



MEMBER BRIEFING

For members of the Mitchells & Butlers
Pension Plan (DC Choice)

Winter 2025

Inside this issue

Welcome to our latest member newsletter. We know life is busy and thinking about your pension can be hard to juggle alongside your other priorities, but this short update is here to provide you with lots of useful information on DC Choice. We hope you find the articles in this issue of interest!

We start off with an overview of what's available online to help you manage your DC Choice pension and finish with a round-up of news that may affect your retirement planning. In between, we've got articles covering tax relief for higher earners, how the State Pension works and what happens to your pension should the worst happen.

There are exciting plans under way for DC Choice! We're aiming to refresh our Plan communications to help you better understand your benefits and options at retirement. This will include a new member website and a bespoke pensions app for our employees (to replace 4me) – so watch this space. We'll update you once we're closer to launch, but in the meantime, please continue to use the tools provided by Legal & General (L&G).

From the Trustee of the Mitchells & Butlers Pension Plan



“There are exciting plans under way for DC Choice!”

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Managing the Plan

The Plan is run by a Trustee Board, which includes several independent trustee directors and two who are nominated by the members:

Nominated by the members

Eamonn Lavin
Clair Slevin

Appointed by the Company

Vidett Trustee Services Limited

Independent

Jonathan Duck (Chair)
The Law Debenture Pension Trust Corporation plc
Chris Edge

Keeping in touch



If you have any questions about your benefits in DC Choice, please visit our website to see if you can find the answer: www.mbpplcpensions.com



If you need to contact the administration team at L&G, please email employerdedicatedteam@landg.com or phone 0345 070 8686.

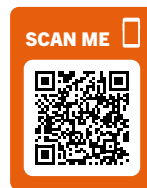
L&G pensions app: your pension in your pocket

You can now put your DC Choice pension in your pocket and take control of your financial future.

L&G has launched an app that gives you direct access to its secure online portal, My Account. To register for My Account, you'll need your customer reference number, which you can find in your welcome pack or in any letters you've received from L&G.

You can register for an account at the same time as setting up the app – follow these simple steps:

1. Download the app by visiting the App Store or Google Play and searching for 'Legal & General', or scan this QR code.
2. Log in or register for an online account.
3. Set up your PIN and any security features.



Once you've registered for My Account, you'll be able to manage your retirement savings:



See how much your pension is worth.

Get a quick view of your pension savings with L&G and regular contribution amount, or access your full transaction history.



See how your investments are performing.

Check and make changes to how your pension savings are invested.



Keep your details up to date.

You can easily update your personal details and manage your communication preferences.



Boost your financial fitness.

Access tools and guidance that help explain how DC Choice works and plan for your retirement.

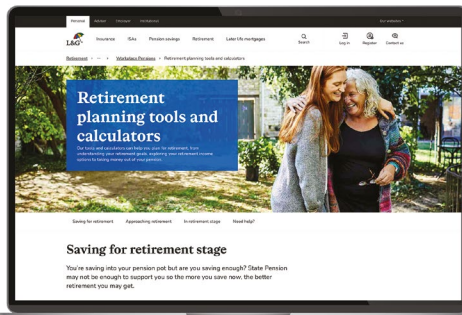


Plan & prosper: tools to guide your retirement journey

Deciding how to use the money in your pension account can feel quite daunting, and you might be worrying, ‘What if I get it wrong?’

Luckily, L&G has a wealth of retirement and planning tools on its website to help you understand your options. You can try them all out here:

www.legalandgeneral.com/retirement/pensions/workplace-pensions/calculators-and-tools



Retirement planner

This tool lets you see how much money you'll have saved by the time you reach retirement age and gives you an idea of what kind of income you can expect and how long it will last. If you've registered for My Account, it'll use your own figures to estimate your income.



State Pension calculator

When will you reach State Pension Age and how much will you get?



Retirement Living Standards tool

The Retirement Living Standards were created by Pensions UK (formerly known as the Pensions & Lifetime Savings Association) to help people understand how much retirement income they may need to achieve a particular lifestyle. The Standards were updated earlier this year based on changes in the cost of living as well as research into people's expectations for retirement.



Tax calculator **NEW!**

The tax calculator gives you an idea of how much you'd pay in tax if you cash in your pension. It shows the difference that withdrawing the same amount over different periods, such as one, two or three years, can make to your tax bill. The tax tool is built into the retirement planner (see page 6), and it's also available on L&G's website as a standalone tool.



MidLife MOT

Get help with your finances and wellbeing in your midlife (40-60) with this free course, created by L&G and The Open University.

Are you a spendthrift or a saver?

Your pension is just one part of your future financial planning, but have you got a handle on your day-to-day spending?

L&G has added a great new feature to its app – an open finance tool that lets you easily connect your external pensions and bank accounts and then see how much you're spending in different categories across all your accounts.

The tool shows how your spending changes month by month and can help you set a budget and savings goal. And, if you end up with a bit of spare cash at the end of the month, you can easily pay it direct into your DC Choice pension account through the app.

Look after your loved ones: update your death benefit nomination form today

Life doesn't always follow a set path, and you may find your personal life changes dramatically over a short period of time.

You may have completed a nomination form when you first joined DC Choice and then forgotten all about it. But do you really want the wrong person to get your death benefits from DC Choice, should the worst happen? For example, if you've named an ex-partner as your beneficiary, then the Trustee would need to consider them as a person to pay benefits to in the event of your death.

What benefits are payable?

If you die as an active member (still employed by the Company in the UK) of DC Choice (up to age 75), the Plan will pay out a life assurance cash sum of

six times your annual salary. Currently, this money is paid tax-free but this could change – see the article on inheritance tax on page 11.

The Trustee may also use the money saved in your pension account to buy an annuity or pay it out as a lump sum, for one or more of your dependants.

Where can I update my nominations?

You can update your nomination form at any time through this link:

[www.mbplcpensions.com/
dc-choice/nomination](https://www.mbplcpensions.com/dc-choice/nomination)



Remember, the Trustee is not bound by your wishes but will always take them into account when making its decisions.

State Pension 101

For many people, the State Pension will be a key building block of their retirement income, so it's important to understand what you're on track to receive.

The State Pension is usually increased in April each year. It's now worth £230.25 a week, or £11,973 a year for 2025/26. (It's worth remembering this is still several thousand pounds below the suggested minimum Retirement Living Standard for a single person.)

The amount of State Pension you receive will depend on how many qualifying years you have on your National Insurance (NI) record. Everyone's NI record will be different, so it's a good idea to check yours and see if you're on track to receive the full amount.

It's easy to check at:

www.gov.uk/check-state-pension

You can also find out how to increase your NI credits. In some cases, you may be able to pay voluntary contributions to top up your State Pension.

State Pension age

This is the age you can start to receive a State Pension. It's currently 66, but from next year, it will start to gradually increase to 67 (between 2026 and 2028), affecting those born after April 1960. It's due to increase again to 68 between 2044 and 2046, but there have been rumours the government could bring this forward. We'll update you if anything changes.

The Normal Retirement Age (NRA) in DC Choice is 65, but you can choose to retire earlier or later than this. Be sure to update your selected retirement age on My Account, as it may affect how your investments work. If there's a gap between when you retire from DC Choice and when your State Pension kicks in, make sure you have some way of funding the income gap.

Tax relief for higher earners

In general terms, paying into a pension is a highly tax efficient way to save for the future.

If you're a basic-rate taxpayer, every £100 you pay in only costs you £72, thanks to tax (20%) and National Insurance (8%) savings on your pension contributions. And, if you're a higher earner, the cost to you is even lower.

Higher-rate taxpayers can use their pension contributions to reduce their overall tax bill if they're close to one of the higher-rate tax thresholds. Or, if they have a child, they might consider paying more into their pension so they can remain eligible for Child Benefit (which can be worth more than £1,350 a year).

Tax band	Taxable income	Tax rate*
Additional rate	Over £125,140	45%
Higher rate	£50,271 to £125,140	40%
Basic tax	£12,571 to £50,270	20%
Personal Allowance	Up to £12,570	0%

*The Personal Allowance reduces by £1 for each £2 of income above £100,000 in the tax year and is entirely depleted if earnings exceed £125,140. This results in an effective 60% tax rate for income between £100,000 and £125,140.

Before deciding to increase your pension contributions, you should always consider the tax relief limits on pension contributions (known as the Annual Allowance). If your pension savings end up higher than these allowances, you may have to pay a tax charge.

News in brief

Inheritance tax and your pension



Currently, pension and death benefits payable from DC Choice are not considered part of your estate when you die and are not taken into account for inheritance tax (IHT) purposes.

As part of a package of tax reforms, the government has announced that, from 6 April 2027, most unused pension funds and death benefits will be included in a person's estate for IHT purposes. The aim of this policy is to prevent pensions being used as a tax-planning vehicle to transfer wealth.

From the information currently available, any unused benefits remaining in DC Choice immediately before death – including any funds remaining in income drawdown – will be taken into account for IHT purposes.

Importantly, the government has confirmed that current exemptions in relation to benefits passing to surviving spouses or civil partners will continue to apply, and death-in-service lump sums payable in respect of your employment won't be affected by this change.

We're expecting further legislation and guidance to be published ahead of implementation of the changes and will update you when we know more. In the meantime, you may wish to review and update your death benefit nomination form to ensure it reflects your current wishes. You might also consider seeking financial advice if you're concerned about how these changes might affect your tax planning.

Rise in earliest retirement age

Remember, from 6 April 2028, the Normal Minimum Pension Age (NMPA) is rising from 55 to 57. This is set by the government and is the earliest age you can access your pension savings (except in cases of proven ill health).

All aboard: Pensions Dashboards

L&G was the very first pension provider to connect to the government's Pensions Dashboards Programme.



The dashboard is a secure online platform that will let you see all your UK pension savings, including your State Pension, in one place – handy if you've been in quite a few different schemes. There will be a period of testing now before a public launch – most likely not before 2027.

Pension scams: a real-life warning

The Pensions Regulator has shared a powerful video in which Pauline Padden, a 60-year-old critical care nurse, tells how she was targeted at a vulnerable time in her life and lost £45,000 to a pension scam. Scan the QR code to watch her story, or visit: www.youtube.com/watch?v=5gAHUxo__4&t=4s



SCAN ME



The benefits provided by MABPP are governed by a deed entered into between the Company and the Trustee dated 6 April 2006, as amended (the Trust Deed and Rules) (copies of which are available on request). Nothing in this *Member Briefing* confers any right to benefits save as provided by the Trust Deed and Rules and overriding legislation, and in the event of any inconsistency between this *Member Briefing* and the Trust Deed and Rules, the Trust Deed and Rules prevail. This *Member Briefing* does not constitute legal advice or financial advice and should not be relied upon as such. The description of legislation in this *Member Briefing* is intended as a basic summary only, not a comprehensive or exhaustive guide to the legislation.

**Mitchells
& Butlers**

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