



Your Amey OS Pension Scheme

A funding update for you

Winter 2025

Welcome to your Winter 2025 newsletter

The latest financial news is positive

As your Trustee, we work hard to make sure the Amey OS Pension Scheme is secure, well-funded and able to pay all the pensions it owes.

To make sure we're on the right track, we carry out formal in-depth financial valuations of the Scheme every three years. In between these valuations, we get interim financial updates. This is one of those interim updates.

As you might recall from our newsletter earlier this year, our most recent valuation from 30 September 2023 established that the Scheme was in a good place.

This update, from 30 September 2024, gives us an update on that position. Read on for more financial details about your section of the Scheme.

Yours sincerely

Sam Burden & Payam Kazemian

For and on behalf of
Zedra Governance Limited
Trustee of the Amey OS Pension Scheme

Our latest funding update

As at 30 September 2024

For a full valuation, the Trustee and Company agree assumptions about things like future inflation, investment performance and members' life expectancy. Our Scheme actuary – an independent adviser who specialises in assessing how pension schemes will develop in future – uses these assumptions to compare the value of the assets (how much money the Scheme has) with the value of the liabilities (the estimated amount needed to pay members' benefits).

We set out the results as:

- a percentage difference known as the **funding level**, and
- a difference in pounds – a **surplus** or **shortfall**.

The between-valuation updates generally use similar assumptions to the main valuation, allowing for changes in economic conditions. The 2024 update included a couple of tweaks to the assumptions because inflation and investment returns are expected to be lower in the future.

The Scheme maintains a strong financial position

The full valuation from 30 September 2023 found the APS section of the Scheme had a funding level of 98%, with a shortfall of £4,890,000.

As of 30 September 2024, the APS section was estimated to be 97% funded. The shortfall had increased to £8,933,000 but our assets had also increased, meaning we've been able to maintain a similar funding level overall.

	30 September 2023	30 September 2024
Assets		
How much money the APS section has	£282,493,000	£289,034,000
Liabilities		
The estimated amount we need to pay members' pensions	£287,383,000	£297,967,000
Surplus / (Deficit)		
The difference between how much the APS section has (assets) and how much it needs (liabilities)	(£4,890,000)	(£8,933,000)
Funding level		
How much money the APS section has compared to how much it needs, shown as a percentage	98%	97%

Why the funding level has changed

We've previously explained how we've secured most of the Scheme benefits with two insurance companies, Just Group and the Pensions Insurance Corporation (PIC). After the Scheme had paid PIC for this, we found the APS section had paid too little compared to the other sections – so the payments had to be readjusted between the three sections. This is the main reason for the slight decrease in the funding level.

Since the buy-in with PIC and Just, our solvency position has matched the funding level shown on page 5, which is calculated on a 'technical provisions' basis.

You can find out more about exactly how all our figures are calculated in the full valuation and update results, which are available at www.my-amey-os-pension.com

Payments between the Scheme and the Company

As the 2023 valuation found a small shortfall in the funding level, we agreed at the time that the Company would contribute to the Scheme to help make up that shortfall.

The Company paid a one-off contribution of £6.775 million into the APS section, followed by monthly contributions of £36,800 starting in January 2025. We are using the money to help get the funding level up to 100% over time.

We're required by law to tell you whether any money was sent from the Scheme back to the Company. We can confirm this didn't happen at any point last year. We're also required to tell you that the Pensions Regulator has not had to give us any directives.

Making benefits even more secure

We are in a good position to consider making Scheme benefits even more secure with a buyout. To do this, we'd use the money in the Scheme to buy individual insurance policies to pay your pension directly.

The Scheme would wind up (close down) and the insurance company would take over responsibility for paying your pension in future. This is about as secure as your benefits can be.

To achieve a buyout, we would need the Scheme's funding level on a solvency basis to be consistently 100% or more. We would be in touch with you directly if we were to progress down this road, to explain more about what it means and when it could happen.

Get in touch

If you have any questions about your pension or the Scheme in general, please contact the administration team at Broadstone.

Email: amey@broadstone.co.uk

Phone: 0345 112 0025

(Calls may cost up to 9p a minute from a UK landline, depending on your call package.)

Write to:

Amey OS Pension Scheme
PO Box 193
Darlington
DL1 9FP

You can find the latest news about the Scheme and pensions in general on the news page of the website, my-amey-os-pension.com/news.