held for you by the Plan by visiting the Plan's website and registering for an account – see the next section on how to do this.**

Manage your Plan online

If you've already registered for the RBP's member portal, known as PRISM, please ensure that we have your correct email address and your personal details including

communication preferences are all up to date. If you've not registered online yet, it's not too late to do so.

PRISM is a secure and convenient way of managing your benefits and all you need to do is register to give you access to your pension whenever you need it.

Logging onto the site has many advantages, including providing us with your email address. Holding your email address gives us the opportunity to contact you quickly should the need ever arise. The member site also gives you the opportunity to update your address and upload documents rather than sending them in the post

Visit: <https://pdsarbp.co.uk/> to register.

All you need is:

- a personal email address
- your National Insurance number
- your preferred method of contact

Once registered, you'll be able to amend your personal details and have access to current information about your pension.

At any time, you can:

- view and update your personal information - remember to let us know your spouse or civil partner's name and date of birth
- tell us how you prefer us to contact you
- update your address
- update your beneficiary
- get an idea of how much pension you're on track to receive
- request a transfer value quotation
- view and print your payslips and P60 (if you're receiving your RBP pension)

Remember, the best way to keep up with the latest information about the RBP is via the website: <https://www.pdsarbp.co.uk/>

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RBP News

continued...

Are you interested in becoming a Member Nominated Trustee Director? We're looking for someone to join the Trustee Board

The RBP's Trustee is Whitechapel Associates Limited, a corporate Trustee with responsibility for the RBP and its members. The Trustee's key responsibility is to ensure that the RBP pays benefits as they fall due. The Trustee currently consists of two Society Nominated Trustee Directors and one Member Nominated Director. We therefore aim to increase the number of Trustee Directors by adding a further Member Nominated Director.

More about the role

This is a challenging but rewarding position and the opportunity to join our Board and participate in the running of the RBP. We normally have four formal meetings each year (usually lasting around four hours), plus other ad hoc / committee meetings.

To be a pension Trustee Director, The Pensions Regulator has certain expectations and one is that within a period of six months, the Trustee Director would be expected to have a good understanding of trusteeship, the management of

pensions, pensions' law as well as the operation of the RBP.

Whilst this is an interesting role, the amount of time needed to fulfil the requirements of the position should not be underestimated. You would be expected to attend all Trustee meetings and other meetings as required. Training and time spent reading meeting papers would be in addition to meeting attendance.

To apply, you don't need to be an expert in pensions, you just need a basic understanding and an enthusiasm to learn and understand more. The Trustee Directors are committed to having a diverse Board that represents all its members and if you think you might be suitable for this role, the Trustee Board would like to hear from you.

Before applying for this position, we recommend that you visit www.thepensionsregulator.gov.uk to review your understanding of the requirements of the role.

Will training be provided?

The Pensions Regulator offers some excellent online training modules, and you would be expected to complete these over a reasonable period (normally within six months of appointment). In addition, further training and support will be provided as required to help you carry out your Trustee duties.

Eligibility

To be eligible you need to be either a deferred member of the RBP who is still employed by PDSA, or a pensioner member who was previously an active member of the RBP (so not a spouse or other dependant).

Generally, anyone aged over 18 years and over, and legally capable of holding

property is eligible to be a Trustee. A person is disqualified from being a trustee if:

- They are convicted of an offence involving dishonesty or deception (unless the conviction is spent);
- They are an undischarged bankrupt, or have entered into certain other voluntary agreements with creditors.
- They have been disqualified from acting as a company director;
- They have property in Scotland which is covered by a sequestration order;
- The person is a company and any director of the company has been disqualified from being a trustee.

The Pensions Regulator can prohibit a person from being a Trustee Director of a scheme or schemes if they are satisfied that the person is not “fit and proper” to act as a trustee.

Remuneration

Travel and reasonable expenses will be covered. A copy of the latest travel expense policy can be obtained from Karen Waters-Hewitt.

How do I nominate myself?

You should contact Karen Waters-Hewitt whose contact details can be found on page 21 in order to request more detailed information on the role and the election process. You should then complete a nomination form which should be returned to Karen Waters-Hewitt on or before 21 November 2025.

If you're not sure if the role is right for you, please feel free to contact Karen who will be happy to answer any queries you may have.

Communicating the outcome of the Nomination Process

The Trustee will inform all members of the outcome of the selection process and, if the selection process is to be re-run, this will also be announced. Details will normally be made available in the Member Report.

GMP Equalisation

In 2018 the High Court ruled that it is unfair to pay people different amounts of Guaranteed Minimum Pension based on different retirement ages due to their gender.

Now that the 2023 Actuarial Valuation is complete, we can begin the GMP equalisation project. You don't need to take any action and we'll notify those affected as part of the ongoing project.

Summary funding statement

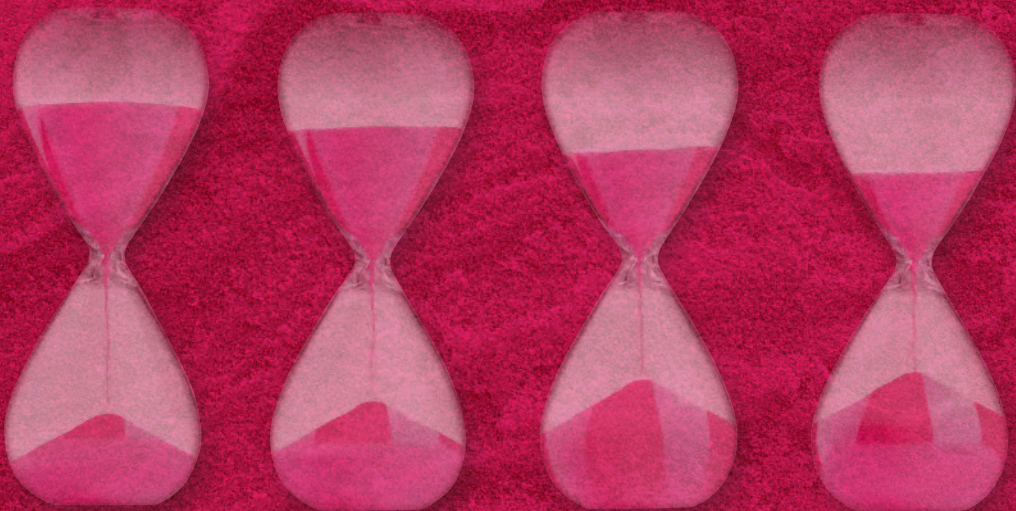
At least every three years, we carry out an actuarial valuation, which is a formal review of the RBP's funding position and the factors that influence it. We also conduct annual reviews during the inter-valuation period. The information provided below allows you to see at a glance how the RBP is funded.

How is the RBP's financial security measured?

To check the RBP's financial security we compare the value of its liabilities to its assets. The liabilities are an estimate of the amount of money required at a defined date to pay all future benefits. If the RBP's assets are a lower value

than the liabilities, it is said to have a 'shortfall'. If the assets are more than the liabilities, it is said to have a 'surplus.' We are required to set out our approach to funding in a formal document called the Statement of Funding Principles.

We carry out an in-depth look at the RBP's finances at least every three years. This is called an 'actuarial valuation' and we ask a qualified, independent professional, known as an Actuary, to do this. We also ask the Actuary to check the financial security of the RBP on an annual basis. When this is done we receive an 'actuarial report' summarising the approximate funding position.



What is the RBP's current financial position?

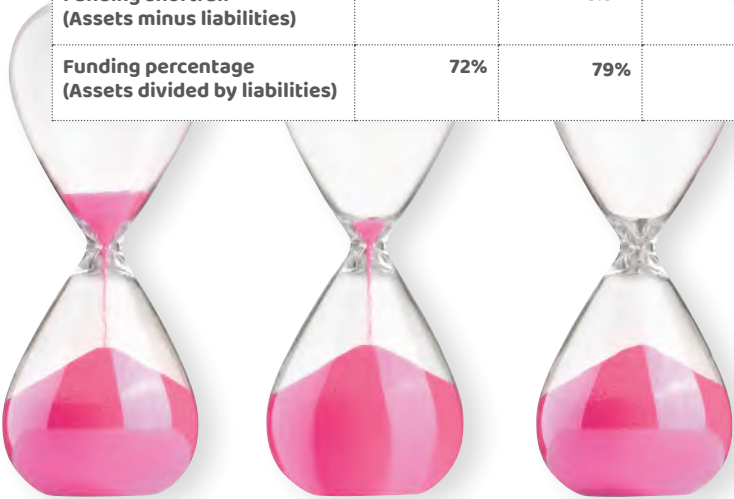
The last full actuarial valuation of the RBP was carried out as at 31 December 2023 and the results of this have been tabled below, with the 31 December 2020 results for comparison. In addition an approximate funding update has been provided as at 31 December 2024.

The valuation results at 31 December 2023 revealed a funding shortfall of £25.5million, which was an improvement of around £30m since the previous valuation as at 31 December 2020. The estimated funding shortfall at 31 December 2024 has further decreased

to £16.6 million, showing a marked improvement in the funding level over recent years. The next formal actuarial valuation to assess the financial position of the RBP will be as at 31 December 2026.

Since the most recent actuarial valuation, the assets and liabilities of the Plan have decreased as a result of benefits being paid out and rising real yields (which reduce the value of liabilities and therefore the value of the Liability Driven Investment asset portfolio). Contributions paid into the Plan by the Society combined with positive returns on the Plan's return-seeking assets have helped to improve the funding position to 85% as at 31 December 2024, up from 79% 12 months earlier.

Financial position as at end:	31 December 2020	31 December 2023	31 December 2024
RBP liabilities	£196.4	£123.5m	£109.5m
RBP assets*	£141.0	£98.1m	£92.9m
Funding shortfall (Assets minus liabilities)	£55.4	£25.5m	£16.6m
Funding percentage (Assets divided by liabilities)	72%	79%	85%



* Note – asset values may vary for different purposes due to inclusion of member's Additional Voluntary Contributions (AVCs), which need to be included in the Scheme accounts but are excluded from both the assets and liabilities in the funding summary table above.

Is the shortfall going to be paid off and, if so, how will this be done?

Following the completion of the actuarial valuation as at 31 December 2023, the Trustees of the RBP agreed a funding plan with PDSA.

The Society agreed for the following contributions to be paid into the RBP:

The Society agreed for the following contributions to be paid into the RBP:

- £3.4 million each year, payable in equal monthly instalments from 1 December 2024 to 31 December 2030, by which point the RBP is expected to be in a funding surplus.
- If a funding deficit remains at this point, PDSA has agreed to continue to pay £3.4 million per annum until the funding position is agreed to be in surplus or 31 August 2032 at the latest (the end date of the previous recovery plan).

In addition to the above, the Society will also pay a fixed amount of £450,000 a year in monthly instalments to cover the RBP's administration expenses and will pay the Pension Protection Fund (PPF) levies. The RBP has also put in place an arrangement with the Society that gives the RBP additional security to support the recovery plan.

How do you know what contributions should be paid?

Following each formal actuarial valuation, the Actuary advises the RBP Trustee of the amount of contributions that should be paid into the RBP so that we can expect to be able to continue to pay members' pensions. The Trustee then agree a level of contribution with PDSA

and this is recorded in a document called the 'Schedule of Contributions.'

The RBP Trustee reviews and updates the Schedule of Contributions each time the RBP has an actuarial valuation (i.e. at least every three years). The latest Schedule of Contributions was signed on 29 November 2024.

The actuarial valuation and Schedule of Contributions follow standards the Trustee has set out in a 'Statement of Funding Principles.' This document describes how the Trustee will manage the RBP with the aim of being able to continue to pay members' benefits.

Is my pension guaranteed?

The Trustee's aim is for there to be enough money in the RBP to pay pensions now and in the future, but this depends on PDSA continuing to operate and pay for the RBP.

If PDSA were to cease operation or to decide to stop paying for the RBP, it must pay the RBP enough money to buy all the benefits built up by members from an insurance company. This is known as the RBP being 'wound-up'.

Is there enough money in the RBP to provide my full benefits if it were to be wound-up?

If the RBP had started winding up at 31 December 2023, the actuary estimates that the RBP would have needed assets of £153.8 million in order to buy insurance policies to provide members' benefits in full (known as the discontinuance figure); with assets of £98.8 million this corresponded to a shortfall of

approximately £55.0 million. Note that the asset valuation is higher for this purpose than the funding assessment, due to a higher actuarial value being placed on the insured asset and liability for discontinuance purposes. The Actuary will provide a formal update of this figure as part of the 2026 actuarial valuation.

The cost of providing for all the benefits immediately in this way is much higher than the expected cost of paying for them gradually over future years and, in addition, insurance policy prices will include the insurance company's administration charges and profit margin. Even if a scheme has sufficient assets to meet its ongoing funding target (see current financial position above), the winding up position is likely to be below 100%.

The fact that we have shown the winding up position, does not mean that PDSA is thinking of winding up the RBP. We are legally obliged to advise you of this information to help you understand the financial security of your benefits.

In the unlikely event that the RBP were to be wound-up, PDSA must by law, pay enough into the RBP to secure all the benefits built up by members with an insurance company. In cases where an employer is unable to do this due to insolvency, the Pension Protection Fund (PPF) can take over liabilities, though this would be less than the full benefits you have earned in the RBP. However, while the RBP remains ongoing, even though the funding may be below target,

benefits will continue to be paid in full.

Further information and guidance is available on the PPF website at: <https://www.ppf.co.uk/> or you can write to:

Pension Protection Fund
12 Dingwall Road
Croydon
Surrey CR0 2NA.

The Pensions Regulator

The Pensions Regulator can amend future benefits of the RBP, give directions about working out the funding target or impose contribution rates on it. We are pleased to say that it has not needed to use its powers in this way for the RBP.

The Pensions Regulator requires us to tell you in this statement if there have been any payments to PDSA out of the RBP in the last 12 months. There have not (and this would be an unusual thing to happen). There are more details available about The Pensions Regulator and its powers at <https://www.thepensionsregulator.gov.uk/>

Current issues in the pensions world

Triple lock state pension increase

Under the triple lock policy, the state pension increases every year by whichever is the highest of inflation, earnings growth or 2.5%.

This means that for April 2025 pensioners in receipt of the state pension received a 4.1% increase.

Tax rates and lump sums

There will be no change in the amount of tax-free cash you can take from your pension when you retire. You can still take up to 25% of your pension tax free, capped at £268,275. However individuals with protections in place will have a right to a higher amount of tax free cash.

For those still contributing to a pension plan, tax relief rates for pensions also haven't changed, therefore you will continue to receive the current tax relief on your own pension contributions.

Pensions are now subject to Inheritance Tax

Previously pensions were generally exempt from Inheritance Tax, but from April 2027, unused pensions from defined contribution arrangements and death benefits may be subject to inheritance Tax. This generally applies to estates worth over the threshold of £325,000

Rise in the Minimum Pension Age

The Government plans to increase the minimum pension age for accessing pension savings from 55 to 57. This is expected to be in place from April 2028 and will tie in with an increase to the State Pension age, which will rise from 66 to 67. After 2028, the Government plans to keep the minimum pension age around 10 years earlier than the state pension age.

Lifetime Allowance

The Lifetime Allowance for pensions was abolished on 6 April 2024. There are now two new allowances, the Lump Sum Allowance and the Lump Sum and Death Benefit Allowance. The Lump Sum Allowance limits the amount of tax-free cash that can be taken as a lump sum. In addition, if you have previously used some of your Lifetime Allowance, this will be taken into account when calculating your new allowance.

Annual Allowance

The Annual Allowance is a limit to the total amount of contributions that can be paid to a defined contribution pension scheme and the total amount of benefits that you can build up in a defined benefits pension scheme (such as the RBP) without paying a tax charge. For defined contribution pensions schemes (such as the PDSA Group Personal Pension Plan (the GPP)), the amount to measure against the limit is simply the total employee and employer contributions paid during the year.

It's a bit more difficult for defined benefit pension schemes (such as the RBP), where the value of the benefits you build up each year need to be calculated. The limit is set by HMRC and if you exceed this, you may need to pay an Annual Allowance charge to HMRC.

For most people, the Annual Allowance for the 2025/2026 will be 100% of your earnings or £60,000, whichever is lower. A lower Annual Allowance applies to some people who are subject to either the Money Purchase Annual Allowance (see below) or the Tapered Annual Allowance (which applies to high earners).

If you access defined contribution benefits under the pension freedoms legislation, and you want to continue paying contributions to a defined

contribution pension scheme, you will have a reduced annual allowance of £10,000 towards your defined contribution payments. More information on this can be found on the Pensions Advisory Services website: <https://www.pensionsadvisoryservice.org.uk/about-pensions/saving-into-a-pension/pensions-and-tax/the-annual-allowance>

If you trigger the Money Purchase Annual Allowance you will still have an Annual Allowance of £60,000 in total, but no more than £10,000 can be paid into a defined contribution pension scheme (like the GPP) in a tax efficient manner.

If you have any concerns about your Annual Allowance position, you should seek independent financial advice.

Don't let a scammer enjoy your retirement

Scammers are targeting pension pots of all sizes – make sure you know how to spot the signs

Pension scammers are targeting people like you with the average victim losing £91,000 each. Scams are hard to spot and are often disguised with credible websites, testimonials and materials which make them look like the real thing.

To help you spot the signs and protect yourself from a scam, the Pensions Regulator and Financial Conduct Authority suggest that you find out more about how scams work by reading the Pensions Scams webpage which can be found here: <https://www.fca.org.uk/consumers/pension-scams>

The Pension Scam Action Group recommend you should read their Pension scams leaflet which can be found

on the following webpage: <https://www.thepensionsregulator.gov.uk/en/about-us/what-tpr-does-and-who-we-are/pension-scams-action-group>

Stop and ask yourself:

- Is the offer unexpected?
- Have you checked who you're dealing with?
- Stop and think –are you being rushed or pressured
- Should you seek impartial advice or guidance?

Before taking action, please take the time to read the full leaflet by visiting the site via the link shared above. It could prevent you losing you pension savings.

The RBP Trustee

Whitechapel Associates Limited acts as the Trustee to the RBP and is responsible for ensuring it is run in line with its governing documents and relevant legislation (for example pensions and tax law). Your current Trustee Directors are:

- **Ian Phoenix** – Chair of the Trustee – PDSA Nominated Trustee Director
- **Robert Beck** – Member Nominated Trustee Director
- **Lloyd Hughes** – PDSA Nominated Trustee Director

The Trustee is able to appoint professionals to look after the day-to-day running of the Plan, however, the Trustee remains ultimately responsible for the Plan.

Plan Administrator

Should you have any queries or updates (such as a change of address) you can contact Hymans Robertson LLP whose details can be found below:

Post: Hymans Robertson LLP, PO Box 27168, Glasgow, G2 9ND

Email: PDSAPensions@hymans.co.uk

Phone: 020 7082 6319

Additional information -

Where can I get further information?

The following documents provide further information and can be either found on the RBP website: <https://pdsarbp.co.uk/> or are available on request from Karen Waters-Hewitt, the Pensions Manager, at PDSA Head Office:

- **The Formal Actuarial Valuation Report** – this contains the details of the Scheme Actuary's check of the RBP's funding position as at 31 December 2023.
- **The Statement of Funding Principles** – this explains how the Trustees manage the RBP with the aim of being able to provide the benefits that members have built up.
- **The Schedule of Contributions and Recovery Plan** – these show how much money is being paid into the RBP by PDSA and the contributing members, the Schedule of Contributions include a certificate from the actuary showing that it is sufficient to meet the requirements set out by law.
- **The Statement of Investment Principles** – this explains how the Trustees invest the money paid into the RBP and can be found on the RBP website: <https://pdsarbp.co.uk/>
- **The Implementation Statement** – this covers how voting and engagement policies have been followed and can be found on the RBP website: <https://pdsarbp.co.uk/>
- **The 2024 Annual Report and Accounts of the RBP** – this shows the RBP's income and expenditure in the year to 31 December 2024.
- **The Annual Actuarial Report** – this contains the details of the Actuary's approximate check of the RBP's funding position as at 31 December 2023

If you would like more details on anything we have covered in this Member Report or if you have any questions in general please contact:

Karen Waters-Hewitt, Pensions Manager

The People's Dispensary for Sick Animals
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Telford
Shropshire
TF2 9PQ

T: 01952 290999

E: waters-hewitt.karen@pdsa.org.uk



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