

A note on Financial Management Plan reports

15 December 2021

The Trustee Board uses the Financial Management Plan dashboard reports to monitor if and how changes in market conditions and outlooks between valuations affect the financial position of the Scheme. They help the Board to check the ongoing adequacy of the funding plan – in particular, whether contributions are covering the cost of new benefits and repairing the deficit.

The reports we've published up to August 2021 have been based on the assumptions underpinning the 2018 valuation. The 2020 valuation was filed at the end of September 2021 and is based on a different set of assumptions. It also uses a different methodology. As a result, we are no longer monitoring the scheme on the 2018 basis.

The monitoring framework now needs to be reconfigured in line with the 2020 valuation. This will involve identifying the measures and thresholds that might indicate to the Trustee Board that further investigation or action is required. We will be engaging with stakeholders on this in due course. Interim arrangements are in place while we consider the appropriate approach.

The new framework will also need to be consistent with the benefit and contribution arrangements that will apply from 1 April 2022. Confirmation of these arrangements is expected from the Joint Negotiating Committee in February 2022 – after it has considered responses to the current [consultation on proposed benefit changes](#). We therefore expect to be in a position to publish further updates from March 2022 onwards.