

# Your Amey OS pension

The latest update



Spring 2019



As Trustee of the Amey OS pension scheme, we're in charge of looking after your pension and keeping it safe for the future. These newsletters will keep you up to date with what we've been doing, and how the scheme is funded.

In this edition, we update you on the sale of Amey and what this means for your pension. We've also got scheme funding details for 2017-2018, and we're pleased to announce the launch of our new website.



# Welcome to your Spring 2019 newsletter

In this latest edition of your new-look newsletter, we're covering the latest updates from the scheme. A lot has happened since the last newsletter, not least the news that Amey is being sold by Ferrovial.

The first thing we wanted to do was reassure you that your pension is not necessarily affected by this news. And whatever happens, you can still expect to get an Amey pension. We've explained a bit about what's going on and what it means for the scheme (page 2). It helps that the pension scheme is well funded, which you'll see in the latest summary funding statement (page 7).

But whenever there's news about company sales, financial scammers tend to pop up, trying to convince members that now is a good time to transfer money out of their pension. Transferring may not be in your best interests, and if it's a scammer talking to you about it, you could lose a great deal. Scammers can be very convincing, so we've included some tips on how to spot them before they can get their hands on your pension (page 4).

We've also included a request to make sure your Expression of Wish is up to date (page 6). This tells us who you want your pension to go to when you die. It's easy to fill it out once and forget all about it, but it's important to keep it up to date. Particularly if your personal circumstances have changed.

We're especially pleased this month to announce the launch of our new scheme website (page 4).

You can now go online to read any news from the scheme, to download back issues of this newsletter, and to refer to the latest summary funding statements to see how the scheme is getting on financially.

Just go to [www.my-amey-os-pension.com](http://www.my-amey-os-pension.com) to see for yourself.

Yours sincerely,



**Kim Nash**

For and on behalf of the Trustee

# Your pension scheme is independent of Amey

You may have seen the news that Ferrovial is selling Amey. Naturally, there's been some concern over what that might mean for pensions. So we wanted to explain a bit about the relationship between the scheme and the company, so you can see how this may or may not affect the scheme.

## Whether or not the scheme is affected depends on what happens next

In February 2019, Amey's parent company Ferrovial announced that it was going to sell all of its services division, including Amey. So Ferrovial is currently looking for a buyer for Amey. The value of the company has been written down (reduced) as a result of this news. This in itself doesn't necessarily mean anything for the pension scheme.



As your Trustee, we manage the pension independently of the company. Amey doesn't control your pension, but it is the 'sponsoring employer', responsible for making sure the pension always has the funds it needs. This means we rely on Amey, not Ferrovial.

So if Amey is now bought outright by another parent company and they continue to run Amey in a similar way, it's unlikely that this would affect your pension. But if a potential buyer decided to restructure or sell off parts of Amey, or if Ferrovial couldn't find a buyer at all, it could affect the scheme.

## Your benefits will still be paid

Depending on what happens next, your benefits will continue to be paid by one of the following:

### 1. The Amey OS pension scheme

If Ferrovial finds a buyer and things continue as they are, nothing much would change. Amey would continue to keep the scheme funded, and we'd continue to pay your benefits.

### 2. An insurance company

If Ferrovial couldn't find a buyer for Amey, or if a buyer chose to sell the company off in parts, Amey could become insolvent. In this case, we would look for an insurance company to take up the responsibility for paying your benefits. To help us buy the necessary contract with an insurance company, Amey would have to pay a lump sum into the scheme.

### 3. The Pension Protection Fund

If Amey wasn't able to pay the lump sum needed to buy an insurance contract, we'd turn to the Pension Protection Fund (PPF). The PPF is a safety net for members, continuing to pay their benefits when a scheme is no longer able to. How much pension benefit you would get would depend on whether or not you'd retired by the time the scheme went into the PPF. You can find out more at [ppf.co.uk](http://ppf.co.uk).



## We're taking advice to make sure we're prepared

Right now, Ferrovial is dealing with the sale, Amey is keeping the scheme funded, and we're continuing to pay out benefits. We're also meeting with our advisors and Amey regularly to make sure we're prepared for any eventuality.

We're doing this because it's our job to act in your best interests, whatever happens. So we want to be ready to support you and protect your benefits in any potential scenario.

## Keep up to date with the latest news on our new website

We're pleased to announce the launch of our new scheme website. You can go there to find back issues of this newsletter and funding statements from previous years.

We'll also use the website to announce when we learn anything new about the sale of Amey and how it could affect your pension. You'll also get a full update in the next newsletter.

Visit our new website at [www.my-amey-os-pension.com](http://www.my-amey-os-pension.com).



## Protect your pension

### How to spot a scammer

Every day in the UK, hundreds of people are contacted by scammers who are after their pension savings. Those who are taken in by the scammers lose an average of £90,000. Scams are getting more sophisticated and harder to spot. So here are some tips to help you avoid them.



### What to look out for

Pension scammers are clever, and come across as financial experts. They might have websites and brochures that look like the real thing. They're friendly and easy to believe, especially when they make tempting promises.

Be suspicious if someone phones or emails you out of the blue about your pension. They might:

- offer you a free pension review
- say they can help you get your pension money before you're 55
- promise you high-performing investments or guaranteed returns
- urge you to act quickly to avoid losing out on a discount or bonus

## What to avoid

Scammers can take all of your pension by moving it to a fake scheme, or put it into high-risk or unregulated investments. They can also use complicated structures that make your cash hard to track and get back. Or they can leave you with a big tax bill by tricking you into taking too much of your pension at once.

Members of defined benefit pension schemes, like you, are a big target. That's because scammers know that some of these members are thinking about transferring out the cash equivalent of their benefits. It's this cash that scammers want to get their hands on.

So make sure you don't:

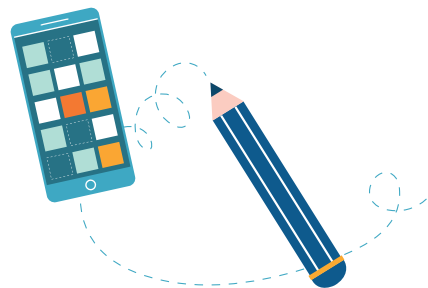
- believe anyone who says they don't have to be authorised by the Financial Conduct Authority (FCA)
- be persuaded by a friend or colleague, who may have been scammed and not know yet
- have anything to do with someone you don't know who contacts you about your pension
- be tempted by perks, like the offer of a personal home visit, or hand-delivered paperwork

## What to do if you think you've been targeted

If you're suspicious, check the FCA Register at [register.fca.org.uk](https://register.fca.org.uk) or phone the FCA on 0800 111 6768. They can tell you if the person or company offering you advice or financial services is properly authorised. Even if they're listed, check the contact details you've been given match what's in the Register.

You can report scammers to the police at [actionfraud.police.uk](https://actionfraud.police.uk). You can also report them to the FCA and get more information on scams at [fca.org.uk/scamsmart](https://fca.org.uk/scamsmart).

If you do want to transfer your pension elsewhere, you'll need to talk to a regulated financial adviser. You can find one online at [moneyadvice.service.org.uk](https://moneyadvice.service.org.uk).



# Are your wishes up to date?

## Take a moment to review your beneficiaries

As you may know, the Amey OS pension scheme will provide a tax-free lump sum payment to your beneficiaries if you die before claiming your pension, or within the first few years of retiring.

To help us do that, we need to know your Expression of Wish. By filling out a simple form, you can tell us who you'd like your beneficiaries to be and how you'd like payment to be divided up between them.

You can name:

- family members
- other significant people in your life
- an organisation such as a club or charity

## Keep your wishes up to date throughout the years

By keeping your Expression of Wish form up to date, you can help us understand where you'd like your benefits to be paid. This means we can take it into strong consideration if you do die before you start getting your pension.

There's no limit on the number of times you can update your Expression of Wish. In fact, we recommend you review your wishes once every two or three years, especially if your personal or family situation has changed.

## Update your Expression of Wish online

To update your Expression of Wish, visit the new Amey OS Pension website at [www.my-amey-os-pension.com](http://www.my-amey-os-pension.com) to download a form. Or, to find out who you have nominated right now, give our scheme administrators RPMI a call on 0345 112 0025 and talk to a member of the team.



**The scheme's financial security affects the benefits you and your dependants may rely on. So please read this information carefully.**



# The latest summary funding statement

## How is the scheme's financial position?

As your Trustee, we work with Amey to make sure the scheme is properly funded, secured and governed. A big part of this work is making sure we have the assets we need to continue paying benefits long into the future.

To help us in this work, we have an independent actuary formally review the scheme every three years. The last review took place in September 2017.

We also pull together annual updates on the scheme in the form of Summary Funding Statements. This is the latest Summary Funding Statement for 2017-2018.

### Assets and liabilities for your section of the scheme

When our actuaries review the scheme, they work out the value of its assets and its liabilities. Assets are the investments that the scheme holds. Their value can increase from investment returns and from contributions from the company. Liabilities represent the pension payments we make to members now and in the future, and include any assumed changes in the economy and membership of the scheme.

The funding of a scheme is based on the value of its assets compared with its liabilities. This can be expressed either as a percentage difference (funding level) or as a numerical difference (a surplus or a shortfall).

Here's how the assets and liabilities in your section of the scheme changed between September 2017 and September 2018:

30 September 2017	
<b>Assets</b> £61,593,000	<b>Liabilities</b> £66,151,000
<b>Funding level</b> 93%	<b>Deficit</b> £4,558,000

30 September 2018	
<b>Assets</b> £76,226,000	<b>Liabilities</b> £64,260,000
<b>Funding level</b> 119%	<b>Surplus</b> £11,966,000

In the year to September 2018, the overall value of the assets of all sections of the Amey OS pension scheme increased by £13.4 million.

## Other calculations of the scheme's funding level

The actuaries also produce a figure for the 'solvency position' of a scheme as part of the full valuation every three years. This is based on how much money the scheme would need to pay an insurance company to cover all the scheme's liabilities. It takes into account some assumptions about the future, such as the rate of investment returns and how many members will retire or leave the scheme. Our actuary has reviewed the calculation again this year, and found it's still accurate.

At our last valuation in 2017, your section of the scheme was 47% funded based on this calculation. This represents an overall shortfall of £69.9m. To be fully funded, a scheme would have to have a funding level of 100%. But very few schemes in the UK are at this level, and there's no requirement for them to be. A funding level of less than 100% doesn't prevent benefits and transfers from being paid in full.

## Payments between the scheme and the company

The company contributes money to the scheme every month. We invest this money to generate more returns. Between September 2017 and September 2018, Amey made total contributions of £23,065,000 to the Amey OS pension scheme. Contributions are agreed between the company and the scheme, and are based on how well-funded the scheme is at the time.

We're required by law to tell you whether or not any money was sent from the scheme back to the company. We can confirm this didn't happen at any point in the last year. We can also confirm that we didn't receive any directives from The Pensions Regulator.



## The security of your pension is based on this information

Some members have asked how the news that Ferroviaal is selling Amey could affect the pension scheme. As your Trustee, we run the scheme independently of the company. We need Amey because it is the 'sponsoring employer', responsible for making sure the pension always has the funds it needs. But we don't rely on Ferroviaal.

So if Amey is now bought outright by another parent company and they continue to run Amey in a similar way, it's unlikely that this would affect your pension. But if a potential buyer decided to restructure or sell off parts of Amey, or if Ferroviaal couldn't find a buyer at all, we'd have to look for someone else to take up the responsibility of paying your benefits.

You can see from this statement that the scheme is well funded. This means we would potentially be able to buy a contract with an insurance company, who would then pay member benefits. To buy an insurance contract, we'd need the funding of the scheme to be at 100%. So Amey would have to pay the lump sum required to bring us up to that level.

If Amey wasn't able to pay the lump sum, we'd turn to the Pension Protection Fund (PPF). The PPF is a safety net for members, continuing to pay their benefits when a scheme is no longer able to. How much you'd get would depend on whether or not you'd retired by the time the scheme went into the PPF. You can find out more at [ppf.co.uk](http://ppf.co.uk).



## There's lots more information available

If have any questions, please call our scheme administrators on 0345 112 0025 or send an email to [amey@rpmico.uk](mailto:amey@rpmico.uk).

We'd be pleased to offer more information about the financial position of the scheme, including all the money coming into and going out of the scheme, the details of our investment strategy, and our plan to continue paying member benefits in the future.

If you have any questions about your pension,  
please contact RPMI, your scheme administrator.

**Call:** 0345 112 0025

**Email:** [amey@rpmico.uk](mailto:amey@rpmico.uk)

**Write to:** RPMI Limited, Amey Pension Scheme,  
PO Box 193, Darlington DL1 9FP

