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# Building and Civil Engineering Benefits Scheme

Summary Funding Statement 2025

## Funding your benefits

Welcome to your 2025 Summary Funding Statement. This Statement is a way of letting you know our Scheme's financial position and to update you on the developments since the last funding valuation.

**At the latest funding valuation, 31 March 2024, the Scheme Actuary found:**

- **The Scheme had assets of £529.9m**
- **The amount the Scheme needs to cover its technical provisions (i.e. liabilities) was £525.3m**
- **This gave a surplus of £4.6m**
- **This represents a funding ratio of 101%**

Under the Pensions Act 2004, a funding valuation of the scheme must take place at least every 3 years. In years where a funding valuation does not take place (such as 2025), the Trustee must obtain an approximate funding update. The Scheme Actuary has therefore estimated the financial position of the Scheme as at 31 March 2025 which shows that the funding ratio was then estimated to be 102%, which corresponds to surplus of about £8.2m. This represents an increase of 1% or £3.6m since the date of the latest Summary Funding Statement as at 31 March 2024.

The funding position has slightly improved due to rising gilt yields which have reduced the Scheme's liabilities. At the same time Scheme assets have reduced due to benefits having been paid out, with the rising gilt yields increasing the expected returns on the remaining assets. Since the Scheme invests in assets that generally move in line with its liabilities, both have decreased by similar amounts. In addition, some positive investment performance during the year has helped improve the overall funding position.

The Trustee reviews the LSRB Retirement Benefit Rate ('RBR') annually, however there have been no increases for several years and the Trustee is no longer formally targeting RBR increases in order to safeguard existing member benefits.

## What if the Scheme started to wind up

**There are no current plans to wind up the Scheme and it will continue to pay benefits in full for as long as it continues.**

If at the most recent valuation, the Scheme had started winding up, the Scheme Actuary estimated that the amount needed to ensure benefits were paid in full (the full solvency position) as of 31 March 2024, was £531.1m, in which case the Scheme's assets would have fallen short of the amount required by £1.2m. This is equivalent to a solvency funding level of 100%. We are required to estimate this figure to get a complete picture of the Scheme's financial health.

## Payment to the employers

There have been no payments to the employers out of Scheme funds over the last 12 months.

## The Pensions Regulator

The Pensions Regulator has not needed to exercise any of its powers under s231(2) of the Pensions Act 2004, in relation to the Scheme (these powers relate to modifying a scheme, giving directions to a scheme or imposing a contributions schedule on a scheme).