

# Summary Report 2025

with news from the Trustee



# Welcome

On behalf of the Trustee Board, welcome to your 2025 Summary Report.

Last summer, I reported that the Trustee and the BBC had agreed to bring forward the full actuarial valuation by one year to 1 April 2024.

The 2024 valuation has now been completed and showed an improved funding position for the Scheme, with a funding surplus of £296m - a significantly improved position when compared to the last full valuation in April 2022, when there was a funding shortfall of £841m. More information is on page 4.

As part of the 2024 valuation, the BBC also agreed that it would enhance protection for the Scheme by strengthening some existing measures which were originally put in place at the 2022 full valuation. Those measures trigger payments to the Scheme in some circumstances in order to protect the Scheme against potentially adverse events. The strengthened measures are now in place and these improve the security of members' benefits in the Scheme.

Later this year, there will be elections to fill two upcoming vacancies on the Trustee Board. Ballots for the first election - for a Pensioner

Trustee – will open on 4 September. I am pleased to report there has been significant interest in this role. The results will be announced later this year.

Pensions seem to have been in the news regularly in the last year, and you may have seen media coverage of the government's desire for UK pension schemes to invest in a way which contributes more positively to the UK economy.

Whilst diversification across investments and risk factors is an important investment principle for the Trustee, the Scheme is already a significant investor in the UK. Around 70% of the Scheme's assets are in the UK, with our investments including infrastructure, renewable energy, commercial property and exposure to the debt and equity of a range of public and private UK companies.

Finally, I would like to invite you to our online members' meeting on 14 November where you will hear a further update and have the opportunity to ask questions – more details are on page 14.

**Catherine Claydon**  
Chair of the Trustee Board

## At a glance

- The Scheme provides benefits to 44,097 members.
- At 1 April 2025 the market value of the Scheme's assets was £12.6bn.
- At 1 April 2025 the funding level was 103.4%.



# Trustee Board

## Trustee Directors

**Catherine Claydon (Chair and Independent)**  
**Bridget Houghton (Independent)**  
**Emma Osborne (Independent)**  
**Kristina Block (Member elected)**  
**Ben Cryer (Member elected)**  
**Leslie Huss-Smickler (Pensioner elected)**  
**Hannah Sander (Member elected)**  
**Shirley Cameron (BBC appointed)**  
**Martyn Freeman (BBC appointed)**  
**Peter Johnston (BBC appointed)**  
**David Jordan (BBC appointed)**

## The Trustee Board

The Trustee of the Scheme is a company, BBC Pension Trust Limited. The directors of the company are referred to as the Trustee Directors. There are eleven Trustee Directors:

- Four are appointed by the BBC;
- Four are appointed by Scheme members. Three of these are elected by the active members and those deferred members employed by participating employers. One is elected by the pensioners.
- Three are independent Trustee Directors, appointed by the other Trustee Directors with the agreement of the BBC.

Eileen Haughey's term as an independent Trustee director ended on 31 December 2024. Bridget Houghton was appointed as a new independent Trustee director from 1 January 2025.

This year, there will be elections to fill two upcoming vacancies on the Board:

- A Pensioner Trustee, nominated from and elected by pensioner members
- A Member Trustee, nominated from and elected by the active members and those deferred members who are still working for the participating employers.

Nominations have been invited for the Pensioner Trustee role. If you're a pensioner member, you will receive an invitation to vote when the ballot opens on 4 September.

Nominations will open for the Member Trustee role on 20 November. Eligible members will receive an email in early October explaining more about the role and how to apply.

The Board is keen to encourage applications from employees from all backgrounds, as a diverse Board with a variety of skills, perspectives and experiences will help the Scheme to operate effectively for all its members.

Find out more at [bbc.co.uk/mypension](http://bbc.co.uk/mypension)

# Valuation report

The Trustee must arrange a full actuarial valuation of the Scheme at least every three years. While three years is the maximum time permitted between full valuations, these can be carried out more frequently if the Trustee decides to do so.

The Trustee takes advice from the Scheme Actuary on the valuation. The valuation gives an up-to-date picture of the expected future cost of providing the pensions and other benefits that members have already built up ('the liabilities') and how that compares with the value of the assets held in the Scheme.

If the value of the Scheme's assets is lower than its liabilities, it's said to have a 'shortfall' (also known as a 'deficit'). If there is a shortfall, the Trustee and the BBC are required to agree a plan (known as a 'recovery plan') to eliminate the shortfall by a specific date. By contrast, if the value of the Scheme's assets is higher than its liabilities, it's said to be in 'surplus'.

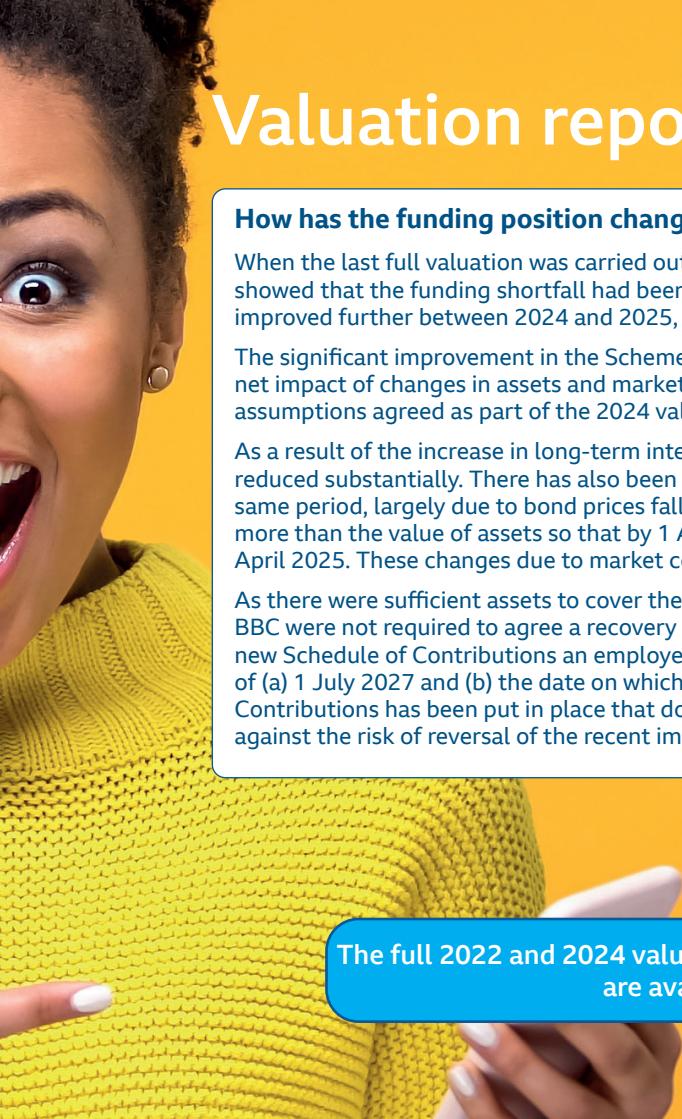
The latest full valuation was carried out with an effective date of 1 April 2024, two years after the previous full valuation as at 1 April 2022. In years when there is not a full valuation, the Scheme Actuary carries out a less detailed annual update of the Scheme's funding position. The latest annual update was carried out as at 1 April 2025.

The Trustee and the BBC have agreed that the next full valuation will be carried out no later than 1 April 2026.

The funding position on the 'technical provisions' funding basis is shown in the table below. This is the measure used by scheme trustees as part of the mandatory actuarial valuations they must carry out.

	2022 (valuation)	2023 (update)	2024 (valuation)	2025 (update)
Assets	£19.8bn	£14.7bn	£13.8bn	£12.6bn
Liabilities	£20.7bn	£14.6bn	£13.6bn	£12.2bn
(Shortfall)/Surplus	(£841m)	£103m	£296m	£418m
Funding Level	96%	101%	102%	103%





# Valuation report cont...

## How has the funding position changed?

When the last full valuation was carried out in 2022, there was a shortfall of £841 million. The 2024 valuation showed that the funding shortfall had been eliminated and there was a surplus of £296 million. The position improved further between 2024 and 2025, with the surplus increasing to £418 million.

The significant improvement in the Scheme's funding level since the 2022 valuation was primarily due to the net impact of changes in assets and market conditions, as well as the BBC contributions paid and the change in assumptions agreed as part of the 2024 valuation (see below).

As a result of the increase in long-term interest rates since 1 April 2022, the value placed on the liabilities has reduced substantially. There has also been a substantial reduction in the value of the Scheme's assets over the same period, largely due to bond prices falling as interest rates rose. Overall, however, the value of liabilities fell by more than the value of assets so that by 1 April 2024 the funding level had improved to 102% and to 103% by 1 April 2025. These changes due to market conditions do not affect your benefits from the Scheme.

As there were sufficient assets to cover the Scheme's liabilities at the 2024 valuation date, the Trustee and the BBC were not required to agree a recovery plan. However, the Trustee and the BBC have agreed to include in the new Schedule of Contributions an employer contribution of £125 million to be paid to the Scheme by the earlier of (a) 1 July 2027 and (b) the date on which the 2026 valuation is completed unless a replacement Schedule of Contributions has been put in place that does not require it. This provision is designed to help protect the Scheme against the risk of reversal of the recent improvement in the funding position.

The full 2022 and 2024 valuation reports and the 2023 and 2025 annual updates are available at: [bbc.co.uk/mypension](http://bbc.co.uk/mypension)

# Valuation report additional information

## Shortfall on winding up

As part of the full valuation, the Scheme Actuary also looks at the funding level were the Scheme to be wound up. The Trustee is required by law to give you this information. Including this information does not mean that the BBC or the Trustee are planning to wind up the Scheme.

If the Scheme had wound up on 1 April 2024, the Scheme Actuary estimated that the market value of assets would have been £13.2 billion and the Trustee would have had to pay an insurance company £14.4 billion to provide all the benefits in full. This would have meant that the Scheme had a shortfall of around £1.2 billion (2022: £3.4 billion), and a funding level of 91% (2022: 85%).

The 2024 valuation report and the 2025 actuarial report are available in the 'Documents' section of: [bbc.co.uk/mypension](https://bbc.co.uk/mypension).

## Pension Protection Fund

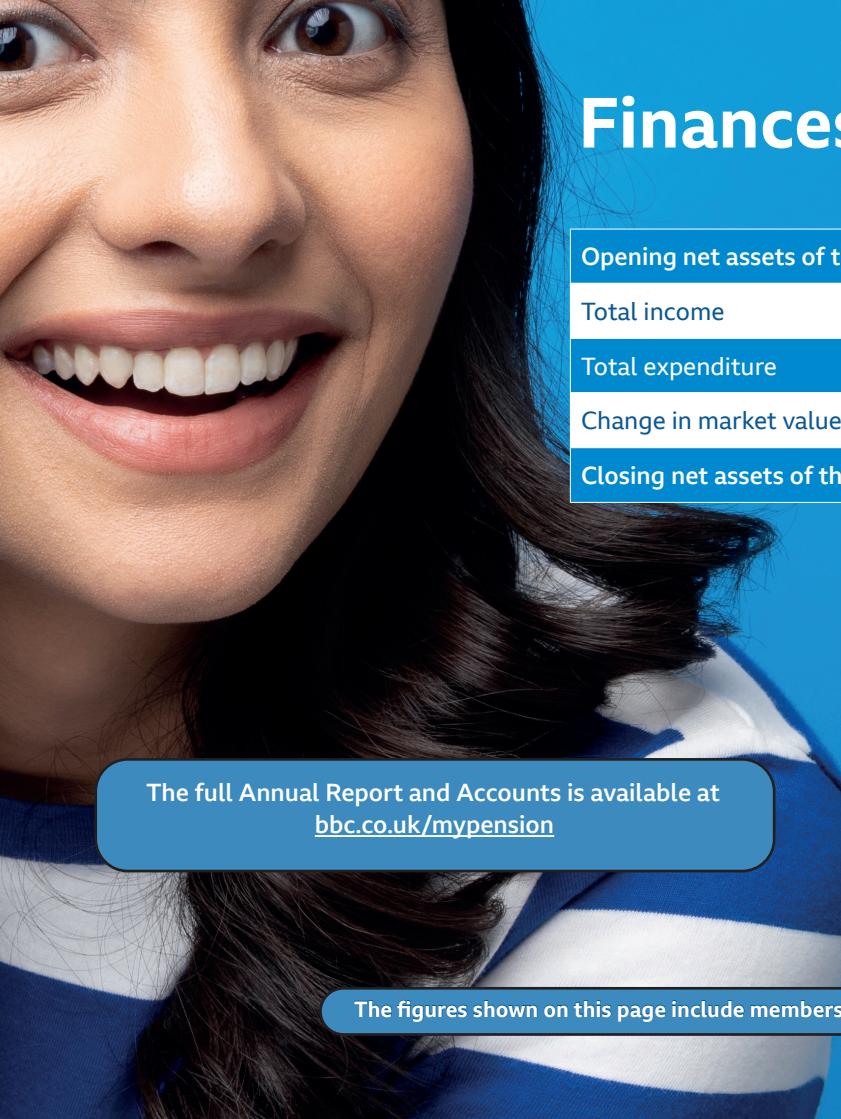
The Pension Protection Fund was set up in 2005 to compensate members of eligible UK pension schemes which are wound up if the employer is insolvent and the scheme does not have enough assets to cover members' benefits. Further information is available at: [ppf.co.uk](https://ppf.co.uk)

## Climate-related financial disclosures

The Trustee's climate-related financial disclosures report explains how the Trustee manages climate-related risks and opportunities. The report is available in the 'Documents' section of: [bbc.co.uk/mypension](https://bbc.co.uk/mypension)

## Other Information we are required to tell you

There has not been any payment of surplus to the BBC from the Scheme during the last 12 months, nor has the Pensions Regulator used its powers in relation to the Scheme over that period.



# Finances

## Accounts summary

Opening net assets of the Scheme at 1 April 2024	£13,846.3m
Total income	£429.1m
Total expenditure	(£607.3m)
Change in market value of investments	(1,045.5m)
Closing net assets of the Scheme at 31 March 2025	£12,622.6m

## Value of Scheme Assets



The full Annual Report and Accounts is available at  
[bbc.co.uk/mypension](http://bbc.co.uk/mypension)

The figures shown on this page include members' Additional Voluntary Contributions.

# Investment update

The 2024/25 financial year saw some cautious reductions in short-term interest rates by leading central banks, reflecting soft economic growth and some progress in bringing inflation back towards its target levels. The Bank of England cut its Base rate from 5.25% to 4.50%, with UK inflation (CPI), which had reached 11.1% in 2022, falling back to 3.7% in the year to March 2025.

In contrast to falling short-term interest rates, long-term government bond yields continued to move higher. In the UK this reflected the very large amount of bonds that will need to be issued over the next few years to fund government spending, and market concern about the stickiness of inflation, particularly in the service sector. The UK 30-year nominal government bond (Gilt) yield rose from 4.4% to 5.3%. Meanwhile, the 30-year Index-Linked Gilt yield rose from 1.1% to 2.1%.

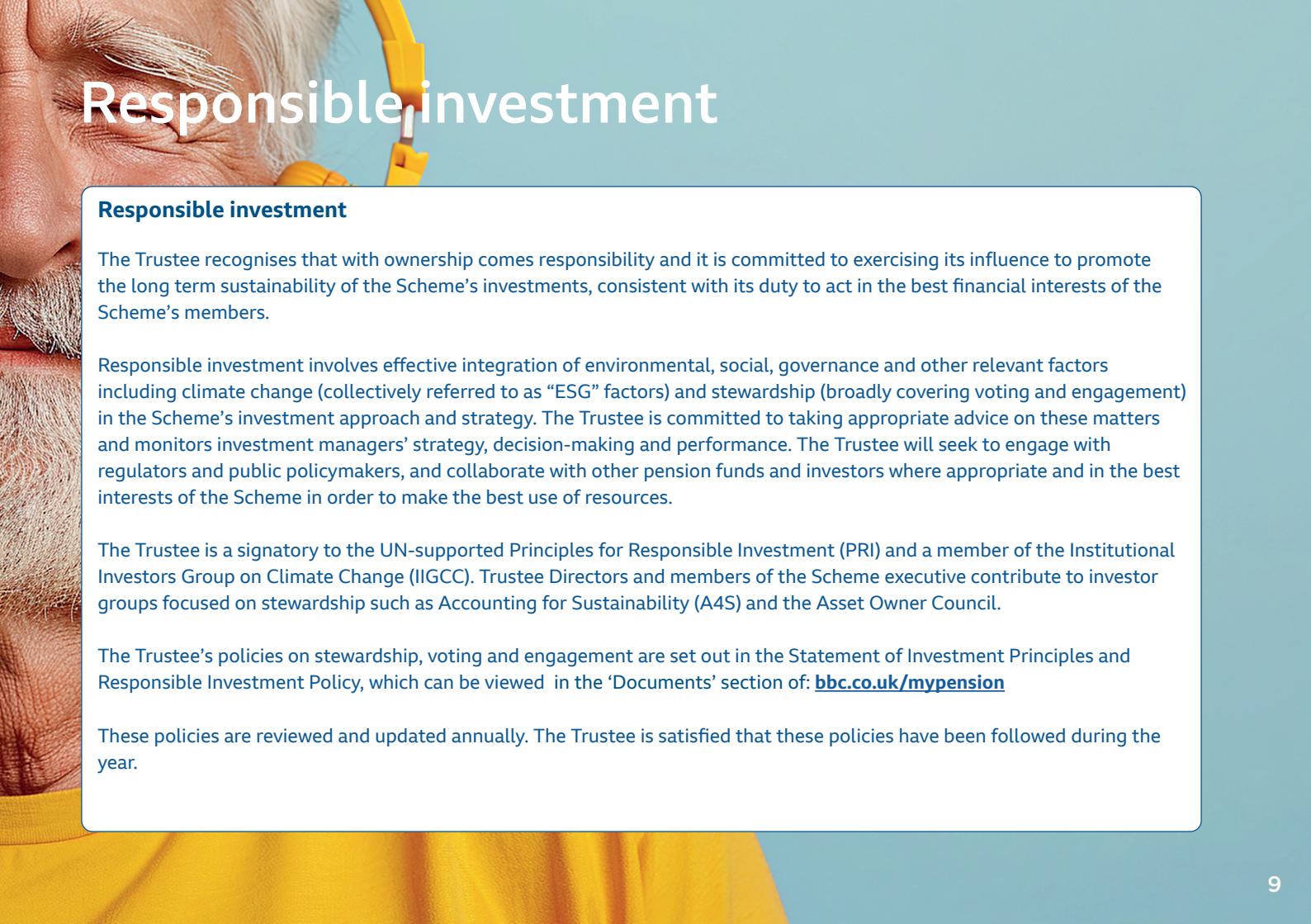
The level of long-term bond yields is particularly important for the Scheme as the yields are used to estimate the present value of the Scheme's liabilities. Meanwhile, the Scheme has significant holdings of 'liability matching bonds' such as Gilts and Index-Linked Gilts because their contractual cash flows mirror the benefits that the Scheme pays to its pensioners, and limit the extent to which the Scheme's funding position

is affected by movements in long-term interest rates and expected inflation.

For the financial year as a whole, corporate bonds once again outperformed government bonds as credit spreads tightened and equity markets delivered strong returns, with the FTSE All World index in £ gaining 5.5%.

As a consequence of the rise in bond yields, the value of the Scheme's assets was lower compared to a year ago. The asset value fell to £12.6bn, down from £13.8bn at the end of March 2024. However, as can be seen from the valuation report on page 4, the value of the Scheme's liabilities fell by a greater amount over the same period – falling from £13.6bn to £12.2bn.

After adjusting for cash flows in and out of the Scheme, the net investment return was -5.0%, following returns of -3.4% in 2023/24 and -23.8% in 2022/23, excluding the effect of the Scheme's longevity swap. Over the past five years, the Scheme's investment return is -3.7% on an annualised basis. Over the very long term, since 1978, the Scheme's investments have generated an annualised return of approximately 10%.



# Responsible investment

## Responsible investment

The Trustee recognises that with ownership comes responsibility and it is committed to exercising its influence to promote the long term sustainability of the Scheme's investments, consistent with its duty to act in the best financial interests of the Scheme's members.

Responsible investment involves effective integration of environmental, social, governance and other relevant factors including climate change (collectively referred to as "ESG" factors) and stewardship (broadly covering voting and engagement) in the Scheme's investment approach and strategy. The Trustee is committed to taking appropriate advice on these matters and monitors investment managers' strategy, decision-making and performance. The Trustee will seek to engage with regulators and public policymakers, and collaborate with other pension funds and investors where appropriate and in the best interests of the Scheme in order to make the best use of resources.

The Trustee is a signatory to the UN-supported Principles for Responsible Investment (PRI) and a member of the Institutional Investors Group on Climate Change (IIGCC). Trustee Directors and members of the Scheme executive contribute to investor groups focused on stewardship such as Accounting for Sustainability (A4S) and the Asset Owner Council.

The Trustee's policies on stewardship, voting and engagement are set out in the Statement of Investment Principles and Responsible Investment Policy, which can be viewed in the 'Documents' section of: [bbc.co.uk/mypension](http://bbc.co.uk/mypension)

These policies are reviewed and updated annually. The Trustee is satisfied that these policies have been followed during the year.

# Protection for your dependants

## Protect your dependants – benefits payable after your death

It is important you understand what lump sum and pension benefits may be payable from the Scheme when you die, and that you tell us who you would like to receive them. See the bottom of this page for how to do this.

This is particularly important if your personal circumstances change (for example, if you and your spouse/civil partner no longer live at the same address, you separate or divorce, or there is a change in who is financially dependent on you).

Death benefits may include a lump sum and/or pension payable to your dependant(s).

Lump sums are usually payable following the death of an active member, a pensioner whose pension started in the five years before death, or an Old Benefits member with a deferred pension and for whom no dependant's pensions are payable. Death benefit lump sums payable from the Scheme are held under a discretionary trust, which means that the Trustee decides to whom they are payable and they do not

form part of your estate (and are therefore currently free of inheritance tax).

An Expression of Wish form tells the Trustee the person(s), charity or organisation that you wish them to consider paying any lump sum benefits to on your death.

Your spouse or civil partner will be entitled to a pension on your death if you live together. If you don't live together for any reason, they may still be eligible for a pension if they are financially dependent on you. If you are not married/in a civil partnership, or are separated from your spouse/civil partner and not living with them, but have someone who is financially dependent on you, then you should consider completing a Nominated Dependant form to nominate that person to receive a pension following your death. This is normally payable in addition to any children's pensions that may be payable.

You can find out more about the Scheme's benefits payable on death at [bbc.co.uk/mypension](http://bbc.co.uk/mypension).

If you are unsure if you have already completed a form, please complete a new one.

You can nominate a dependant via [myPension Online](#) or by downloading and completing the form from the documents section of the [Scheme website](#) where you will also find the Expression of Wish form. If you complete a paper form, submit it via the Contact Us section of [myPension Online](#), or post it to us at the address on the form.

# Pensions News

## Pensions dashboards are coming

Pensions dashboards will allow individuals to see their pensions information for free in one place online, securely, at a time of their choosing. Pensions dashboards will also reunite savers with lost or forgotten pensions. The ability to access information easily alongside an increase in individuals' awareness and understanding of their pension information could also support people with better planning for their retirement.

It aims to provide clear and simple information about an individual's multiple pension savings, including their State Pension.

Pensions dashboards are a Government initiative and all schemes and providers in scope are legally required to be connected to the pensions dashboards ecosystem and be ready to respond to requests for pensions information by 31 October 2026 at the latest.

The Scheme is currently connected to the pensions dashboards ecosystem that is being rolled out to a small number of individuals for testing. The date of the full public launch of the pensions dashboards is still to be confirmed.

You can read more information about the pension dashboards programme here - [pensionsdashboardsprogramme.org.uk](https://pensionsdashboardsprogramme.org.uk)

## Other pension news

Following its Pension Investment Review, in July the Government relaunched the Pension Commission to explore the long-term questions of pension adequacy and retirement outcomes that risk pensioners being poorer in the future than they are today. You can find out more at [gov.uk/government/collections/the-pensions-commission](https://gov.uk/government/collections/the-pensions-commission)

Active and deferred members can get details of how much Scheme pension they have built up by logging into their myPension Online account (see page 15). For more information about paying Additional Voluntary Contributions (available for active members of the Old Benefits and New Benefits sections) or paying top-up contributions to LifePlan go to [bbc.co.uk/myPension](https://bbc.co.uk/myPension)

# Scheme Noticeboard

## May 2024 data security incident

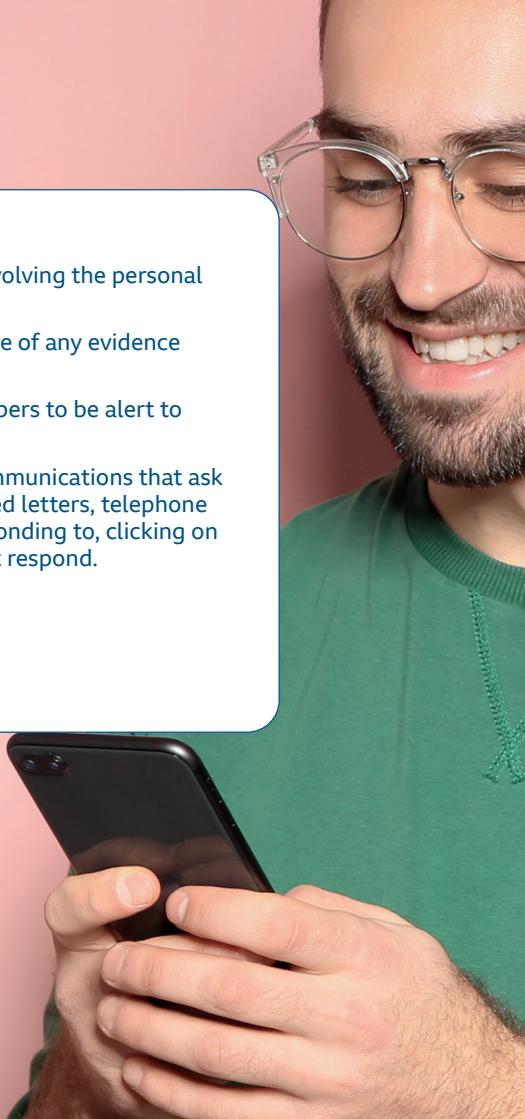
In last year's Summary Report we told you about the data security incident in May 2024 involving the personal information of some Scheme members. All members affected were contacted at the time.

Using specialist teams, the BBC continues to monitor the situation. The Trustee is not aware of any evidence showing there has been any misuse of the affected Scheme data.

Whilst there is no specific action for affected members to take, we continue to advise members to be alert to data and cyber security and to be vigilant for any activity that seems unusual.

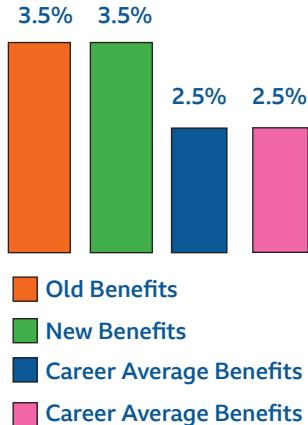
In particular, we encourage members to be cautious of any unsolicited and unexpected communications that ask for your personal information or ask you to take unexpected steps. This includes unexpected letters, telephone calls, texts or emails and information that refers you to a web page. Please also avoid responding to, clicking on links, or downloading attachments from suspicious email addresses. If you are unsure don't respond.

You can find general guidance and advice from the National Cyber Security Centre - [ncsc.gov.uk/guidance/data-breaches](https://ncsc.gov.uk/guidance/data-breaches)



# Scheme Noticeboard

## 2025 Pension in Payment Increases



Increases to pensions in payment were awarded on 1 April 2025. These increases ranged from 2.5% to 3.5%, depending on the section of membership.

Increases to pensions in payment were based on the rise in the relevant inflation index for the previous calendar year ending 31 December, subject to the applicable cap specified under the Scheme's Rules.

The relevant inflation index for increases to pensions in payment was the Consumer Prices Index for the CAB 2011 section and the Retail Prices Index for all other sections.

Increases were also awarded on 1 April to pensions that have not yet come into payment. The award for deferred pensions in the Old and New Benefits sections was 3.5%.

An increase to pensions built up to 31 March 2023 was also awarded for active and deferred members of the CAB 2006 and CAB 2011 sections, with an increase of 2.5% awarded.

## Normal minimum pension age set to go up

Just to remind you that the Finance Act 2022 increases the normal minimum pension age from 55 to 57 in April 2028. This means that if your pension is not in payment before 6 April 2028, the earliest you will be able to apply to start receiving it is age 57. As now, members will continue to be able to request their pension starts before the normal minimum pension age on the grounds of ill-health.

# Scheme Noticeboard

## 2025 Member Liaison Meeting

Following the success of previous meetings we will be holding the Member Liaison Meeting again this year. Members have told us that being able to hear directly from the people managing the Scheme helped them feel connected, and the presentations were helpful and of interest. You can watch last year's meeting under the News section of our website, [bbc.co.uk/mypension](http://bbc.co.uk/mypension)

We will be holding this event again on the **14 November 2025**.

We would like to invite all members to join the online meeting live to hear from the Chair of the Board, Director of Governance and Operations and Director of Investments who will provide this year's updates.

The meeting will be held online and streamed on our website. You'll be able to submit questions during the meeting but you can also send in your questions or suggestions for what you would like the meeting to cover in advance by emailing [mypensionfeedback@bbc.co.uk](mailto:mypensionfeedback@bbc.co.uk)

**There is no need to register and we will send a reminder email nearer the date with details of how to join online. If you are unable to join us live a recording will be posted shortly afterwards.**

# Help and Support

## Answering your questions

If you have a question about the Scheme or your pension, please visit [bbc.co.uk/mypension](http://bbc.co.uk/mypension) where you can also login to [myPension Online](#) to see details of your pension and securely get in touch with the pension service line via Contact Us.

Alternatively you can call the pension service line on **0303 081 2848** (Mon - Fri 10:00 - 16:00) or email: [mypension@bbc.co.uk](mailto:mypension@bbc.co.uk) or send a letter to:

BBC Pension and Benefits Centre  
3 Central Square  
Cardiff  
CF10 1FT

If you call, email or write to us you may be asked to provide additional information so we can identify you.

## How we use your data

You can find out how we use and look after your data by reading the Scheme's Privacy Notice at [bbc.co.uk/mypension/aboutthescheme/](http://bbc.co.uk/mypension/aboutthescheme/)

## myPension Online

Access your pension details 24/7 and get information quicker by registering for myPension Online. It's the fastest and most secure way to get your pension information.

Once registered, you can send us secure messages, view your details and change certain information like your bank or address details.

To register you will need your personal security number. You can get this by calling the pension service line.

## About this report

The Scheme Rules govern your benefits under the Scheme, and in the event of conflict between this communication and the Rules, the Rules take priority. This communication has been issued by BBC Pension Trust Limited (company number 02218202), as Trustee of the BBC Pension Scheme.