

December 2025



Spotlight on Pensions

The Brockhampton Pension Scheme December 2025
Member Booklet

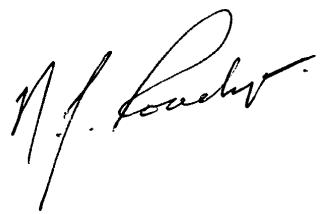


Welcome

Welcome to your annual update from the Trustees of the Brockhampton Pension Scheme. This booklet will be made available to all Members of the Scheme.

This booklet sets out how the money in the Scheme is invested, the financial activity of the Scheme during the year to 31 March 2025 and other matters of general interest to Members.

If you have any questions on the information in this booklet, then please contact us using the details on Page 12.



Nick Roadnight

Trustee

The Scheme at a Glance

Assets	£106.4m
Liabilities	£93.3m
Membership	475

as at 31 March 2025

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Inheritance Tax

In the Autumn Budget 2024, the Government announced plans to bring unused pension savings into scope for inheritance tax from April 2027. Dependents' pensions payable from Defined Benefit pension schemes (like the Brockhampton Pension Scheme), such as pensions for your spouse or civil partner or children remain out of scope.

Defined Contribution scheme dependents' benefits however will now be caught by these changes. Pension schemes must inform your personal representative about any benefit that needs to be included in the value of your estate.

You can find out more by visiting the government website at www.gov.uk

Tax and your Pension

Your pension is subject to Income Tax in accordance with HMRC guidelines and there are certain implications this has. Your tax code comes to us from HMRC and we use that code to work out how much Income Tax to take from your pension. This tax is taken before the pension reaches your bank account. We can only use the tax codes sent to us by HMRC. If you think your tax code is wrong contact HMRC on 0300 200 3300.

The Normal Minimum Pension Age is changing

The Normal Minimum Pension Age (NMPA) is the earliest age that you can take your pension. The NMPA is currently 55, but will rise to 57 from April 2028. What does this mean for you if you have not retired –

If you were born after 5 April 1973 the earliest you can take your pension will be increased by two years to age 57.

If you were born after 6 April 1971 but before 6 April 1973 you can take your pension between your 55th birthday and 5 April 2028. If you choose not to take your pension during this period you'll need to wait until your 57th birthday at the earliest.

If you were born on or before 6 April 1971 you'll have reached 57 by the 6 April 2028 so this change won't impact you.

Pensions Dashboards

The government has introduced legislation that will see the setting up of Pensions Dashboards. This will enable all individuals to be able to see, free of charge, all their pensions, including the state pension, online, securely, and in one place. This is to help support better retirement planning and financial wellbeing.

All pension schemes, including the Brockhampton Pension Scheme, are working with the Department for Work and Pensions (DWP) to ensure each scheme can connect to dashboards by 31 October 2026. The DWP will announce the public launch date at least six months in advance of the full go-live date.

Just Buy-In

Earlier in 2025, the Trustees wrote to Members to detail a new investment that they purchased with Just Group. Just are an insurer who specialise in the UK Pension Market, and the investment has seen the Scheme purchasing a product from Just which, in turn, sees Just provide funding for all future benefits payments required by the Scheme. This is known as a buy-in, and coupled with a similar product bought in 2019, now sees all future benefits for each member covered by a product like this. The Trustees carried out significant due diligence prior to purchasing the investment and it significantly reduces the major risks associated with the Scheme.

Pension Paydays and Payslip Reminder 2025/26

Month	Payment Date
December 2025	18 December
January 2026	29 January
February 2026	26 February
March 2026	26 March
April 2026	30 April
May 2026	28 May
June 2026	25 June
July 2026	30 July
August 2026	27 August
September 2026	24 September
October 2026	29 October
November 2026	26 November
December 2026	24 December

Money and Membership

Administration

Members are reminded that the Administration of the Scheme is dealt with by Lane Clark & Peacock (LCP). The contact details for LCP can be found on the last page and Members should go directly to them for any matters regarding their pension, including keeping them updated with any change of address.

Actuarial Results

Within this booklet are details of the Actuarial Valuation that was conducted at 31 March 2024 and Actuarial Report at 31 March 2025. These give a financial health check of the Scheme. The Trustees monitor the funding position on a regular basis.

How are pensions paid for?

It is the Company's duty to pay contributions in order that the Scheme has sufficient funds to pay pensions to members when they retire. These contributions are set out in a Schedule of Contributions which is prepared by the Trustees in consultation with the Company. The 31 March 2024 Actuarial Valuation showed a surplus in the Scheme and so the Company is currently not required to pay any deficit recovery contributions to the Scheme. The surplus / deficit position of the Scheme will be reviewed as part of the next Actuarial Valuation due at 31 March 2027. The buy-in investments with Just Group are expected to help maintain the surplus in the Scheme because it significantly reduces the major risks associated with the Scheme.

Are pensions guaranteed?

Like all pension schemes, there is never an absolute guarantee that the benefits will be paid in full from the Scheme. This will depend on there being enough money in the Scheme to pay pensions now and in the future. It also depends on the Company carrying on in business so that it can contribute to cover any shortfall if it arises in the future.

The Company is fully aware of its obligations to the Scheme and although it is no longer paying contributions, it still has the obligation to support the Scheme. The Trustees are not aware of any reason why the Company should not be able to continue supporting the Scheme in the future.

What would happen if the Scheme were wound up?

The buy-in investments with Just Group provide security that all benefits will be paid in full upon a wind-up of the Scheme. Previously, the security of member benefits was dependent on the ability of the Company to pay contributions into the Scheme to cover any shortfall if it arises in the future. Under the buy-in investments with Just Group, the Trustees and Company currently retain ultimate responsibility for meeting members' benefits, but the buy-in investment is designed to ensure that there are always sufficient funds available to pay benefits as they fall due.

The insurance regulatory framework is set up with strict reserving requirements and oversight from the Financial Conduct Authority (FCA) and the Prudential Regulation Authority (PRA) to provide a secure environment for providing pension benefits over the long term. In addition to the financial strength of Just Group, benefits secured with an insurance company are covered by the Financial Services Compensation Scheme (FSCS). The FSCS is designed to provide compensation of 100% of the value of the benefits within a given investment to the policyholder (ie the Trustees who hold the investment for the Scheme) in the unlikely event of the insurance company being unable to pay them.

The Government has set up the Pension Protection Fund (PPF) to provide a minimum level of benefits to members if a scheme is wound-up when the scheme and sponsoring company do not have enough money to cover the cost of buying insurance policies to pay all members' benefits. With the buy-in investment with Just Group, the Scheme has already secured members' benefits in full.

Scheme Accounts

Every year, the Trustees must produce a full set of Accounts showing how much money has been paid into the Scheme and how much has been paid out. These accounts are audited by KPMG, who check that they show a true and fair view of the Scheme's financial transactions. The table summarises these transactions for the years ended 31 March 2024 and 2025.

	2025 (£m)	2024 (£m)
Income		
Investments	4.9	4.5
Total income	4.9	4.5
Expenditure		
Benefits paid	(5.5)	(5.6)
Admin and investment expenses	(0.9)	(0.5)
Payments to and on account of leavers	(0.2)	(0.1)
Total expenditure	(6.6)	(6.2)
Net withdrawals	(1.7)	(1.7)
Change in market value of investments	(15.1)	(8.8)
Net (decrease)/increase in fund during year	(16.8)	(10.5)
Net assets at 1 April previous year	117.0	127.5
Net assets at 31 March	100.2	117.0
Scheme Assets for Valuation Purpose	106.4	119.7
Amount needed to provide accrued benefits	93.3	106.2
Scheme surplus	13.1	13.5
Funding level	114%	113%

The above results relate to an Actuarial Valuation that was conducted at 31 March 2024 and Actuarial Report at 31 March 2025.

Regulations require us to confirm to you whether the Pensions Regulator has exercised any of its powers in relation to the Scheme under the Pensions Act 2004. We can confirm that they have not.

Regulations also require us to confirm to you whether the Company has taken any money out of the Scheme since the date of our last summary funding statement. We can confirm that they have not.

Member Statistics

	2025	2024
Employed Deferred Members	52	60
Deferred Members	119	121
Pensioners	304	301
Total	475	482

Spotlight on Investments

Investment Objective

The Scheme has a fund of money which the Trustees then use to pay pensions to members when they become due. This money is held in a common fund not in separate funds for each member.

In order to ensure that there is sufficient money in the fund to pay members' pensions as they fall due, the Trustees work regularly with their investment advisors to review the assets held. The Trustees' objective is to set the investment strategy so that there is sufficient money to meet member benefits when they fall due, whilst minimising dependence in further contributions from the Company.

Investment Strategy

The Scheme's investments are held in a trust, separate from the Company, which is run by the Trustees. As explained earlier in this Newsletter, the majority of the Scheme's investments are now buy-in insurance products with Just Group. This will ensure all future benefits for members can be made. There are a few minor other investments held by the Scheme in government bonds and a property fund, as well as some cash in a liquidity fund. These are held to cover the ongoing running costs of the Scheme.

Understanding Your Pension

Scheme Explanatory Booklet

The Explanatory Booklet of the Scheme can be found on the Brockhampton Pension Scheme section within the Portsmouth Water Limited website. A copy can also be supplied on request – please contact the Secretary.

List of Additional Scheme Documents Available on Request:

Statement of Investment Principles

This explains how the Trustees invest the money paid into the Scheme and can be viewed on the BPS webpage.

Schedule of Contributions

This shows how much money is being paid in the Scheme.

Annual Report and Accounts of the Scheme

This shows the Scheme's income and expenditure in the year up to 31 March 2025.

Actuarial Valuation

This is the report following the Actuary's assessment of the Scheme's funding situation as at 31 March 2024.

Statement of Funding Principles

This sets out the Scheme's funding plan.

Explanatory Booklet for the Brockhampton Pension Scheme

This can be found in the Knowledge Library on Workplace, but a copy can be made available on request.

Scheme Privacy Notice

This provides information regarding the personal data held by the Trustees and how it is processed. A copy of it has been circulated with this Newsletter and it can also be viewed on the BPS webpage.

Trustees and Professional Advisors

The Brockhampton Pension Scheme is managed by eight Trustees, three of whom are Member Nominated and one Corporate and are listed below:

Trustees

Nicholas Roadnight FCA
Chairman and Trustee

John Cogley B.Sc, C.Eng, MICE
Trustee

Neville Smith BA, FCMA, CGMA
Trustee

Paul Barfoot ACIB
Trustee

Timothy Jackson B.Sc, FICE
Member Nominated Trustee

Alan Day
Member Nominated Trustee

Samantha Dawson BA (Hons), CMgr MCMI
Member Nominated Trustee

Portsmouth Water Superannuation Fund Trustee Ltd

The Trustees have a legal obligation to run the Scheme in the best interests of all its Members and Beneficiaries. They are responsible for making sure that the Scheme's investments and administration comply with the Scheme Rules and current Law. They appoint professional advisors to assist them, listed below:

Secretary
Christopher Hardyman, ACIS

Scheme Actuary
David Stewart, Lane Clark & Peacock LLP

Trustee Advisor
Vassos Vassou, Dalriada Trustees

Administrators
Lane Clark & Peacock LLP

Auditors
KPMG

Bankers
Lloyds Bank plc

Investment Advisors
Lane Clark & Peacock LLP

Investment Manager
Columbia Threadneedle Investments

Solicitors
Gunnercooke LLP

Useful Contacts

Please keep in touch

We are keen to hear your thoughts and queries. If you would like to send us your comments, or if you need more information, please do not hesitate to contact us. Please remember to keep us informed if your address changes so that we can keep in touch with you and pay your benefits promptly when the time comes.

If you would like to get in touch, there are a number of ways you can do this:

Chris Hardyman (The Scheme's Secretary) - *Contact for general and benefit enquiries:*

E-mail: cnh.hardyman@portsmouthwater.co.uk

Post: C/O Portsmouth Water Limited
Brockhampton Springs
West Street
Havant PO9 1LG

Lane Clark & Peacock LLP (The Schemes Administrator) (for changes to address, banking arrangements or benefit queries)

E-mail: BrockhamptonAdmin@lcp.uk.com

Telephone: 01962 454638

Post: Lane Clark and Peacock LLP
St Paul's House
St Paul's Hill
Winchester SO22 5AB

If you would like to know more about pensions in general, the following are useful sources of information:

Government Website: www.gov.uk

Numerous changes have been made recently to the State Pension, how much you will get and when you can expect to receive that pension. To obtain a State Pension statement you can apply for one online at www.gov.uk/check-state-pension

The Pension Regulator: www.thepensionsregulator.gov.uk

HM Revenue & Customs: www.hmrc.gov.uk/pensionschemes

Tailored guidance to explain your pension options for Defined Contribution savings

www.pensionwise.gov.uk

To trace a missing occupational Pension Scheme: www.gov.uk/find-pension-contact-details

Telephone: 0800 731 0193 **Post:** Pension Tracing Service

The Pension Service 9
Mail Handling Site A
Wolverhampton WV98 1LU