

Gems Sensors Pension Plan

Pensions Bulletin – June 2025

Welcome to the latest edition of Pensions Bulletin, your newsletter from the Trustee of the Gems Sensors Pension Plan (“the Plan”), keeping you up to date with Plan developments and news from the pensions world in general.

We hope you find this latest edition helpful and would very much welcome feedback on the issues covered in this newsletter as well as the opportunity to answer any of your questions. You can contact the Trustee by writing to us using the appropriate contact details under the section ‘Get in touch with us’ on page 10 of this newsletter.

Keeping us informed of changes in address

Please remember to tell us if your address changes. This will enable us to keep in touch with you with news of the Plan and, if your pension is not yet in payment, contact you when your benefits are due for payment.

John Breedon and Andrew Firbank

For and on behalf of PAN Trustees UK LLP as **Trustee of the Plan**

Who’s who?

Your Trustee Board

The current Trustee of the Plan is PAN Trustees UK LLP represented by John Breedon and Andrew Firbank.

PAN Trustees UK LLP is an independent professional pension trustee company. More information about John, Andrew and PAN Trustees can be found on their website: www.pantrustees.co.uk.

Where the sole trustee of a pension scheme is an independent trustee company there is no requirement under the Pensions Act 2004 for member nominated trustees to be appointed.

Advisers

Managing the Plan, to ensure compliance with current pensions legislation so that members’ interests are best protected, is a complex task. To assist in this task, the Trustee calls upon the services of independent advisers, with whom the Trustee works closely, to ensure that the Plan runs smoothly.

Gallagher (formerly known as Buck) provides actuarial, investment, consultancy, and secretarial services to the Trustee. Gallagher also undertakes the day-to-day administration of members’ benefits on behalf of the Trustee.

The Scheme Actuary, who advises on the funding of the Plan, is Mike Whittaker of Gallagher.

Ensors continue to audit the Plan’s accounts and CMS Cameron McKenna Nabarro Olswang LLP (CMS) remain the Trustee’s legal advisers. In addition, PricewaterhouseCoopers provide covenant advice to the Trustee.

Plan highlights

The Trustee produces a formal report and financial statements each year, including full details of all the money coming into and going out of the Plan.

The following table is a snapshot of the financial statements for the Plan year ended 5 April 2024.

	5 April 2024 £	5 April 2023 £
Value of the Plan at the beginning of the year:	11,518,893	14,869,399
Expenditure (money paid out):		
Benefits paid	(607,597)	(808,719)
Transfers out	(15,611)	-
Administrative Expenses	(327,658)	(267,783)
Total expenditure:	(950,866)	(1,076,502)
Net returns on investment:	15,718	(2,274,004)
Value of the Plan at the end of the year:	10,583,745	11,518,893

Changes in the membership

	2024	2023
Deferred members	41	47
Pensioner members (including insured pensioners)	127	130

Funding update

The Trustee is responsible for making sure that the Plan has sufficient funds necessary to provide all the benefits promised to members. Every three years the Scheme Actuary checks the Plan's ongoing funding position in a formal exercise known as a triennial valuation. The latest triennial valuation completed was as at 5 April 2022. The next triennial valuation as at 5 April 2025 is in progress and will be completed by 5 July 2026. In between the triennial valuations the Scheme Actuary performs annual approximate updates to monitor the funding position.

The Trustee shares this information with members in the form of a Summary Funding Statement. The latest Summary Funding Statement issued to members in January 2025 provided a recap on the results of the triennial valuation as at 5 April 2022 and results of the interim funding update as at 5 April 2023 and 5 April 2024.

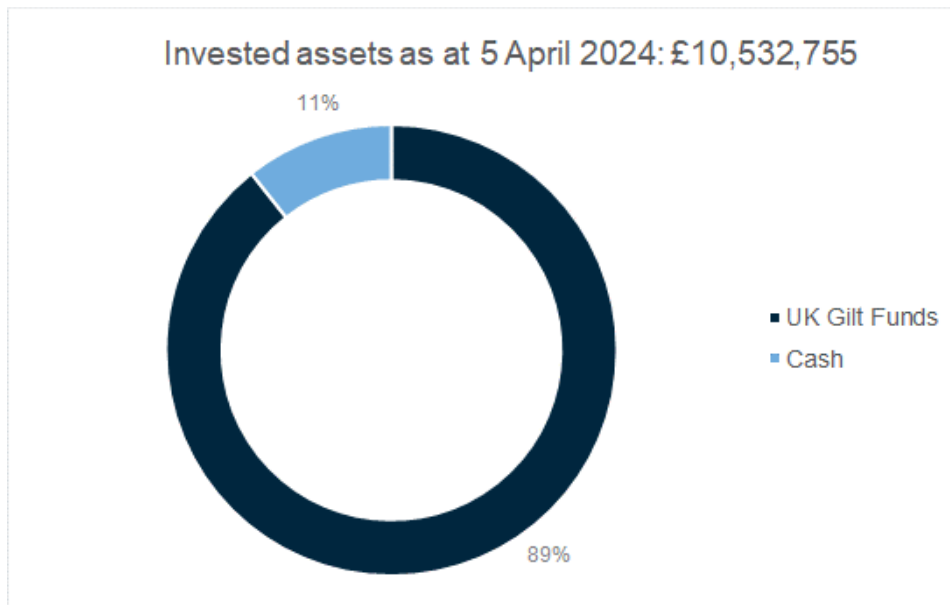
The Trustee continually monitors the funding position and a Summary Funding Statement will be provided with the results of the 5 April 2025 actuarial valuation in 2026.

Investment update

For the Plan year to 5 April 2024, the Plan's investments have continued to be held in UK Gilt funds. The funds provide exposure to UK government bonds with the aim of hedging its liabilities (i.e. ensuring the assets move in a similar way to the cost of providing benefits), which is monitored closely through investment strategy monitoring reports. The day-to-day management of the Plan's investments is delegated to professional investment managers. As at 5 April 2024, the Plan's investments were managed by Legal & General Investment Management Limited (LGIM).

Gallagher provides regulated advice to the Trustee in respect of the Plan's invested assets.

At 5 April 2024, the mix of assets was as follows:



Summary of investment performance

During the one-year period to 31 March 2024, the Plan achieved an overall return on assets of 0.4%. This return figure is net of basic annual management fees. The strategy implemented is designed to match movements in asset values with the cost of providing benefits to members (i.e. the Plan's liabilities), so this return should not be of a concern to members.

Statement of Investment Principles and Engagement Policy Implementation Statement

The Trustee has produced a Statement of Investment Principles (SIP), which incorporates the investment strategy, in accordance with section 35 of the Pensions Act 1995.

The Trustee published its Engagement Policy Implementation Statement for the year ended 5 April 2024, which sets out the extent to which the Trustee's policies relating to the exercise of voting rights and engagement activities have been followed during the year.

You can access the latest SIP and Engagement Policy Implementation Statement by clicking on the following link: <https://members.pensionpal.co.uk/GemsSensorsPensions>.

Pensions news

State Pension age

Your State Pension age depends on your date of birth. For most individuals, the current law means that State Pension age is known.

You can check your State Pension age on the calculator at: www.gov.uk/state-pension-age.

State Pension age is age 65 for men born before 6 December 1953 and age 60 for women born before 6 April 1950. For women born between 6 April 1950 and 5 December 1953, State Pension age is between 60 and 1 month and 65 depending on the woman's date of birth.

State Pension age is age 66 for men and women born between 6 October 1954 and 5 April 1960. For those born between 6 December 1953 and 5 October 1954, it is between 65 and 1 month and 66 depending on their date of birth. For those born between 6 April 1960 and 5 March 1961, it is between 66 and 1 month and 67 depending on their date of birth.

State Pension age is age 67 for men and women born between 6 March 1961 and 6 April 1977 and age 68 for men and women born after 6 April 1978. For those born between 6 April 1970 and 5 April 1978 the Government had proposed (in July 2017) that the change to age 68 be brought forward (meaning that it could be between 67 and 68 depending on their date of birth). Following the publication of a review on 30 March 2023, it has been confirmed that the change to age 68 is due to be reconsidered by the Government.

Increase to Normal Minimum Pension Age (NMPA)

The earliest age you are currently allowed under pensions tax law to take your pension savings is age 55 (unless you are in ill health or have a protected pension age (i.e. a right to take benefits before the normal minimum pension age)).

From 6 April 2028, normal minimum pension age will increase to age 57 in line with the increase in State Pension age to 67. The intention is that from then on, the minimum pension age in the tax rules would remain ten years below State Pension age.

Remember that if you take your pension early, the income you get is likely to be lower, as you're taking it earlier than the normal pension age, and it will probably be paid for longer.

Pension scams – be ScamSmart with your pension

Pension scams are on the rise in the UK. The internet and advances in digital communications mean these kinds of scams are getting more common and harder to identify.

The FCA's joint campaign with The Pensions Regulator advises 'Don't let a scammer enjoy your retirement' and lists four simple steps.

Step 1 – Reject unexpected offers – If you're contacted out of the blue about your pension, chances are it's high risk or a scam. Be wary of free pension review offers. A free offer out of the blue from a company you have not dealt with before is probably a scam.

Step 2 – Check who you're dealing with – Check the Financial Services Register (fca.org.uk/firms/financial-services-register) to make sure that anyone offering you advice or other financial services is FCA-authorized. Beware of fraudsters pretending to be from a firm authorised by the FCA, as it could be a 'clone firm'. Use the contact details provided on the FCA Register, not the details they give you.

Step 3 – Don't be rushed or pressured – Take your time to make all the checks you need – even if this means turning down an 'amazing deal'. Be wary of promised returns that sound too good to be true and don't be rushed or pressured into making a decision.

Step 4 – Get impartial information and advice – MoneyHelper (www.moneyhelper.org.uk/en/pensions-and-retirement) provides free independent and impartial information and guidance.

Pension Wise is a service from MoneyHelper (www.moneyhelper.org.uk/pensionwise) – If you're over age 50 and have defined contribution pension savings, Pension Wise offers pre-booked appointments to talk through your retirement options.

Financial advisers – It's important you make the best decision for your own personal circumstances, so you should seriously consider using the services of a financial adviser. If you do opt for an adviser, be sure to use one that is regulated by the FCA and never take investment advice from the company that contacted you or an adviser they suggest, as this may be part of the scam.

Lifetime allowance – changes from 6 April 2024

Up until 6 April 2024, the lifetime allowance placed a limit on the value of pension that could be drawn from all your pension schemes (apart from the State Pension). The lifetime allowance was £1,073,100.

If the value of your pension savings exceeded this allowance, you may have had to pay an additional tax charge on the excess at the point at which you accessed your benefits. The tax charge for the tax year 2023/24 was a charge to income tax deducted at your marginal rate.

The lifetime allowance was removed from 6 April 2024 and replaced with two new lump sum allowances.

Lump sum allowance

From 6 April 2024, you have a lump sum allowance of £268,275. It is a limit on the amount of tax-free lump sum that you can take from all your pension schemes (apart from your State Pension). It is set at 25% of the previous standard lifetime allowance.

Lump sums that count towards the lump sum allowance include the pension commencement lump sum that you may take when you start to receive your pension from the Plan.

Lump sum and death benefit allowance

From 6 April 2024, you have a lump sum and death benefit allowance of £1,073,100. It is a limit on the total amount of tax-free lump sums that can be paid in respect of an individual in both retirement and on death. This is set at the same amount as the previous standard lifetime allowance.

Lump sums that count towards the lump sum and death benefit allowance include the lump sums referred to above plus the serious-ill health lump sum that may be payable in certain circumstances and most lump sum death benefits payable in the event of your death.

The Trustee strongly recommends that you review your circumstances and take appropriate financial advice if the value of your pension savings is approaching these new allowances. If you have registered with HMRC to protect your pension savings from previous reductions in the lifetime allowance, your lump sum allowance and lump sum and death benefit allowance will be higher.

You will be asked for information about other pension schemes (including whether you have protection from previous reductions in the lifetime allowance) when you start to receive, or access, your pension savings, or transfer your pension overseas, as the Trustees need to check whether you have already taken, or are about to take, other benefits that could mean your tax-free lump sum may be restricted or not payable at all.

State Pension

In addition to your pension from the Plan, you will normally receive State Pension from State Pension age.

Further information on State Pension can be found on GOV.UK: www.gov.uk/browse/working/state-pension. From here you will be able to find out your State Pension age, request a statement of what you might expect to receive when you reach State Pension age, and find out how you can claim your State Pension online.

If you reach your State Pension age on or after 6 April 2016 and have a National Insurance record of at least 10 qualifying years, you will receive the new State Pension. The full new State Pension (payable if you have 35 qualifying years on your National Insurance record) is £230.25 per week (for 2025/26). The new system is designed to simplify the provision of State Pension. Many people, particularly those with past periods of contracted-out employment, may not be eligible for the full new State Pension.

If you reached your State Pension age before 6 April 2016 and have paid (or been credited) with National Insurance contributions, you will receive the basic State Pension. The full basic State Pension for a single person (payable if you have a total of 30 years of National Insurance contributions or credits) is £176.45 per week (2025/26). You may also receive an additional State Pension which is an earnings-related pension paid on top of the basic State Pension.

Pension commencement lump sum (tax-free cash)

The tax-free cash that is available when you take your pension is called a pension commencement lump sum.

As a result of the abolition of the lifetime allowance, the maximum most members can take as a pension commencement lump sum will be frozen at £268,275. This is 25% of the lifetime allowance of £1,073,100. Members with a protected right to a higher pension commencement lump sum before 6 April 2024 will continue to be able to access this right.

Annual allowance

The annual allowance is a limit on the amount you can save in a pension scheme in a tax year in a tax efficient manner. If you exceed this allowance, tax charges may apply. Pension savings include all contributions made to a defined contribution scheme.

The standard annual allowance for the 2025/26 tax year is £60,000, but it may be lower if you have a high income or if you have flexibly accessed your defined contribution pension savings.

High income

You'll have a reduced (or tapered) annual allowance in the current tax year if your income (according to two measurements) is high.

The annual allowance tapers down by £1 for every £2 of 'adjusted' income over £260,000, reaching the minimum allowance of £10,000 once adjusted income exceeds £360,000.

Adjusted income is broadly all income subject to income tax, together with pension savings (contributions to defined contribution pension schemes and the value of defined benefit scheme accrual).

If you have an income excluding pension savings ('threshold' income) of less than £200,000, your annual allowance will not be reduced and will remain at £60,000.

Flexibly accessing your defined contribution pension savings

You'll have a lower annual allowance if you have flexibly accessed your defined contribution pension savings. This could include taking cash (as income) from a flexi-access drawdown fund or cash in the form of an uncrystallised funds pension lump sum.

This money purchase annual allowance is £10,000 and restricts any future defined contribution pension savings for the remainder of the tax year in which it is triggered and each subsequent tax year.

As you'll be aware, you are not able to flexibly access your defined contribution pension savings in the Plan but you may be able to do so in another pension scheme. You will have received a flexible access statement when you first flexibly accessed your pension.

Transfer values

Members with defined contribution (DC) pension savings have greater flexibility in how they choose to access their funds, provided they have reached the age of 55 (57 from 2028) (or earlier, if in ill health). For instance, it may be possible to take part (or all) of their DC pension savings as a lump sum or draw down an income rather than buying an annuity. These extra flexibilities are not available under defined benefit (DB) pension schemes (such as our Plan), and as such we are generally seeing an increased take up of transfer values from DB to DC schemes within the general pensions landscape.

However, if you are thinking of transferring your benefits out of the Plan for any reason, you should take appropriate advice from a financial adviser regulated by the Financial Conduct Authority (FCA) before taking any action. If the value of your DB pension savings is over £30,000 you will need to take independent financial advice before you transfer to a DC arrangement.

One transfer value is available to all non-pensioner members free of charge every twelve months. Please contact the **Plan's administrator** using the contact details on page 10 of this newsletter if you would like more information about your transfer value or the retirement options available to you if you have reached age 55 or are suffering from ill health and have yet to retire.

Pensions dashboards

You may have seen news in the press about pensions dashboards. The goal of these is to show individuals all their pension information online, securely and in one place — including the State Pension. You can find out more at www.pensionsdashboardsprogramme.org.uk/faqs.

Due to the Plan being a relatively mature pension scheme (it has fewer than 100 deferred members), it is not required to connect to pensions dashboards.

If you want to trace any of your other pensions, you can do so by using the Pension Tracing Service at www.gov.uk/find-pension-contact-details. Help ensure the information that your pension providers have about you is up to date by advising them of any changes in your address, any changes in your name and, for defined contribution pensions, when you are hoping to retire.

Member portal and Expression of Wish forms

The Plan's Member Portal (available at www.buckhrrsolutions.co.uk/gems) is your personalised hub to manage your pension account online - accessible anywhere and anytime. If you need a reminder of your log-in details, please write or send an email to the Plan's administrator whose contact details can be found on page 10 of this newsletter.

The Member Portal provides access to:

- Your personal information and membership details;
- Pensioners who can view their payslips and update their bank details;
- Update your Expression of Wish where applicable;
- Update your contact information; and
- View important documents.

Your Expression of Wish form guides the Trustee as to whom you would like to receive any lump sum benefit payable on your death under the discretionary trust provisions. Lump sum benefits are payable if you die before you start receiving your benefits from the Plan or if you die within five years of starting to receive your benefits on retirement. In order to ensure the lump sum is paid without incurring inheritance tax, the decision as to who should receive the benefit on your death is made by the Trustee. However, to help the Trustee with this decision (while noting that the Trustee is not bound by your wishes), please ensure your Expression of Wish form is completed and up to date with details of whom you would like to receive any lump sum benefit payable.

You may indicate any number of individual dependants or beneficiaries on the form. If your personal circumstances change and you want to nominate different individuals, this can easily be done by completing a new form via the member portal. **If you are unsure about an entry on your form or would like to complete a new one, please write or send an email to the Plan's administrator whose contact details can be found on page 10 of this newsletter or contact the administrator via the member portal.**

Please note it is important that your Expression of Wish form is updated as your circumstances change.

Review of Plan data and benefits

The Plan has recently undergone a project to improve the quality of data held and ensure the benefits being paid to members are in line with the latest legal interpretation of the Plan rules. As a result of this exercise, you may have recently received correspondence regarding changes to your benefits. If you have not received any recent correspondence regarding the outcome of this review, you have not been affected by it.

Further, a court case in 2018 (involving Lloyds Banking Group) will impact some of the benefits provided by the Plan.

The case requires certain pensions built up between 1990 and 1997 – known as “Guaranteed Minimum Pensions” or “GMPs” – should be made equal between men and women. This process is known as “GMP equalisation”.

The Trustee of the Plan is currently working with the Gallagher (the administrator and Scheme Actuary) and CMS (the Trustee's legal adviser) on equalising GMPs for the Plan members. GMP equalisation is a complex process which is expected to take until 2027. Please note that not all members of the Plan will be affected by this, and changes are expected to result in a small increase to benefits for a typical member.

Buck is now Gallagher

As noted on page 2, the Plan is administered on the Trustee's behalf by a company previously known as Buck. From 1 July 2024, following the successful completion of the sale of Buck, they are known as Gallagher.

This means any letters you get in future about your benefits in the Plan will say they are from Gallagher, not from Buck.

The change of name will have no effect on your benefits. If you are in receipt of your pension, this will continue to be paid as normal.

The same team continues to administer the Plan and help you with any questions you may have. You can continue to contact them using the details on page 10 of this newsletter.

Further information and help

Frequently asked questions (FAQs)

For your convenience, we have compiled a list of FAQs to cover some common issues. If you have a query regarding your benefits under the Plan, you should refer to this in the first instance and, if your question remains unanswered, you can contact us using the appropriate details at the end of this section. Please note that TGA Industries Limited, the Trustee and the Plan administrators are unable to give you individual financial advice.

Question: What should my next of kin do in the event of my death?

Answer: We need to be informed of this as soon as possible. Your next of kin can do this by telephoning Gallagher on 0330 678 2875. Please make sure that your next of kin are aware of what action needs to be taken.

Question: I am a pensioner. What should I do if I am notified of a change in my tax code in the year?

Answer: We normally receive notification directly from His Majesty's Revenue & Customs of tax changes, so you do not need to tell us. If you have any queries relating to your tax code, you need to contact HMRC for help.

Question: I am considering retiring shortly. How do I get a retirement quotation?

Answer: Members should put their request for a retirement quotation to the Plan administrators using the contact details provided with this newsletter.

Question: Is my pension guaranteed?

Answer: Whilst TGA Industries Limited continues to support the Plan (which they have every intention of doing and are legally obliged to do), your pension will be paid in full even if the Plan is temporarily below our target funding level. If TGA Industries Limited were to become insolvent and unable to meet any shortfall at the time, the Pension Protection Fund might be able to take over the Plan and pay compensation to members. More information is provided in the Summary Funding Statement provided to members (latest edition issued in January 2025). However, at the current time the Plan is very well funded and would be expected to be able to pay members' benefits in full.

What if I have a problem or question regarding my pension

As the subject of pensions is complex, problems and queries can sometimes arise. The vast majority of questions or disagreements can be resolved through discussion with TGA Industries Limited, Gallagher or the Trustee. However, where problems are not resolved, the Trustee has an internal dispute resolution procedure in place for dealing with disputes between trustees and pension scheme members or beneficiaries. The internal dispute resolution procedure may be used by any member or other persons with a relevant interest in the Plan. Details of the procedure are available by writing to the **Plan's administrator**.

Data privacy

Your data privacy is very important to us. The Trustee's Data Privacy Notice was updated in March 2025 and a copy is available on the Plan's website at <https://members.pensionpal.co.uk/GemsSensorsPensions>.

Get in touch with us

If you have any further questions or wish to update the Trustee of any changes to your details, such as your address or bank account information (please note, your updated information must be provided in writing) please use the following contact details.

**Gems Sensors Pension Plan
Pensions Administration
Gallagher (Ipswich)
PO Box 323
Mitcheldean
GL14 9BL**

Telephone: 0330 678 2875

Email: GemsSensors@ajg.com

Member portal: www.buckhrsolutions.co.uk/gems

Useful websites

You can get useful information about pensions and retirement planning from the following websites:

www.gov.uk/browse/working
www.gov.uk/check-state-pension?

For government initiatives and information about retirement and pensions. You can also get help finding pension contact details for previous pension schemes you have lost contact with, through the Pension Tracing Service, and find out information about what State benefits you might receive.

www.fca.org.uk/register

Use this site to confirm that an adviser or firm is registered and appropriately authorised by the FCA to give financial advice on pensions.

www.fca.org.uk/scamsmart

Use this site, also provided by the Financial Conduct Authority, to find out about pension scams, how to spot the warning signs and how to protect yourself from them.

www.pensions-ombudsman.org.uk

The Pensions Ombudsman deals with complaints and disputes which concern the administration and management of occupational and personal pension schemes.

www.thepensionsregulator.gov.uk

The Pensions Regulator may intervene in the running of pension schemes where trustees, managers, employers or professional advisers have failed in their duties.

www.maps.org.uk

The Money and Pensions Service was set up to bring together the Money Advice Service, The Pensions Advisory Service and Pension Wise into one single organisation to help people get free and impartial guidance on pensions, money, and debt.

www.moneyhelper.org.uk/en/pensions-and-retirement

MoneyHelper is a free service provided by the Money and Pensions Service. Check out the pensions and retirement pages for free and impartial guidance on pensions.

www.moneyhelper.org.uk/pensionwise

Pension Wise from MoneyHelper is a free and impartial government service that provides guidance to people aged 50 or over about their defined contribution pension options. The benefits under the Plan are defined benefits and are not covered by Pension Wise, but you may find the service useful in respect of any other pension arrangements you may have.