

# UNIVERSITY OF YORK PENSION FUND

Retired Members' Annual Report  
Year-end 2025



# WELCOME!

## Welcome to the Retired Members' Annual Report.

This year's Report provides the usual updates on the governance and investment activities of the Fund and on the Pensions Increase that will be applicable from April 2026. There's also a summary of the Fund's accounts for the financial year ending 2025 as well as the latest Summary Funding Statement, where the Fund continues to show a healthy surplus.

Please visit the Fund's website for the latest information. You'll find a number of important documents there, including:

- Statement of Investment Principles
- Statement of Funding Principles
- Documents from the last triennial valuation
- Schedule of Contributions
- Privacy Statement

The following documents are also available, but are not routinely published on the Fund's website:

- The shorter Actuarial Report as at 31 July 2025
- The Trustee's Annual Report and Accounts

If you would like to see or receive a copy of a document which is not on the Fund's website, have any questions about any aspects of the Fund, or would like further information on the accounts or rules please contact us using the details below.

We welcome your feedback on all areas of the Fund, so if you have suggestions for improvements or would like to see more information available on certain areas, please do get in touch and let us know.

Best wishes,

**Gillian Hamilton**  
*Company Secretary*

**Registered Address:** University of York Pension Trust Limited  
Heslington Hall, Heslington, York, YO10 5DD

**E-mail for queries  
about the Fund:** [pensions@york.ac.uk](mailto:pensions@york.ac.uk)

**Email for queries  
about your pension:** [leeds.admin@firstactuarial.co.uk](mailto:leeds.admin@firstactuarial.co.uk)

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about your pension:** 0113 818 7300

All information contained within this booklet is correct at time of going to press, but may be subject to change. In the event of any discrepancy between the information contained in this booklet and the overriding legislation that governs pensions or the Trust Deed and Rules of the University of York Pension Fund, the Trust Deed and Rules and overriding legislation will apply. The University of York Pension Fund and its administrators are not authorised to give financial advice. Members requiring financial advice may wish to speak to an independent financial adviser.

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# FUND GOVERNANCE

## Board of Directors

The University of York Pension Fund is administered by the University of York Pension Trust Limited. Trustee meetings are held both online and in person. The Trustee has nine directors, who for the year have been:

### INDEPENDENT CHAIR

Director	Appointed	Resigned
<b>BESTrustees</b> (represented by Mrs Ann Rigby)	1 December 2019	

### EMPLOYER NOMINATED DIRECTORS – APPOINTED BY THE COUNCIL OF THE UNIVERSITY OF YORK

Director	Appointed	Resigned
<b>Dr Keith Anderson</b> , School for Business and Society	21 January 2025	
<b>Professor Duncan Bruce</b> , Chemistry	15 May 2024	
<b>Mr John Lister</b>	13 March 2017	
<b>Mr Adrian Murgatroyd</b> , Finance	29 September 2017	1 October 2024
<b>Mr Paul Bushnell</b> , DTEF	03 March 2021	

### MEMBER NOMINATED DIRECTORS – NOMINATED AND ELECTED BY THE FUND MEMBERS

Director	Appointed	Resigned
<b>Pensioner Directors</b>		
<b>Mr James Coates</b> , Retired (ex-Library & Archives)	13 March 2016	
<b>Mr Timothy Franklin</b> , Retired (ex-Registrar’s and Planning)	13 March 2016	
<b>Member Directors</b>		
<b>Mr Michael Hodgkinson</b> , Biology	1 August 2017	
<b>Mr Stephen Bradley</b> , Human Resources	26 July 2023	26 September 2025

A process was undertaken within the active member population to fill the vacancy on the Board left by Mr Bradley stepping down but no applications were received.

The Secretary to the Trustee is Miss G Hamilton, who was supported by Mr P Lee of First Actuarial LLP.

## PROFESSIONAL ADVISERS AND SERVICE PROVIDERS

<b>Actuary</b>	K Hulme-Vickerstaff, FIA, First Actuarial LLP
<b>AVC Provider</b>	Legal & General
<b>Bank</b>	Barclays
<b>Fund Administrator</b>	First Actuarial LLP
<b>Independent Auditor</b>	Sumer Auditco Limited
<b>Investment Managers</b>	Legal & General Investment Management Schroder Investment Management Limited Alcentra Limited State Street Fund Services (Ireland) Limited Macquarie Global Investments Standard Life Investments
<b>Investment Adviser</b>	Isio Group Ltd
<b>Investment Custodian</b>	J P Morgan (for Schroder Investment Management Limited)
<b>Legal Adviser</b>	Walker Morris LLP
<b>Life Assurance Company</b>	MetLife Europe d.a.c

# ADMINISTRATION REPORT

## Updates and news

### Changes to the rules

The update to the Trust Deed and Rules implementing the changes to the Fund's structure that took effect from 1 April 2022 has now been finalised. A further update to the rules will shortly be made to fully implement the changes made to the scheme following the conclusion of the 2023 valuation.



### Pension increases

Increases to pensions are calculated with reference to inflation. Since April 2011, the rate of inflation that has been used has been the Consumer Prices Index (CPI), although it is possible for other rates to be used. Where an increase to pensions is granted, it is applied each April and is based on the rate of CPI from the preceding September. It is possible to award a rate of increase lower than the rate of inflation, subject to the advice of the Actuary and the agreement of the University and Trustee.

In September 2025, the rate of CPI was 3.80%. It was agreed that, where applicable, the full 3.80% rate of increase would be awarded from 1 April 2026. If you retired on or after 1 April 2025, your first increase is awarded pro-rata.

### Changes to inheritance tax

If you die within five years of retirement, a lump sum may be payable. If it is more than five years since you retired, there is no lump sum payable in the event of your death. The lump sum is currently paid under a Trustee discretion which means that usually, the lump sum payable is not subject to inheritance tax. Changes

have been proposed by the Chancellor to inheritance tax which, if enacted as proposed, would mean that the lump sum could become subject to inheritance tax. The legislation is not yet finalised and may still change. The Trustee is continuing to monitor developments in this area and will let affected members know should any changes be made.

### GMP equalisation

On 26 October 2018, the High Court ruled that pension benefits accrued on and between 17 May 1990 and 5 April 1997 should be equalised in order to alter the impact of Guaranteed Minimum Pensions (GMPs), which accrued differently for men and women, and which were payable from different ages. The Trustee has begun to equalise transfer values payable, and benefits paid when a member passes away. It is considering its response for other benefits, including historic transfer values and pensions in payment. Affected members will be written to with further details in due course.

### Pensions reviews

The Trustee's administrators are continuing to undertake a review of all the pensions in payment. You will be contacted directly about any revisions to your pension if, as part of this review, it is found to be being paid incorrectly.



### Pensions scams

The Trustee wants to alert you to the risk from pension scams and remind you to take care to protect your pension from scammers. Unfortunately, many scammers are increasing their activities at the moment, knowing that people are more worried and vulnerable than usual.

If you receive a call out of the blue, or if someone calls you saying they represent the Fund or the Trustee Directors, but you were not expecting the call, the safest thing to do is to ignore it – cold calling about pensions is illegal and probably a scam.

To help you spot the warning signs of a pension scam and what to do about it, take a look at the Financial Conduct Authority's **scam guidance**.

## Managing your pension

### Pensions administration

Don't forget that the Fund's administration is now undertaken by First Actuarial LLP rather than by the University's in-house team. Retired members should contact First Actuarial LLP directly for queries regarding their pension. First Actuarial LLP's contact details are:

Email:  
[leeds.admin@firstactuarial.co.uk](mailto:leeds.admin@firstactuarial.co.uk)

Phone: 0113 818 7300

### Payslips

You are able to access your payslips online. Online access offers a lot of benefits over paper payslips, including the option to be able to view all your payslips and P60's (including the ones that wouldn't normally be printed and sent to you), and the convenience of being able to access these at any time. If you haven't already signed up to this, but are interested in doing so, please get in touch with the team at First Actuarial LLP who will let you have the details of how to sign up to their online payslip system My ePay Window. Paper payslips will still continue to be produced for those who do not want or are not able to use the online service where the amount of pension changes by more than £5 from the previous month.

### Payment calendar 2026

Your pension is paid directly into your bank account on the last banking day of each month. So, if the last day of the month falls on a weekend or a bank holiday, your pension will be paid on the last working day of the month. Here's when you can expect to receive your pension payments during 2026:

Month	Day
January	30
February	27
March	31
April	30
May	29
June	30
July	31
August	28
September	30
October	30
November	30
December	24

### Changing your bank account

Please remember to notify the Fund's administrators in advance if you are changing your bank account. First Actuarial LLP will accept changes of bank accounts by either email or letter. They cannot accept changes of bank account over the phone. You must include all of the following details in any written correspondence in order for First Actuarial LLP to be able to change your bank account:

- National Insurance number
- Date of birth
- Your previous bank details
- Your new bank details

### Payments overseas

Don't forget that if you are a member who is resident overseas, First Actuarial LLP offers you the facility to have your pension paid to an overseas bank account in your local currency. If you want to change the account that you have your pension paid into from a UK bank account to an account held overseas, please contact First Actuarial LLP using the details at the start of this report who will send you a form to change your payment details.

### Changing your address

Please remember to notify First Actuarial LLP of a change in your address. If the Trustee believes that they do not hold your up-to-date address or any returned post from the address held for you is returned, it is normal practice to suspend your pension until you have been located or you've notified First Actuarial LLP of a change. First Actuarial LLP can accept changes of address in writing (by either email or letter) or over the phone. You must include all of the following details in any written correspondence in order for First Actuarial LLP to be able to change your address:

- National Insurance number
- Date of birth
- Your previous address
- Your new address



## Useful information

### Lasting Power of Attorney

A Lasting Power of Attorney (LPA) for Property and Financial Affairs allows the Fund's administrators to deal with someone else about your pension on your behalf if you are unable to manage your finances, either temporarily (for example, if you have to have an extended hospital stay) or permanently. If you lose capacity and do not already have an LPA in place, the Fund's administrators will not be able to deal with anyone else on your behalf about your pension, unless they apply for court order to be able to do so, which can be a long and expensive process.

You are only able to set up an LPA whilst you have the mental capacity to do so. If you become ill suddenly, you may find that you are no longer able to take out an LPA. Even if you are still well enough to implement an LPA, it can take several weeks or months for them to be registered, meaning neither you nor your attorneys can access your pension or make decisions about it during that time.

To find out more about putting an LPA in place, visit the [government's website](#).



### Lost pensions

If you have lost track of any pension savings built up elsewhere, there is a [free tracing service available](#).

### Pension Credit

Pension Credit gives you extra money to help with your living costs if you're over State Pension Age and on a low income. You can get Pension Credit even if you have other income, savings or own your own home and if you get Pension Credit, you can also potentially get other help such as a Council Tax discount, a free TV licence (if you're 75 or over) and help with your heating costs. However, a large number of people who are eligible for Pension Credit don't claim it. [Find out more about Pension Credit](#) to determine if you are eligible to receive it, or call the helpline on 0800 99 1234.

### Tax help

TaxAid is a charity which provides free independent help and advice for people in the UK who cannot afford to pay for professional tax advice. The service typically helps people who have an income below £28,000 per year. You can find out more about their services by visiting their [website](#). You can also call their helpline on 0345 120 3779 during office hours.



# INVESTMENT AND FINANCIAL REPORT

The Trustee is responsible for the Fund’s investment strategy. In taking decisions regarding the Fund’s investment strategy, the Trustee considers the membership profile and the structure and duration of the Fund’s liabilities.

The Trustee has delegated the day-to-day management of the Fund’s asset portfolio, which includes full discretion for stock selection, to the external investment managers listed earlier on in the report.



## Asset allocation

The asset allocation of the Fund for the current and prior period are compared against the long-term strategic benchmark in the chart below.

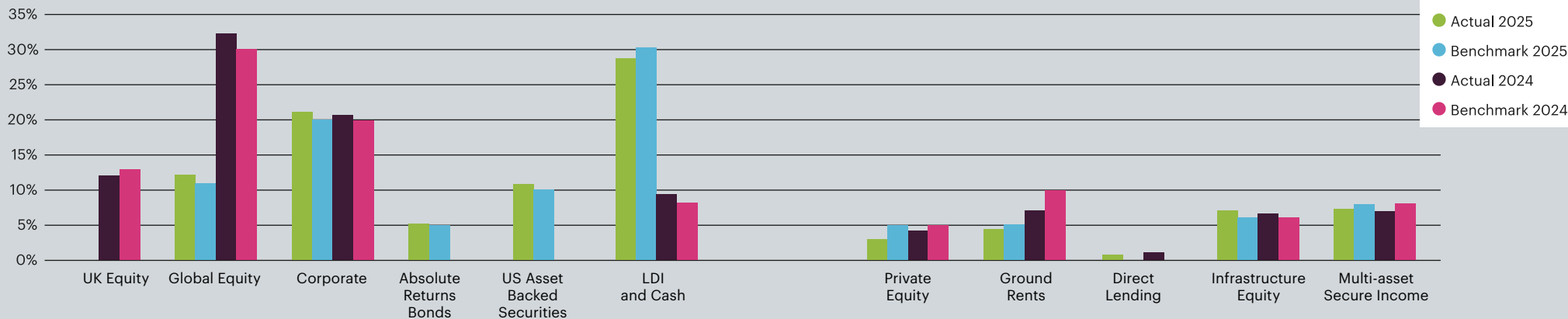
## Membership

Membership movements are shown in the chart below. Recent years have shown a maturing of the Fund, and whilst this year’s chart shows that the number of deferred and pensioner members continues to grow, there has also a substantial increase in the number of contributing members, largely due to a number of promotions about the benefits of membership by the University’s in-house Pensions Team.

Membership by category



Asset allocation



## Income and expenditure

Detailed below is an abridged version of the income and expenditure of the Fund to 31 July 2025. Full details are published in the Fund's Annual Report and Accounts, which is available to members upon request.

	2024	2025
<b>Income (excluding investment income)</b>		
Employer contributions	£4,096,995	£4,289,576
Employee contributions	£450,685	£461,254
Transfers in	£0	£0
Other income	£176,592	£54,783
<b>Total income (excluding investment income)</b>	<b>£4,724,272</b>	<b>£4,805,613</b>
<b>Expenditure</b>		
Benefits paid or payable	(£6,970,526)	(£7,652,179)
Payments to and on account of leavers	(£200,101)	(£54,990)
Administrative expenses	(£531,741)	(£588,577)
Other payments	(£121,055)	(£121,947)
<b>Total expenditure</b>	<b>(£7,823,423)</b>	<b>(£8,417,693)</b>
<b>Return on investments</b>		
Investment income	£558,865	£472,954
Change in market value of investments	£20,965,962	£4,983,389
Investment management	(£346,856)	(£495,260)
<b>Net return on investments</b>	<b>£21,177,971</b>	<b>£4,961,083</b>
<b>Net assets of the scheme</b>		
At 1 August	£218,916,504	£236,995,324
At 31 July	£236,995,324	£238,344,327

# THE UNIVERSITY OF YORK PENSION FUND SUMMARY FUNDING STATEMENT JULY 2025

## Introduction

This statement gives you an update on the estimated financial position of The University of York Pension Fund (the "Fund"). The Fund is a Defined Benefit Scheme. This means that it gives you an income for life, calculated on your service and pay in the Fund.

The Trustee Directors use the assets of the Fund to pay pensions to Fund members. The assets are held separately from the University's assets. The Fund's assets can only be returned to the University if they are more than is needed to arrange for an insurance company to pay all Fund benefits. No such payment to the University has been made since the date of the last statement, and the Trustee Directors would tell you if the Fund was ever able to make such a payment. Please note that the surplus in the Fund is being managed by the Trustee and the University and, due to the investment strategy followed, the funding position can move up and down over time.

## Funding position as at 31 July 2025

Assets	£237.6m
Money needed to pay benefits	£164.7m
Surplus	£72.9m
Funding level	144%

The latest actuarial valuation of the Fund as at 31 July 2023 showed a surplus of £45.3m and a funding level of 126%.

As at 31 July 2025, the Fund was estimated to be 144% funded with a surplus of £72.9m. The funding position has therefore improved since 31 July 2023.

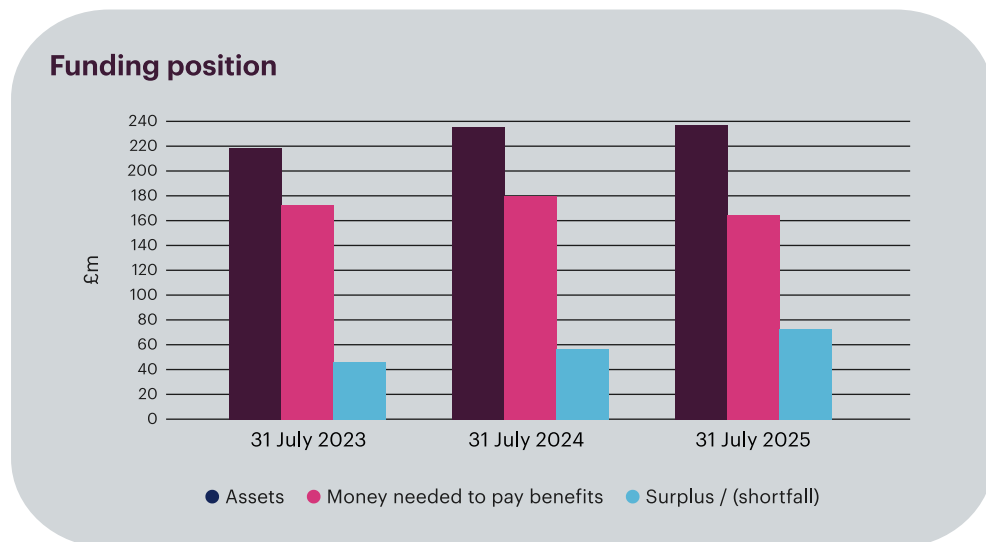
The main reason for the improvement in the funding position is due to changes in financial markets over the period since 31 July 2023. In addition, the contributions paid into the Fund by the University (which have been higher than the contributions required to meet the cost of benefits accrued), and higher than expected returns on the Fund's investments have contributed to the improvement.

## The Fund’s finances

Working out the value of the benefits promised to members – how much money is needed to pay all the members’ pensions – is not an exact science. It depends on several things, including inflation, investment returns and how long members live.

A valuation is carried out by the Scheme Actuary every three years. As part of the valuation, the Scheme Actuary estimates whether the assets are worth more than the amount needed to pay members’ benefits. If that is not the case, then the Trustee Directors and University will agree what action needs to be taken.

The value of the Fund’s assets and the money needed to pay benefits, measured at 31 July 2023, 31 July 2024 and 31 July 2025 are shown below. The next valuation will be as at 31 July 2026 and could take up to 15 months to complete.



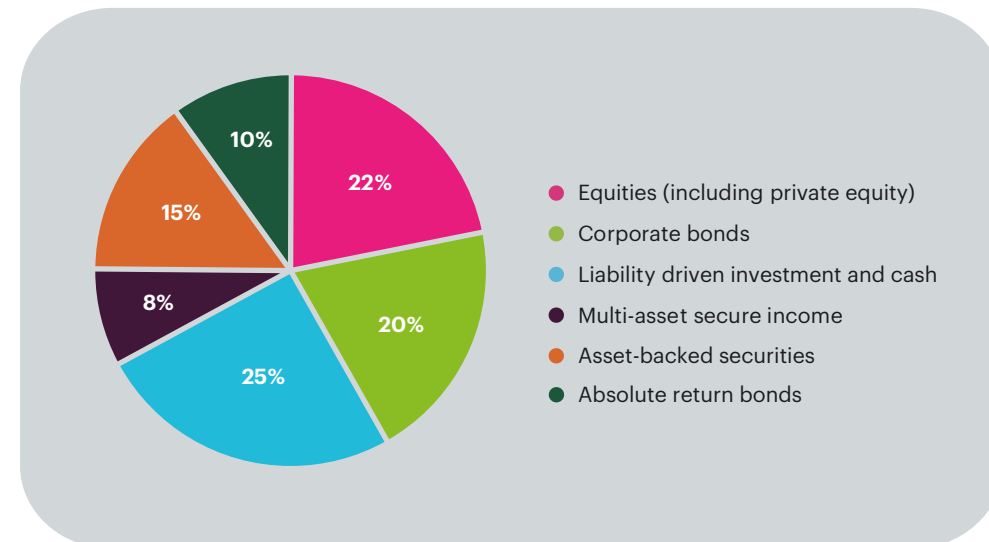
The latest actuarial valuation, carried out as at 31 July 2023, showed a surplus of £45.3m and a funding level of 126%. Therefore, the assets of the Fund were more than the estimated amount needed to pay all benefits to members, based on the assumptions used.

The previous Summary Funding Statement, issued towards the end of 2024, showed that the Fund was estimated to be 131% funded with a surplus of

£56.3m as at 31 July 2024. An approximate funding update was also carried out as at 31 July 2025 which showed the Fund was estimated to be 144% funded with a surplus of £72.9m. The funding position has therefore improved each year since the actuarial valuation as at 31 July 2023. The main reason for the improvement in the funding position is due to changes in financial markets over the period since 31 July 2023. In addition, the contributions paid into the Fund by the University (which have been higher than the contributions required to meet the cost of benefits accrued) and higher than expected returns on the Fund’s investments have contributed to the improvement.

## Assets

The Trustee Directors’ long-term investment strategy for the Fund is to hold the following investment classes:



Within each investment category, the Trustee Directors aim to hold a mixture of assets. The Trustee Directors regularly review the Fund’s investment strategy to ensure it is appropriate for the Fund.

## Winding up the Fund – the buy-out position

If the University wants to pass on its responsibility for the Fund to an insurance company, the Fund will be wound up. This is known as “buying-out” the benefits. The University would have to pay a one-off contribution to the Fund to bring the assets up to the level at which an insurance company would be willing to take on the responsibility of the Fund. If this had happened as at 31 July 2023, it is estimated that the University would not have been required to pay a contribution, as the Fund held sufficient assets.

## Additional protection

If an employer becomes insolvent, the **Pension Protection Fund** can pay compensation to members in certain circumstances.

The Pensions Regulator looks after work-based pension schemes and has certain powers it can use if it has concerns about a scheme. It has not used any of these powers in relation to the Fund.





**[york.ac.uk/pensions](http://york.ac.uk/pensions)**  
**[pensions@york.ac.uk](mailto:pensions@york.ac.uk)**