Plumbing Pensions

October 2026

Member Update



Chairman's update

I am pleased to welcome you to your 2026 *Member Update*.



Over the past year, the new investment governance model has been implemented and is working well. This process went smoothly and within expected costs. The changes were made to help increase diversification in the Scheme's assets and reduce volatility for greater long-term stability.

You will notice that the usual update on the Scheme's financial health, known as the 'Summary Funding Statement', is not included in this year's newsletter. This is because 5 April 2026 marks the date of the triennial actuarial valuation, which is the Scheme actuary's detailed assessment of the financial position of the Scheme. The actuarial valuation is currently a 'work in progress', and the result will be reported in the next Update to members. Inside this newsletter, you will find information about the Scheme's accounts, membership and how its assets are invested, along with further articles that I hope you will find interesting.

The team is continuing its work on the Scheme's data, including Guaranteed Minimum Pension (GMP) equalisation. The data will be updated in due course. You will receive more specific communications in respect of any changes before they are implemented.

During the year, the Trustee has documented the Scheme's governance system as part of new regulatory requirements

and has carried out a risk assessment on the Scheme's processes and controls. The Trustee is pleased to report that it did not find any material gaps in the Scheme's governance arrangements, but identified a few minor areas that could be strengthened.

It's important to us that you receive your communications in a way that works for you. As such, the Trustee has been developing a new online member portal. The portal is currently undergoing internal testing before it moves to a phase of testing with a volunteer group of test members.

I hope this Update is helpful. If you have any feedback or ideas for topics you'd like to see covered in a future issue, please get in touch using the details on the back page.

Jon Bridger
Trustee Chairman
Plumbing Pensions (UK) Ltd

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Summary of Scheme accounts

The information on this page is a summary of the Trustee's formal Report & Accounts for the year to 5 April.

You might notice that there is very little total income for the year. This is because members and employers stopped paying contributions when the Scheme closed in 2019. The majority of the Scheme's income now comes from investments, including a bulk annuity policy that covers most of the pensioner payroll.

The Scheme's outgoings include benefit payments of pensions, lump sums, death benefits, transfers to other schemes and payments towards the Scheme's running costs.

	£m
Fund at 5 April 2025	**1,180**
+ Total income for the year	1
- Total outgoings for the year	67
+ Net investment gains during the year	41
Fund at 5 April 2026	**1,155**

Membership

As at 5 April 2026, there were 29,361 members in the Scheme.

Deferred members

2026: 15,203 2025: 15,987

Pensioners & beneficiaries

2026: 14,158 2025: 13,921

Total

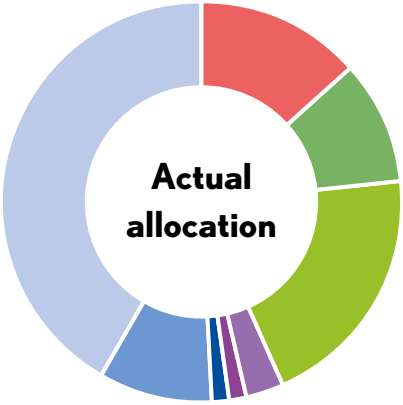
2026: 29,361 2025: 29,908

Investing the Scheme's assets

These charts show how the Scheme's assets were split between different investment types as at 5 April 2026, excluding members' additional voluntary contributions, which are held separately.

Since the investment strategy's inception date of 1 July 2025, the Scheme's assets, excluding the bulk annuity policy, achieved a return of 2.1% against a benchmark of 1.6%.

Asset class	Strategic allocation target ranges %	Actual allocation %
Equities	0-15	13.4
Alternative Credit	0-20	10.1
Real Assets	0-20	20.0
Liquid Diversifiers	0-5	3.0
Downside Protection Strategies	0-10	1.5
Dynamic Asset Allocation	0-5	1.4
Investment Grade Credit	0-50	9.1
High-quality government bonds, liability hedging instruments, cash and cash equivalents	25-100	41.5
Total	-	**100**



Climate report

We've recently published the Trustee's annual climate report, and this is available to read on the Scheme website under 'Taskforce for Climate-Related Financial Disclosures (TCFD)': **www.plumbingpensions.co.uk/investments**

Scheme noticeboard

Scheme governance

Good governance has always been a priority for the Trustee. From April 2026, new requirements came into force for UK pension schemes. These include having clear processes in place for managing and overseeing a scheme and regularly checking that these processes are working effectively.

Earlier this year, the Trustee carried out a review known as an Own Risk Assessment. We're pleased to report that no major gaps were identified. The review did highlight some areas where the Scheme's policies could be clearer, and the Trustee is working to make these improvements. The Trustee will also make sure that all governance policies are reviewed regularly.



New member portal

The new member portal is currently being internally tested. If these internal tests are successful, the testing will then expand to a group of volunteer Scheme members. This is expected to begin soon.

Improving security and convenience

To help protect members, improve security and reduce paperwork, we're partnering with Amiqus to introduce identity verification and secure electronic forms for the Scheme.



GMP progress

In previous editions of this Update, we told you about a High Court ruling on Guaranteed Minimum Pensions, commonly called GMPs. These GMPs were accrued at different rates for men and women and were payable at different ages, reflecting the State Pension ages for men and women at the time. The High Court found that there should be no discrimination between male and female members in calculating their GMPs.

The Trustee has chosen a methodology that the court has agreed is reasonable to equalise GMPs and is using an external consultancy to do the calculations. The process is expected to take some time to complete. We'll be in touch with members who are affected in due course.

Review your AVC investments

If you have previously paid additional voluntary contributions (AVCs), it's important to regularly review your investment choices. This ensures that you're on track to achieve the lifestyle you want when the time comes to access your retirement savings.

You can review your investments at any time through the Legal & General member website at **www.legalandgeneral.com**

Updates to the Trustee board

The Trustee is made up of seven Trustee Directors:

- three are professional Directors appointed by the Trustee board;
- two are appointed by Unite the Union; and
- two are appointed by Plumbing Pensions Employers Limited (PPEL).

The Trustee board recently reappointed Jon Bridger as Chairman and professional Trustee Director for a further four-year term from 1 December 2025. Unite the Union also reappointed John Allott for a further four-year term from the same date.

Garry Forster ceased to be a Trustee Director during the year, and the board expresses its appreciation for his considerable contribution to the Scheme over a number of years.

A new Director appointed by PPEL, Rory Murphy, has since joined the board. Rory has previously chaired the Merchant Navy Officers Pension Fund, a large multi-employer maritime defined benefit scheme. He brings valuable relevant experience and is a welcome addition to the board.



Pension news

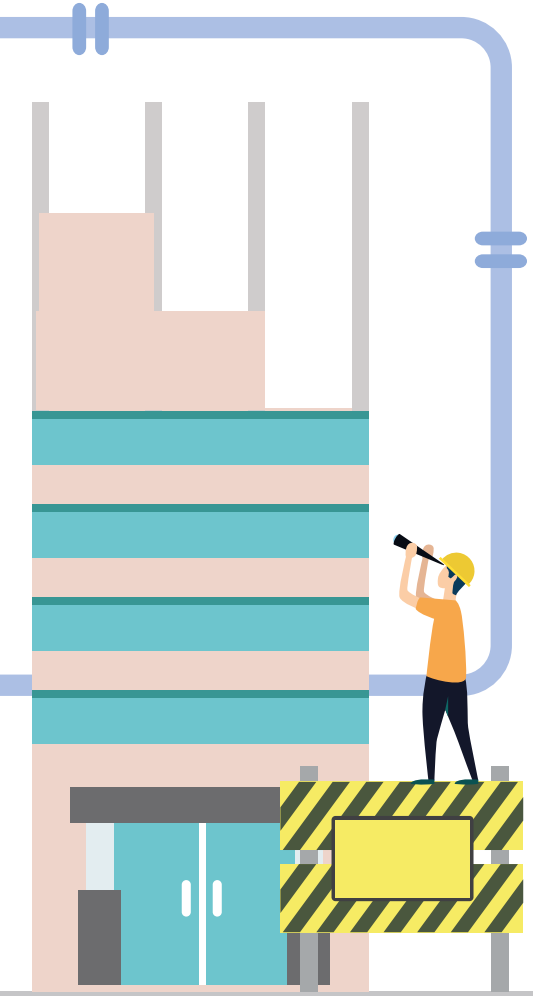
Inheritance tax

From 6 April 2027, lump sum death benefits payable from the Scheme may be subject to inheritance tax (IHT) if the total value of the deceased member's estate exceeds the applicable IHT threshold (£325,000 at the time of writing).

Pension death benefits have traditionally been outside the scope of IHT. However, following the announcements in the 2024 autumn budget, the government confirmed that certain pension death benefits will be brought within the IHT regime from 6 April 2027.

Death-in-service benefits and pensions paid to a surviving spouse, civil partner or financial dependant will not be subject to these IHT changes. However, discretionary lump sum death benefits paid under the Scheme's Rules may be included when calculating the value of the deceased member's estate for IHT purposes.





Planning for retirement: our top tips

Retirement isn't just life without work, it's the freedom to enjoy doing more of the things you love. If you're approaching retirement, you must plan carefully to ensure your golden years are as golden as possible.

Check your Pension Certificate each year

Each year before you retire, you'll receive a Pension Certificate from the Scheme. This shows your total pension credits as at 5 April, including any bonuses awarded that year. Your Pension Certificates will give you an idea of how much pension you'll receive at retirement.

Look at the Retirement Living Standards

To help people create a better picture of what kind of lifestyle they could have in retirement, Pensions UK have published the Retirement Living Standards. The standards show three different levels of retirement lifestyle alongside the average cost to achieve that lifestyle. You can take a look at the standards here: **www.retirementlivingstandards.org.uk**

Visit MoneyHelper

MoneyHelper provides information on savings, pensions and debt to help you understand how to manage your money. If you have AVCs or other defined contribution savings, you can book an appointment with Pension Wise, a free and impartial service offered by MoneyHelper that helps you understand the options available for your pension pot. More information is available at **www.moneyhelper.org.uk**



Beware of pension scams

There are many different ways that criminals may try to steal your pension, and these types of scams could mean you lose some or even all of your pension. If you're approached by a potential scammer, it's important that you:

Hang up: if you get a call out of the blue about pensions, you should hang up. You can then contact your pension provider independently if you wish to discuss your options.

Be on your guard: scammers are now using increasingly sophisticated-looking texts, emails and websites to convince people they're legitimate companies.

Never give personal information: you should never give out your personal information, including bank details, to someone you don't know.

Stay calm: if you get calls offering early access to your pension, don't feel rushed or pressured to respond. Always take your time to check who you're dealing with before you make any decision about your pension or finances.

Don't commit, even if you've been offered a great deal: always seek advice before making decisions, and make sure the adviser is registered with the Financial Conduct Authority (FCA) and is authorised to give the advice you need. You can check the FCA's register at **www.fca.org.uk/register**. No investment returns are ever 'guaranteed', and you can't normally access your pension before age 55 without severe tax implications.

Think you've been scammed? **Act immediately.** Never feel rushed into making a decision, and be very wary of anyone offering a free pensions review. If you think you're being targeted by a pension scam, contact Report Fraud on 0300 123 2040. You can also visit the government-backed FCA website at **www.fca.org.uk/consumers/protect-yourself-scams**, which will provide you with general advice as well as giving you access to key information about pension scams.

Remember – if it sounds too good to be true, then it probably is!

Contact details

If you have any questions about your benefits in the Scheme, you can contact us using the details below.

03457 65 65 65

info@plumbingpensions.co.uk

www.plumbingpensions.co.uk

Plumbing Pensions (UK) Ltd
Bellevue House
22 Hopetoun Street
Edinburgh
EH7 4GH

Reports and Scheme documents

If you'd like to view any of the Scheme's key reports and documents, you can find them on our website, including the Report & Accounts, the Statements of Funding and Investment Principles, the Schedule of Contributions and the annual Scheme funding reports.

Updating your details

If your personal details have changed, please let us know so that we can stay in touch with you. We would also like to have your email address so we can communicate with you more easily.