

MORGAN GROUP SENIOR
STAFF PENSION AND LIFE
ASSURANCE SCHEME

SPOTLIGHT 2021/22

January 2023 | Inside this edition:

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WELCOME FROM THE CHAIR

OF THE MORGAN GROUP SENIOR STAFF PENSION AND LIFE ASSURANCE SCHEME TRUSTEES

I have pleasure in sending you the latest edition of “Spotlight”, which contains information about the performance and the key developments of the Scheme during the last 12 months.

The Covid 19 pandemic of 2021/22, followed by the Russian invasion of Ukraine, resulted in rising global inflation and interest rates, coupled with significant volatility in financial markets, both at home and abroad. The UK bond markets also experienced a well-publicised shock, immediately following the mini budget in September 2022. Whilst many pension schemes were adversely affected by these events, I am pleased to be able to report that the Morgan Senior Scheme withstood this recent market turbulence well, improving its funding position, through progressive de-risking of its well managed investment portfolio.

A full triennial actuarial valuation of the Scheme took place on 31 March 2022, for which the results can be viewed in the Summary Funding Statement included with this newsletter.

The Trustees have worked closely with their advisers and with the Company to deliver a significant improvement in the funding level, through a combination of increased employer contributions, stronger investment returns and through careful management of inflation, interest rate and investment risks. I would like to thank them for their efforts in these exceptional times.

I am pleased to announce that, following agreement with the Trustees, the Company made an exceptional cash injection into the scheme at the end of December 2022, equivalent to the remaining contributions due under the existing Recovery Plans and sufficient to meet the agreed Long-Term Funding Objective. This eliminates the remaining actuarial deficit and enables the Trustees to pursue an investment strategy with a reduced level of risk in future, providing further security for pension benefits.

The member website was launched within the year, for which you should have received a communication about how to register for this service. Further details are provided on page 4.

It has been my privilege to serve as Chair of the board of Trustees for the past 14 years and to work with our Advisers and with the Company to secure the pension benefits for Scheme members, now and into the future. I have decided to stand down at the end of April 2023. I am pleased to announce that the board has voted unanimously to appoint Ralph Gomarsall as Chair with effect from 1 May 2023. Ralph has been a Member Nominated Trustee since February 2018 and, upon taking up the role of Chair he will become a Company Nominated Director of both Schemes. This will create a vacancy for a Member Nominated Director of the Senior Scheme Board.



Phil Wright

Chair of the Trustees



NEWSROUND

SUSTAINABLE INVESTING, ESG AND YOUR PENSION

Sustainable investing has become an increasingly important area for pension schemes. More and more, pension savers are saying they want their money to 'do good' while it grows, thereby helping the environment and benefitting wider society.

The Government has also implemented regulations on pension providers and trustees of pension schemes to implement Environmental, Social and Governance (ESG) factors into their decision making on investments. Taking an ESG approach to investing combines traditional investment approaches with environmental, social, and governance insights to determine an investment's financial returns and overall impact. When investing in an asset an investor will assess:

- What impact it has on the environment (environmental factors)
- How employees, suppliers and communities are being treated (social factors)
- How the business is run (governance)

Although an ESG approach aims to include assets that score highly on those all-important environment, social and governance factors, its overall objective remains financial performance.

With all of this in mind, the Trustee is continually working with the investment managers and consultants to assess the ESG credentials of the Scheme's investments. Proper funding of a Defined Benefit (DB) pension scheme is vitally important, as a well-funded scheme allows us to pay your retirement benefits now, and in the future. The Trustee feels ESG factors, and any subsequent climate risk, will have an impact on investments.

The Trustee carries out an investment strategy review at least every three years where they assess the suitability of the strategy in relation to your, and the Scheme's, needs, aims, and beliefs. You can find out more about the Scheme's current approach to investment in the Statement of Investment Principles.

STATEMENT OF INVESTMENT PRINCIPLES

The Trustee is required to agree a Statement of Investment Principles (SIP) that set out the Scheme's investment policy and the activities undertaken by the Trustee to ensure these are carried out.

The SIP is available to download on the Company's web site, within the "Sustainability and Responsibility/Governance" section.



SCHEME NEWS

MEMBER NOMINATED DIRECTOR 2022: RESULTS

The Trustees are pleased to announce the re-appointment of Stuart Cox.

The term of Stuart's position as a Member Nominated Director will be five years.

"PRISM"

The member website, known as "PRISM", developed by the Scheme Administrator, Hymans Robertson is now up and running. As a member of the Scheme, you have access to this secure website.

Here's a summary of what you can do:

- View and regularly check that the personal details held are correct.
- View your payslip and P60.
- View your deferred benefits and make a request for a quotation.
- Submit a general enquiry.
- Set your preferred method of communication as email if you would prefer this.
- View Scheme documents, including the Trust Deed and Rules and the Trustees' Privacy Statement.

To login, please visit the web address below to register.

<https://secure.morganpensionschemesenior.co.uk/>

If you have any difficulties with the registration process please either call **0121 210 4342** or email morgan@hymans.co.uk

ACTUARIAL VALUATION

Every three years, the Trustee is required by law to undertake an actuarial valuation to check the funding position. An actuarial valuation compares the assets against the liabilities and determines whether the Scheme has a funding surplus or deficit.

The liabilities consist of pensions currently being paid and an estimate of the pension benefits that will become payable in the future. The Scheme's assets are the investments managed by the Trustee. If the liabilities exceed the assets, then the Trustee and the Company will agree what level of contributions will be paid to the Scheme, and for how long, so that the funding deficit can be removed.

The latest actuarial valuation was carried out with an effective date of 31 March 2022 and the results are summarised in the Summary Funding Statement included with this newsletter.

MAM PLC TO INJECT A FURTHER £16M

The Trustees are very pleased to announce that the Company has made a significant lump sum contribution to both Schemes.

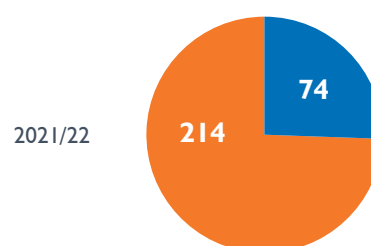
The £16m payment to the MSS will not only remove the funding deficit reported in the results of the 2022 valuation (more details on this can be found in the Summary Funding Statement) but also on the even more prudent "Long Term Objective" basis.

This is an excellent result for Scheme members and, together with the de-risking of the investment strategy, greatly enhances the security of their benefits and the long-term sustainability of the Schemes.

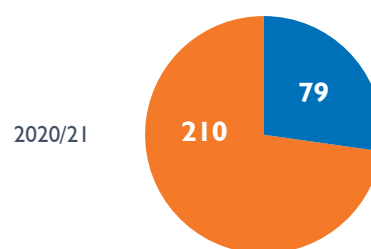
FINANCIAL SUMMARY

	2021/22 £000	2020/21 £000	2019/20 £000
Fund value at start of year	147,956	145,950	144,082
MONEY PAID INTO THE SCHEME			
Company contributions	5,380	6,536	4,190
Other income	-	-	1
Investment return	2,786	4,005	5,199
MONEY PAID OUT OF THE SCHEME			
Benefits, leavers, administration expenses	(7,106)	(8,535)	(7,522)
Fund value at year end	149,016	147,956	145,950
Change in fund value	1,060	2,006	1,868

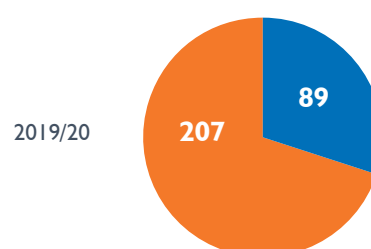
SCHEME MEMBERSHIP



TOTAL: 288



TOTAL: 289



TOTAL: 296

Pensioners ●
Deferred members ●



GENERAL INFORMATION

INCREASES TO YOUR MINIMUM PENSION AGE

Your Normal Minimum Pension Age (NMPA) is the earliest age you're able to access your pension benefits. This is currently set to 55 but is set to rise to 57 in April 2028.

State Pension Age (SPA) is the earliest you can start accessing your State Pension if you qualify for one. In line with continuing increases in life expectancy, SPA increased in October 2020 to age 66. SPA will continue to increase gradually as follows:

- 2026 – 2028 – age 67
- 2037 – 2039 – age 68*

* Under current law, the SPA is due to increase to 68 between 2044 and 2046. However, the Government has announced plans to bring this timetable forward.

Please note, you also have the option to delay your State Pension and get extra State Pension when you do come to claim it.

You can check how much State Pension you might get and when at www.gov.uk/state-pension-age

With both NMPA and SPA increasing it's worth thinking about when you'd like to access your benefits from the Scheme.

Please note that owing to the way in which this particular legislation works, you may have different minimum pension ages in other schemes which you are a member of. You should therefore check with those other schemes as they will be able to tell you the relevant age which applies to your benefits in that particular scheme.

ADDITIONAL VOLUNTARY CONTRIBUTIONS (AVCS)

For members who paid AVCs to Equitable Life (now Utmost Life & Pensions Limited), you should receive an annual statement from our third-party administrators. Please contact Hymans Robertson if this is not the case.

For members who paid AVCs to Standard Life (now Standard Life Aberdeen), up to date investment performance of your funds can be found at the following web site: www.standardlife.co.uk/investments/tools/fund-performance

You may wish to review your AVC investments on an ongoing basis to ensure it remains in line with your retirement planning.

BE AWARE! DON'T LET A SCAMMER ENJOY YOUR RETIREMENT

With the pandemic, high inflation, and the rising cost of living, many of us are facing new money worries. But if you're struggling, there is help available. MoneyHelper provides a range of helpful information on how to manage your money in these challenging times.

Unfortunately, scammers are using the current economic climate to exploit people's money worries.

Scammers can be articulate and financially knowledgeable, with credible websites, testimonials and materials that are hard to distinguish from the real thing. For most people the offers will be bogus, and victims could lose most, if not all, of their pension savings. Other scams entice people to transfer their money to another scheme in order to benefit from supposedly high returns.

Pension scams are continuing to entice people to access their pension benefits before age 55 and you may have seen/heard adverts warning people about this on the television/radio.

Only in rare cases – like in ill-health – can you take your pension before age 55. If you agree to transfer to one of these schemes you may lose all your savings and may still be subject to tax charges of over half your transfer value for taking an ‘unauthorised payment’ from your pension.

Pension scams are evolving alongside the regulatory measures being put in place to help stop them, so it is best to stay alert to the risks. Make sure you aren't next by knowing what to look out for and how to protect your pension.

- Cold called about your pension. Hang up!
- Offered an ‘amazing’ deal? Beware!
- Using an adviser? Make sure they’re registered with the FCA!
- Recommended by a friend? Check everything yourself!
- Think you’ve been scammed? Act immediately!

Never be rushed into making a decision and be very wary of anyone offering a free pensions review.

More information on pension scams can be found at www.thepensionsregulator.gov.uk/en/pension-scams.

The Pensions Regulator (TPR) issued new regulations in November 2021 with regard to transfers. If you request a transfer from the Scheme, please note the process now takes a little longer but the extra due diligence is for your protection.

EXPRESSION OF WISH FORMS

It is important that the Trustees are kept up to date regarding your wishes relating to the benefits payable upon your death. If you have not previously completed these forms or your personal circumstances have changed, please complete the enclosed Expression of Wish and Nomination of Dependents forms, and return them to:

Morgan Group Senior Staff Pension and Life Assurance Scheme

Hymans Robertson LLP
45 Church Street
Birmingham
B3 2RT

Please note that these forms are not relevant to everyone. The Expression of Wish form nominates potential beneficiaries to receive a lump sum payment on death and therefore does not apply to pensioner members who have been in receipt of a pension for more than five years. The table below sets out the forms that should be completed for each category of member.

	NOMINATION FORM	EXPRESSION OF WISH FORM
Deferred member: no longer actively contributing, but not yet in receipt of a pension	Y	Y
Retired member within guarantee period: in receipt of a pension and retired for less than 5 years	Y	Y
Retired member: in receipt of a pension and retired for more than 5 years	Y	N
Beneficiary: a spouse in receipt of a pension relating to a member of the Scheme	N	N

USEFUL CONTACTS

Get impartial information and advice

MoneyHelper

MoneyHelper offers a broad range of financial guidance and support. You can access free, impartial help about money matters and your pension, find a local financial adviser and use a range of handy calculators and tools: www.moneyhelper.org.uk/en

Financial advice

If you'd like financial advice, but you don't have a financial adviser, the MoneyHelper website provides information about financial advice and help with choosing a financial adviser: www.moneyhelper.org.uk/en/getting-help-and-advice/financial-advisers/choosing-a-financial-adviser

Pension Wise (only available if you have a defined contribution pension pot)

Pension Wise is a Government service from MoneyHelper that offers free, impartial pensions guidance to people aged 50 and over about defined contribution pension options. If you're thinking about accessing your DC pension savings, your provider must refer you to the Pension Wise guidance and offer to book an appointment with them or you can contact Pension Wise directly.

An appointment with Pension Wise will:

- Help you understand what your overall financial situation will be when you retire.
- Talk you through your options at retirement to help you make the right decision.
- Help you find out about the other factors you need to consider when deciding on your options.

To find out more or book an appointment, visit www.moneyhelper.org.uk/en/pensions-and-retirement/pension-wise

STAY IN TOUCH

It is important that we have up-to-date contact details for you, so please let us know if any of your personal details change by using the contact details below.

Morgan Group Senior Staff Pension and Life Assurance Scheme

Hymans Robertson LLP
45 Church Street
Birmingham
B3 2RT

Tel: **0121 210 4342**

Email: morgan@hymans.co.uk

Should you have any questions about the content of this edition of Spotlight, please contact the Scheme Secretary at:

Barnett Waddingham LLP

Pinnacle
67 Albion Street
Leeds
LS1 5AA

If you would prefer to receive this document in electronic format in the future, please email: morgan@hymans.co.uk