



# Belron - UK Pension Plan

## Trustee Report to Members

### 2025



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# A message from the Chair



When the news isn't focusing on war and disasters, or political parties tearing themselves apart, or sport, the subject of pensions often creeps in. It seems that governments, right or left, can't help themselves but 'tinker' with the system. It's pretty much guaranteed that, each time they do so, the system becomes more complicated. Then they wonder why most people don't understand the subject, meaning they 'tinker' again and, in seeking to achieve simplicity, add yet more complexity.

I often wondered why this was until, a few years ago, I had the honour of meeting with the then Pensions Minister Steve (now Sir Steve) Webb. I already knew him to be both expert in his subject and a person who was (and is) genuine and principled, with a clear vision about how the pensions system should work for the benefit of all.

As the meeting was wrapping up, he asked me what, if I could, I would change about the pensions system. I made three suggestions and, each time, his answer was "that's not me, that's the Treasury". With that, the penny dropped for me that, no matter how well intentioned is the Pensions Minister and how sensible his or her plans are, if the 'man from the Treasury' says no,

it won't happen. I don't know but I can imagine that this roadblock may well be what contributed to a subsequent Pensions Minister, Ros Altmann (whom I also respect enormously), to leave the Cabinet far too soon.

For much of the early part of this century, pension schemes wrestled with deficits. However, in recent years, that has reversed for most and now the FTSE 100 companies alone are sitting on an estimated £40 billion (as at the end of 2024). In the meantime, the regulatory system, after many years, finally concluded its framework for how schemes should deal with deficits many no longer have!

The current Government (or at least its Treasury) has, perhaps unsurprisingly, pivoted to focus on how to allow these surpluses to be released and utilised. Whether that's a good thing or not, it's probably best that I keep my opinion to myself! What I do know is that it will produce yet more regulations with which the industry will have to wrestle.

Before these new regulations hit us, your trustees continue to work on the existing ones, such as GMP Equalisation, benefit analysis, and data validation (in preparation for the forthcoming

Dashboard launch), more details of which will be communicated at the relevant time. I am minded here to think of Michelle in 'Allo, 'Allo! (for those of you old enough to remember it!) and her phrase 'listen carefully, I will say this only once'. I don't think you'd thank us for telling you about the likes of GMP Equalisation more than once!

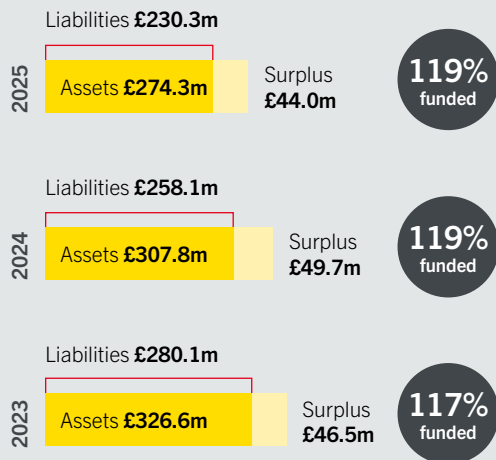
Forgive me for sounding like a broken record but please do sign on to [www.mypension.com/belron](http://www.mypension.com/belron) if you haven't done so already. We'd really love to get to the stage where we can abandon paper (almost) altogether and do everything online. Aside from saving some trees, it will make things easier for you, not least for not having to go through the pain of 'now where did I put that piece of paper?'

**Robert Bass**

# Summary Funding Statement



The Trustee is required to provide you with this statement giving you an update about the Plan's financial security. We're pleased to share the results of the three-yearly actuarial valuation at 31 March 2023, along with a yearly update at 31 March 2024 and 31 March 2025.



## The last actuarial valuation at 31 March 2023

An actuarial valuation is an exercise to compare how much money the Plan has (its assets) with how much it needs to be able to pay everyone the benefits they are entitled to (its liabilities). If the Plan's assets are more than its liabilities, there is a surplus; if they are less, there is a shortfall or deficit.

Full valuations usually take place every three years and the last one was on **31 March 2023**, with a yearly update on **31 March 2024** and **31 March 2025**. The results of these valuations are shown on the left.

## Plan contribution arrangements

The Plan is in surplus, therefore does not require a recovery plan. Due to the surplus in the Plan the Company has ceased to pay contributions. However, this is monitored and if the funding level falls below 112% then contributions will be reinstated.

## Change in funding position since previous statement

Since the March 2024 update, interest rates have increased. This has resulted in a reduction in the value on the Plan's liabilities. The investment strategy is designed to match changes in the liabilities in order to ensure that benefits can be paid to members. The assets correspondingly fell in line with the liabilities which means the funding level has remained strong over the last year.

## Payments to the Company

We have to tell you that there has not been any payment made to the Company out of the Plan's assets since the last Summary Funding Statement.

## Winding-up

Should the Plan be wound up, the duty to pay all members' benefits may be transferred to an insurance company. In the 2023 valuation it was estimated that the amount needed to secure all the Plan's benefits was £291.9m, which was £34.7m more than the Plan's assets. This is just an indication and is required under legislation, it does not mean that the Trustee or Company are considering winding up the Plan.

## What would happen if the Plan started to wind up?

Whilst the Plan is still running, even if funding were temporarily below target, benefits will still be paid in full. If the Plan did start to wind up, benefits may be secured with an insurance company. If there weren't enough assets to secure all the benefits, the Company would have to make up the difference. You might not get all of the benefits you have built up, especially if the Company is not there to pay for any shortfall. In this case, the Pension Protection Fund (PPF) might be able to take over the Plan and pay compensation to members. Further information is available at [www.ppf.co.uk](http://www.ppf.co.uk)

It is only if the Company became insolvent and assets available to the Plan were insufficient to secure PPF level benefits that the Plan would apply for entry to the PPF.

Given the strong funding position of the Plan (as well as the ongoing support of the Company) it is highly unlikely that the Plan would apply for entry to the PPF.

## How is my pension paid for?

The Plan is a defined benefit pension arrangement. This means members build up benefits based on length of service and their salary. The Plan has a pool of money (assets) to pay for these benefits as they become due; it does not hold assets separately for each individual. The Trustee's goal is for the Plan to have enough money to pay all members their benefits, both now and into the future.

## How do you work out how much the Plan needs?

As part of the three-yearly actuarial valuation, the Trustees agree a funding plan (the Statement of Funding Principles) with the Company, which aims to make sure there is enough money in the Plan to pay for pensions now and into the future.

## Why doesn't the Trustee aim to have enough money to secure benefits on wind up?

Insurers take a very cautious view of the future and need to make a profit; they will also take into account the future cost of running the Plan. This means the cost of securing pensions in this way is considerably more expensive than if the Plan runs normally with the continuing support of the Company. Aiming to have enough money to cover that cost would likely mean that the Plan will have far more than it actually needs if it keeps running.

However favourable performance in the past means it is currently estimated that the Plan is likely to have sufficient assets, as noted on first page.

## Thinking of leaving the Plan?

If you are thinking of leaving the Plan for any reason, you should talk to an impartial financial adviser before doing so; you can find one local to you at [www.moneyhelper.org.uk](http://www.moneyhelper.org.uk) (search **Choosing a financial adviser**).

# Pensions news



## Changes in lump sum allowances

Everyone in the UK has a yearly limit on how much they (or their employer) can pay into their pension before extra tax charges might apply. This is called the **annual allowance**. For most people, it's **£60,000** per tax year. If your pension savings go over this, you might face a tax charge, although in some cases, your pension scheme can pay the charge for you from your pension savings.

There are some instances that a reduced allowance may apply. For example, if your total income (including employer pension contributions) is over **£260,000**, your annual allowance may be gradually reduced to a minimum of **£10,000**. This is known as the **tapered annual allowance**.

If you've accessed your pension flexibly, for example, taking a lump sum or drawing income, your contributions to defined contribution pensions are limited to the **money purchase annual allowance**, which is currently **£10,000**.

## Tax-free lump sums

When you start drawing your pension, you can usually take up to 25% of your pot tax-free (subject to scheme rules). This is known as the pension commencement lump sum. It may be limited to the lump sum allowance, which was introduced when the lifetime allowance was abolished. The **lump sum allowance** limits your pension commencement lump sum to **£268,275**.

In addition, the **lump sum and death benefit allowance** limits your tax-free lump sums and any lump sums paid out if you pass away or have a serious illness to **£1,073,100**.

These allowances replaced the old lifetime allowance system as of 6 April 2024.

Some people might have protected higher allowances if they applied for protection under the old rules. You'll need to provide evidence of this when taking your benefits. If you took pension benefits before 6 April 2024, this may reduce how much tax-free cash you can take now. In some cases, a transitional certificate can help preserve more of your allowance.

## Smaller lump sums

If your pension is relatively small:

- You may be able to take a **small lump sum** (under £10,000), which can be partly tax-free and doesn't count towards your lump sum allowances.
- If your total pension value is under **£30,000**, you might be eligible for a **trivial lump sum** — a one-off payment, typically for those over 55 with small defined benefit pensions.

For more detailed guidance, check the GOV.UK website: [www.gov.uk/tax-on-your-private-pension](https://www.gov.uk/tax-on-your-private-pension)

## Pensions dashboards

Many people build up several pots over their careers, and it can be hard to keep track. The pensions dashboards will enable individuals to access their pensions information online, securely and all in one place. This includes your workplace pensions, personal pensions and your State pension, so you have a clear picture of what you have saved.

The Belron - UK Pension Plan went live on the Dashboard in September this year. It is anticipated that members will have access to the Dashboard via their Government Gateway account by the end of 2026.

## Inheritance tax – what's changing?

From April 2027, if you pass away with unused pension, it might be taxed as part of your estate, in the same way as your house or savings. This means it could be subject to inheritance tax (IHT), depending on the total value of everything you leave behind.

### Who will be affected?

If your total estate (including pension) is over the IHT threshold (£325,000 or £500,000 with property allowance), then your pension could be taxed at 40%. Executors (the people sorting out your will) will be responsible for paying any IHT due on your pension.

### What's still tax-free?

- Anything left to your spouse, civil partner, or a charity;
- Death-in-service benefits from work pensions.

### What should you do now?

- Check who your pension savings goes to (your beneficiary).
- Consider speaking to a financial adviser if your estate might go over the IHT limit.

## Quick recap

### Before April 2027

- Pension usually not taxed at death
- Executors don't deal with pension tax
- Tax-free to anyone named as a beneficiary

### After April 2027

- Unused pension may be taxed as part of your estate
- Executors must report and pay IHT on pension
- Only tax-free to spouse/partner or charity

## Increase in minimum retirement age

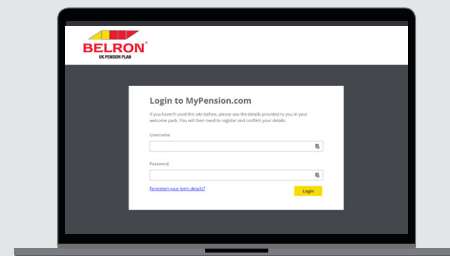
Currently, you must be aged 55 or over to start to receive your pension. This is called the normal minimum pension age (NMPA) and it's set by the Government. From 6 April 2028, the minimum pension age will increase to 57. **This means that, from 6 April 2028 you'll need to be aged 57 or older before you can start taking money from your pension.**

There are still some circumstances where you can take money earlier, for example if you're suffering from ill health or if you were born

between 6 April 1971 and 5 April 1973, where you will have a window from your 55th birthday to 5 April 2028 to access your pension before the minimum retirement age increases to 57. If you fall within this age bracket, it is important to review any retirement plans you may have made.

## MyPension – Are your details up to date?

It's important that our administrator holds correct details for you. Please remember to check that your address and email details are correct on [www.mypension.com/belron](http://www.mypension.com/belron)



# Investment performance

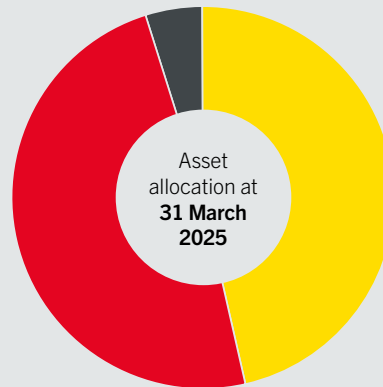


The Plan's assets are managed by Legal & General Investment Management (LGIM) and Baillie Gifford. The total value of the Plan's assets at **31 March 2025** was **£275.1m**.

Over the Plan year, the Plan's assets have decreased in value from £308.5m to £275.1m. The objective of the investment strategy is to ensure that the value of the assets broadly moves in line with the value of the liabilities (the total value of the benefits payable to the Plan's members) so that the funding level is maintained. This objective was achieved over the year and the funding level remains strong. Overall, the funding level of the Plan remains strong and was 119% at 31 March 2025.

## Asset Allocation

The asset allocation strategy over the year was to hold broadly: 95% in matching assets and 5% in return-seeking assets. The actual asset allocation at 31 March 2025 is shown here:



● Liability Driven Investment	48.7%
● Maturing Buy & Maintain fund	46.5%
● Return Seeking assets	4.8%

## Legal & General Investment Management

### Liability Driven Investment (LDI)

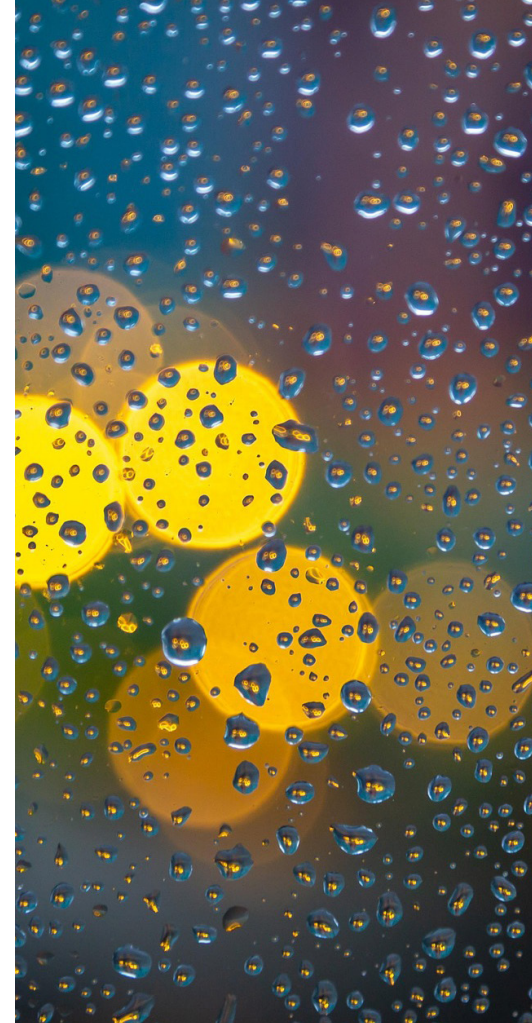
The LDI strategy was implemented in 2020. It aims to hedge against funding level risk, particularly interest rate and inflation risk; two of the biggest financial risks to the Plan's funding level. The Fund has performed in line with its expectations over the year to 31 March 2025.

### Buy & Maintain

The objective of the Maturing Buy & Maintain fund is to match movements in the Plan's liabilities (the pension benefits payable) in a cost-effective way and to provide income as the underlying bonds mature, which helps to match future benefit outgoings as the Plan matures. The Fund has performed in line with its expectations over the year to 31 March 2025. The Trustee continues to monitor the income from the fund against the expected cashflow needs of the Plan.

### Baillie Gifford Global Stewardship Fund

The fund objective is to outperform (after deduction of costs) the MSCI ACWI Index by at least 2% per annum over rolling five-year periods. The fund achieved a return of 2.6% in the year to 31 March 2025, which was behind the index return of 7.5%. Over the 5-years to 31 March 2025 the index return was 17.1%, whilst the Fund achieved a return of 7.3%. It is disappointing that the Fund has underperformed against its target return and the trustees have been closely monitoring the Fund's performance. The 12 months to 31 March 2025 were characterised by extraordinary volatility and structural shifts. Baillie Gifford has been strategically repositioning the portfolio to enhance its resilience, diversification and sustainability credentials. The Trustee continues to monitor the fund performance, whilst maintaining a long-term view of steady growth.



# Ins and outs of the Plan



Here are the movements in the Plan's assets during the financial year ending 31 March 2025.

<b>Assets at 31 March 2024</b>	<b>£308,454,212</b>
Employer contributions	£330,236
Other income (Death in service payment)	£220,166
<b>Total income</b>	<b>£550,402</b>
Benefits paid	-£8,614,370
Administrative expenses	-£594,647
Other payments	-£156,434
<b>Total payments</b>	<b>-£9,365,451</b>
Net return on investments	-£24,381,554
<b>Assets at 31 March 2025</b>	<b>£275,257,609</b>

# The Trustee



The Trustee is responsible for ensuring that the Plan is run in accordance with the Trust Deed and Rules and complies with all relevant legislation. The individual trustees are committed to continually improving and updating their knowledge. A training day is held every year and each trustee has either achieved or is working towards the Award in Pension Trusteeship, an industry recognised qualification.

## Chair

- Robert Bass

## Independent Trustees

- Carol Madeley
- Leslie Robb

## Company nominated

- Nina Platt
- Anshu Varma

## Member nominated

- Mike Pert
- Mark Reay
- Paul Warner

## Secretary to the Trustee

- Camilla Manning

## Trustee's Advisers

The trustees' job would be impossible without the assistance and advice from their advisers. During the year the Plan's advisers were:

- **Administrator**  
XPS Administration Ltd
- **Actuary & Investment Consultants**  
XPS Ltd and XPS Consulting Ltd
- **Auditor**  
Ernst & Young
- **Investment Managers**  
Baillie Gifford & Co  
Legal & General Investment Management
- **Custodian Trustee**  
BNY Mellon
- **Solicitors**  
Gowling WLG

# Get in touch



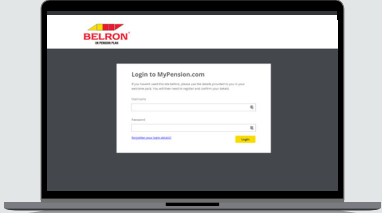
If you would like further information about the Plan, please contact the Pensions Team. The team can be contacted in the following ways:

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

🌐 [www.members.pensionpal.co.uk/belronpensions](http://www.members.pensionpal.co.uk/belronpensions)

✉ Pensions Team  
Autoglass  
1 Priory Business Park  
Cardington  
Bedford  
MK44 3US

This report provides a brief summary of the formal Trustee's Annual Report and Accounts for the year ended 31 March 2025. You are welcome to request a copy of the full Trustee's Annual Report and Accounts or any other document relating to the Plan, including the latest Actuarial Valuation report, Statement of Investment Principles, Statement of Funding Principles, and Schedule of Contributions. You can request a copy of any of these documents from the Pensions Team.



**MyPension**

Have you logged on to MyPension recently? Just go to [www.mypension.com/belron](http://www.mypension.com/belron) to view your pension details.

If you've lost your login details, please click **Forgotten your login details** on the login page or contact XPS Administration at [enquiries@mypension.com](mailto:enquiries@mypension.com)

If you've not registered before and need your login details, please contact the XPS Administration team at [belronadmin@xpsgroup.com](mailto:belronadmin@xpsgroup.com) or call **0118 313 0948**.