

November 2025

LOOKING FORWARD

The newsletter for members of the
Network Rail CARE Pension Scheme



Welcome

Welcome to your 2025 issue of *Looking Forward*, the newsletter for members of the Network Rail CARE Pension Scheme.

The Scheme's funding level has improved since the most recent valuation which looked at the position as at 31 December 2022, when it was 84%. As at 31 December 2024, the funding level was 112%. You can read more about this in the Noticeboard on page 4.

Pension scams continue to be a danger to members, particularly if you're thinking about transferring your benefits out of the Scheme. Scammers are unscrupulous and no pension pot is too small to be a target. The Pensions Regulator has produced a video which tells the story of an NHS nurse who was scammed out of her pension – find out more on page 12.

There have been no changes on the Trustee board during the year. As you know, the Trustee board includes Directors who've been appointed by Network Rail, Directors nominated by the Trade Unions and Directors nominated by the Scheme's members. In this issue, you can read more about Paul Norris, nominated by the RMT Union. See page 15 for more details.

I hope you enjoy reading this issue of *Looking Forward* and find it useful. If you have any questions or there's a topic you'd like to see covered in a future issue, please get in touch using the contact details on the back page.

Samantha Pitt

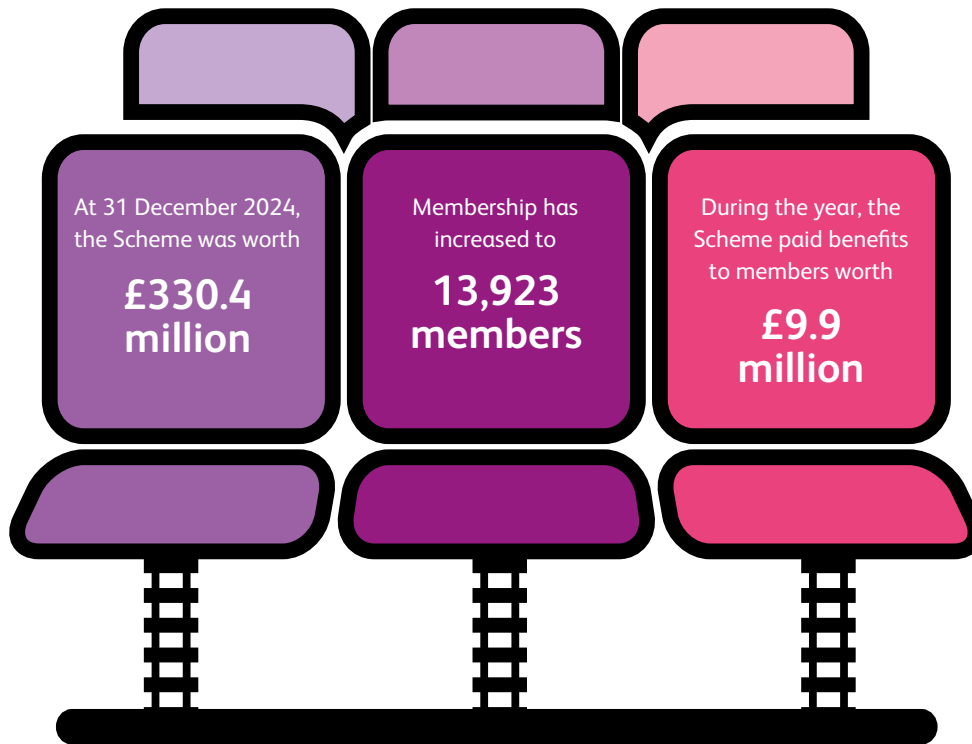
Chair of the Trustee

Digital communications

We're now fully digital with our Scheme communications. You'll find the latest news about the Scheme on our website at mynrpension.co.uk. You can log in to your personal account via the member portal using the QR code.



At a glance



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Noticeboard

Scheme funding

The most recent actuarial valuation of the Scheme looked at the position as at 31 December 2022, when the Scheme's funding level was 84 %, with a shortfall of £40.5 million. The Trustee monitors the funding level regularly, and in between formal valuations, the Scheme actuary provides annual update reports.

As at 31 December 2023, the funding level had improved to 94 %, and by 31 December 2024 it had improved further, to 112 %. The ongoing improvement in the funding level since the last valuation is due to the Scheme's assets performing better than expected and a lower cost of pension accrual.

The next actuarial valuation of the Scheme is due as at 31 December 2025.

You can read the latest Summary Funding Statement on our website.



Do we know your wishes?

Please make sure that you've completed an online expression of wish and that you keep it up to date by reconfirming your wishes every couple of years and whenever your personal circumstances change. This is particularly important if you get married or divorced, enter or leave a civil partnership, or become a parent.

An up-to-date expression of wish tells the Trustee who you would like to receive your pension benefits in the event of your death. It helps us pay the right people without additional delay to your loved ones.



You can update your expression of wish by logging in to your account at epa.towerswatson.com/accounts/nwr





Pension increases

Pensions in payment are reviewed on 1 April each year in line with the Rules of the Scheme. Different elements of your pension receive different increases depending on when you earned your benefits, based on the relevant inflation index for the previous September.

Pension earned	Inflation index	Increase in 2025
Before 31 March 2016	Retail Prices Index (RPI) capped at 5 %	2.7 %
Since 1 April 2016	Consumer Prices Index (CPI) capped at 5 %	1.7 %

There were no discretionary increases during the year.

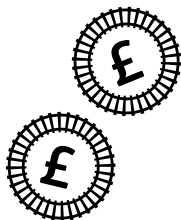
Report and accounts

The information on these pages is a summary taken from the Scheme's formal report and accounts for the 12 months to 31 December 2024, which have been independently audited by RSM UK Audit LLP. If you'd like to see a copy of the full report, you can find it on the Scheme website.



	31 Dec 2024	31 Dec 2023
	£'000	£'000
Financial highlights		
Net assets at the start of the year	297,689	251,557
Money in less money out	37,005	33,959
Net return on investments	(4,223)	12,173
Net assets at the end of the year	330,471	297,689

During the year, the fund increased in value by £32.8 million (2023: increase of £46.1 million).

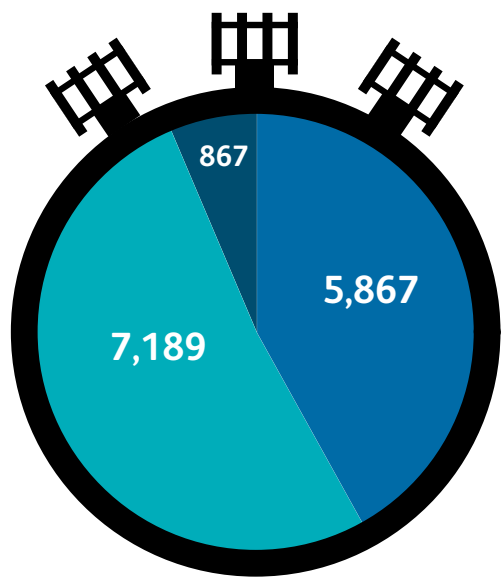


	31 Dec 2024	31 Dec 2023
	£'000	£'000
Money in		
Members' normal contributions	915	699
Members' AVCs	4,684	3,211
SMART contributions	16,883	15,129
Employer's normal contributions	26,731	23,997
Death benefits from insurance company/other income	1,783	4
Individual transfers in	1,870	1,000
Total	52,866	44,040

Money out		
Benefits paid to members	(9,923)	(5,703)
Transfers out	(2,355)	(1,406)
Life assurance premiums	(1,132)	(951)
Administration expenses	(2,451)	(2,021)
Total	(15,861)	(10,081)

Membership

You are one of 13,923 members in the Scheme. The chart shows a breakdown of the membership as at 31 December 2024.



Total membership: 13,923

- **Active members**
are those currently building up benefits in the Scheme.
- **Deferred members**
are former employees or opted-out members who have not yet taken their Scheme benefits.
- **Pensioners**
including dependants are in receipt of their benefits.

	31 Dec 2024	31 Dec 2023
Active members	5,867	5,310
Deferred members	7,189	6,604
Pensioners	867	724

Investment update

Managing the investments

The Trustee is responsible for setting the investment strategy for the Scheme. It makes the important decisions on investment policy, while delegating the day-to-day management of the Scheme's assets to its appointed investment manager, Schroders Solutions.

The Trustee's main objective is to ensure that the Scheme has enough money to pay pensions to members as they become due. The strategy to achieve this is set out in a formal document called the Statement of Investment Principles (SIP). It splits the assets into the following two groups:

Growth assets: 90%

Liability hedging assets: 10%

If you'd like to know more about the Scheme's investments, you can find a copy of the SIP on the Scheme's website at mynrpension.co.uk



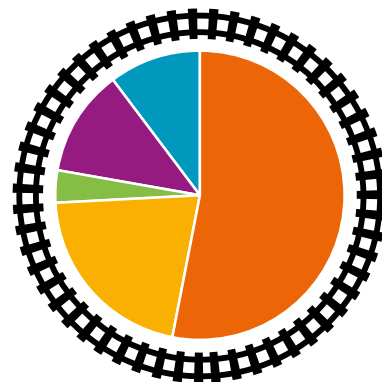
SCAN ME 

How are the assets invested?

The chart shows how the assets in the Investment Fund were allocated as at 31 December 2024 compared with 31 December 2023.

	2024	2023
● Equities	52.2%	44.8 %
● Bonds	20.5%	22.8 %
● Property	3.6%	4.6 %
● Alternatives	11.7%	12.3 %
● Cash	9.9%	15.0 %

Figures may not sum to 100 % due to rounding.



Investment performance

The Trustee sets an investment target and measures the performance of the Scheme's assets against a benchmark portfolio over one year, three years and five years, as shown in the table below.

	One year %		Three years % p.a.		Five years % p.a.	
	Fund	Benchmark	Fund	Benchmark	Fund	Benchmark
Total portfolio	-3.0	-10.7	-22.4	-20.3	-9.1	-9.3



The Scheme's year

The 12 months to 31 December 2024 were dominated by changing expectations over when major central banks might be able to cut interest rates. In the US, the market expected to see cuts in early 2024, but as the year progressed, inflation proved to be stickier than anticipated and the timing and extent of US rate cuts were pushed back.

It was a similar situation for the eurozone and the UK, with higher-than-expected inflation resulting in the dialling back of expectations around policy easing. Yields rose across the major government bond markets in 2024.

Recent developments under the Trump presidency, including proposed US tariffs, have reignited concerns about global trade tensions and contributed to short-term market volatility. While such headlines can be unsettling, it's important to remember that the Scheme's investments are designed for the long term. Overall, the fund is ahead of the investment benchmark for the 12 months to 31 December 2024, but behind over the last three years.

Pension news

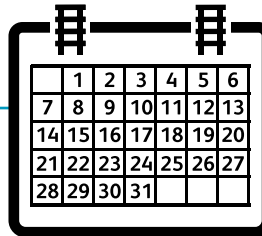
Changes ahead for inherited pensions

You may have seen in the news that the government is proceeding with plans to bring unused pensions into the scope of inheritance tax. This will apply mainly to members with defined contribution pension savings. Benefits from your Scheme pension will continue to be paid in line with the Scheme rules.

Minimum pension age is going up

This is a reminder that if you're thinking about early retirement, the normal minimum pension age (NMPA) is rising and it may affect your plans.

From April 2028, the earliest you can access your pension is going up from age 55 to 57, unless you're in ill health.





Pensions dashboards update

Work on the government's pensions dashboards programme continues. The dashboards are set to transform the way we interact with our pensions and help us all plan for retirement more effectively. When ready, the dashboards will allow you to access information about all your pensions that aren't yet in payment securely online and in one place.

Our Scheme connected to the dashboards' ecosystem in May 2025, but it won't be until autumn 2026 that all the UK's pension schemes are connected, ahead of a public launch. You don't need to do anything or provide any information. Please be aware that scammers may attempt to take advantage of the project as it gains momentum and greater public awareness. At no point will anyone from a pensions dashboard contact you to ask for confirmation of your data.

Cyber security

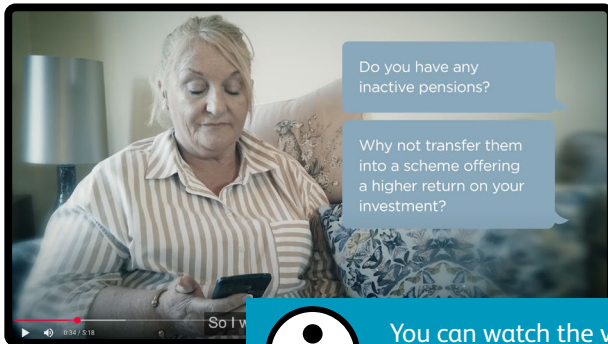
Cyber-attacks continue to be in the news with high-profile retailers Marks & Spencer, the Co-op and Harrods, all being targeted earlier this year. As cyber-attacks can affect individuals, companies and even governments, any organisation holding large amounts of personal data can be a target. The Trustee therefore takes cyber security seriously, including it on its risk register and having a response plan in place in the event a cyber-attack were to affect the Scheme.

Pension scams – hear Pauline’s story

Pauline Padden is an NHS children’s critical care nurse who lost her entire pension savings in a pension scam. The Pensions Regulator has shared a video in which she tells her story and urges others to stop, think and ask themselves if an offer is genuine or too good to be true.

The scammers tricked Pauline out of £45,000, which she won’t be able to get back or have enough time to build up again. As she approaches retirement age, she’ll no longer be able to retire and will have to continue working at a time when she would prefer to be winding down from her career.

Her story highlights how easy it is for scammers to deceive ordinary, hard-working people, proving that you don’t need hundreds of thousands saved in your pension to be targeted by these unscrupulous criminals – they’ll steal anyone’s money. You can watch the video to hear Pauline’s story.



You can watch the video at
<http://bit.ly/466s10J>



SCAN ME



Looking after the Scheme

The Network Rail CARE Pension Scheme is a trust-based scheme, which is run by a trustee company called Network Rail Pension Trustee Limited.

Your Trustee Directors

Independent chair



Samantha Pitt
Law Debenture Pension
Trust Corporation Ltd

Appointed by Network Rail



Tim Craddock
HR Director, Group
Reward, Pensions &
Benefits, Network Rail



Lisa Leeds
Finance Director,
Corporate Functions,
Network Rail



Louise Kavanagh
Finance Director,
Corporate Functions,
NRIL

Nominated by the Trade Unions



Paul Norris
Rail, Maritime and
Transport Union (RMT)



Gary Adams
Transport Salaried Staffs'
Association (TSSA)



Ian Waters
Unite Union

Member nominated



Ian Icton



Advisers to the Trustee

Auditor

RSM UK Audit Ltd

Investment adviser

Schroders Solutions

Legal adviser

Mayer Brown International LLP

Secretary to the Trustee

Claire McCarthy
Pensions Trustee Governance Manager, Network Rail



Meet the Trustee Director: Paul Norris



Paul Norris is the Trustee Director nominated by the National Union of Rail, Maritime and Transport Workers (RMT), joining the board in 2018. During this time, he's served on both the Audit & Risk and Investment subcommittees of the Scheme.

Paul's journey into pension activism began in 1994 while working at FIAT, formerly Ford Motor Company. In the wake of the Maxwell scandal and the introduction of member-nominated trustees (MNTs), Paul was appointed by the workplace shop stewards' committee to serve as the MNT on the employer's pension scheme, a role which he held until 2010.

In 2010, Paul completed a Master's degree in employment law. Following graduation, he successfully applied for the role of RMT Pension Officer and has been employed by the union ever since.

Although Paul doesn't come from a rail industry background, his deep understanding of pensions and Trade-Union structures has equipped him to represent

workers across the rail, maritime and wider transport sectors. He firmly believes that the challenges workers face in securing adequate occupational pension provision and saving for retirement are consistent across all industries.

While pensions are often viewed as a dry subject – especially by those not nearing retirement – Paul stresses the importance of proactive engagement. He believes trustees, employers and Trade Unions must do more to involve workers in pension-related conversations.

This is particularly relevant at Network Rail, which operates multiple pension arrangements. Although stakeholders are not permitted to offer financial advice, Paul feels that the Trustee does a good job of explaining the Scheme's benefits. Still, he acknowledges that there's always room for improvement!

In addition to his current roles, Paul has served as a trustee on the Merchant Navy Ratings Pension Fund and continues to contribute as an MNT and Secretary for the RMT Pension Scheme.

Keep in touch

If you have a question about the Scheme or your benefits, please get in touch with the administrator, WTW, or the Network Rail in-house pensions team.

Email

NetworkRailPensions@wtwco.com

Pensions@networkrail.co.uk

Call

01737 230487

Write to

WTW

Network Rail

Sunderland

SR43 4JU

Website

mynrpension.co.uk

Go online:

Log in to your account using the member portal at
epa.towerswatson.com/accounts/nwr



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