



home  
group

**Home Group Pension and Life  
Assurance Scheme (HGPLAS)**  
Annual newsletter 2025

1st April 2024 to 31st March 2025



Defined  
Benefit  
Section



# For members of our Defined Benefit section

Hello! In this newsletter, we're bringing you the latest updates on the Defined Benefit (DB) Section of the Home Group Pension and Life Assurance Scheme (the Scheme).

This newsletter is just for DB Section members. A separate version will be sent to members of the Defined Contribution (DC) Section.

We've shortened this year's newsletter to save on paper and do our bit for the environment.

But don't worry, all the essential news is still here, and you can find more details on the **Scheme website** (check page 10 for the link).

And your feedback is really important to us - if there's something you want more of in future newsletters or on the webpage, let us know.



## How the scheme operates

The goal of the Scheme is to make sure we can pay out benefits to members now and in the future.

The DB Section relies on Home Group's ongoing support to:

- Handle any future running expenses of the Scheme; and
- Address any funding shortfalls for benefits that have already been promised, including pensions in payment and deferred benefits.

The funds to pay for members' benefits are kept in a separate fund away from Home Group's money.

It's not divided into separate accounts for each member of the DB Section.

Assets can only go back to Home Group if there's more than enough to cover all Scheme benefits through an insurance company.

No money has been returned to Home Group since the last funding update in the 2024 Annual Review (which covered up to 31st March 2024).



## Keeping in touch

### Have your personal circumstances changed?

If your benefits from the Scheme haven't started yet or have been in payment for less than five years, a lump sum will be payable by the Scheme if you pass away.

The Trustees decide who gets the lump sum, but you can suggest who they should consider.

If you haven't done this yet, we suggest you complete a nomination form, sometimes called an expression of wish form.

You can get the forms from the Pensions Administrator by e-mailing **pensions@homegroup.org.uk**.

If you've filled out a nomination form in the past, you should review it if your personal circumstances have changed. If you're unsure, just contact the Pensions Administrator.

**Please make sure your address on the Scheme's records is up to date. If you've moved or need anything else, please contact the Pensions Administrator.**





## Scheme news

### Active members – benefits from 1st June 2025

From 1st June 2025, no new benefits will be earned in the DB Section of the Scheme.

Instead, active members of the DB Section as of 31st May 2025 joined the DC Section for future benefits. The benefits active members earned in the DB Section up to 31st May 2025 will remain in the DB Section until they become payable.

Pensioners and those deferred members who weren't earning a pension as of 31st May 2025 won't be affected by this change.

### Equalisation of Guaranteed Minimum Pension

The Scheme will shortly issue letters to pensioners who are due an uplift in their current pension and / or a one-off lump sum because they have been paid too little pension in previous years.

Importantly, no member's pension will be reduced as part of this exercise.

If you do not receive a letter, you are not due an uplift or one-off lump sum at this point.

### Increase in minimum retirement age

At the moment you can access your pension at 55, but that will change soon.

The government has confirmed that from 2028 onwards, the earliest you can draw your pension (unless you're retiring due to ill-health) will be 57.

Some members might qualify for what's called a protected pension age, which means you can still retire at 55 if you meet certain conditions.

The Trustees are checking everyone's details, and if this change affects you, we'll reach out with more information soon.

### Pensions Dashboards

Pensions Dashboards will enable you to access your pension information on line. In June 2025 the Scheme successfully connected with Pensions Dashboards, slightly ahead of schedule. The system is not expected to be turned on for the general public for maybe 18 months. During this time you may read about the Pensions Dashboards Program in the press or hear more about it on the television and radio.



# Update on the Scheme's financial position

How much money is needed to pay all the members' pensions depends on various factors like inflation, investment returns, and how long members live.

An actuary checks the Scheme's assets against the expected money needed every three years.

Between these three-year checks, the actuary also does annual updates to make sure everything is on track.

## Triennial actuarial valuation as at 31st March 2023

The latest check on the Scheme's finances as at 31st March 2023 showed we had a surplus of £1.6 million. Because we were in surplus, Home Group doesn't need to make any extra payments to cover any gaps. However, Home Group will still contribute £0.4 million per year for the ongoing admin costs of the DB Section.

In addition, Home Group contributed 25.0% of Pensionable Salaries for active members' future benefits between 1st April 2023 and 31st May 2025.

Home Group also covers the annual levy for the Pension Protection Fund (PPF). In the year up to 31st March 2025, Home Group put about £5.0 million into a special bank account that the Trustees can access in certain situations.

This money can also be returned to Home Group, but only if the Trustees agree. All contributions made from 1st April 2023 to 1st April 2024, matched the Schedule of Contributions from the previous valuation as at 31st March 2020.

## Annual update as at 31st March 2025

The Scheme Actuary's approximate annual update as at 31st March 2025 showed an improved position with a funding surplus of about £19.5 million.

The review for 2024 showed an approximate funding surplus of around £15.1 million as of 31st March 2024. The increase in the surplus over the year was mostly thanks to a rise in government bond yields, which lowered the Scheme's liabilities, and the contributions that Home Group made.

## Triennial actuarial valuation as at 31st March 2026

The next formal actuarial valuation of the Scheme is due by 31st March 2026.

This is a detailed process and might take up to 15 months from 31st March 2026 to sort out. In the meantime, we'll get yearly updates to keep an eye on how things are going.

The Pensions Regulator brought in a new funding code at the end of 2024. Under this code, it's likely the value of the liabilities will be higher when we check things in March 2026.

This could mean the surplus will be smaller or we might even see a shortfall.

## Winding up the Scheme – the buy-out position

The above figures are based on the assumption that the Scheme continues in its current form.

If the Scheme were to start to wind up, Home Group would need to pay a one-time contribution to the Scheme to cover the extra cost of securing members' benefits with an insurance company.

If this had happened on 31st March 2023, this contribution from Home Group would have been about £20.1 million.

**It's important to note that including this information is a legal requirement and doesn't imply that Home Group is thinking about winding up the Scheme.**

The buy-out position gets reassessed during each triennial actuarial valuation, so the next assessment will be on 31st March 2026.

## Additional protection

If an employer becomes insolvent the Pension Protection Fund can pay compensation to members of the scheme in certain circumstances. You can find more details at [www.ppf.co.uk/our-members](http://www.ppf.co.uk/our-members).

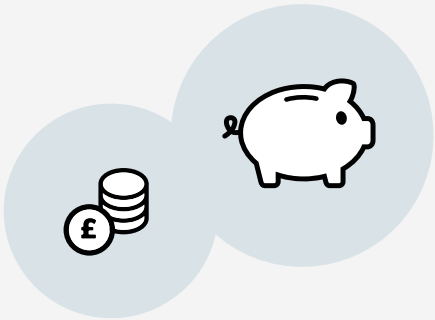
The Pensions Regulator looks after work-based pension schemes and can take action if there are any concerns about a scheme. It hasn't used any of these powers for this Scheme.

# Investments

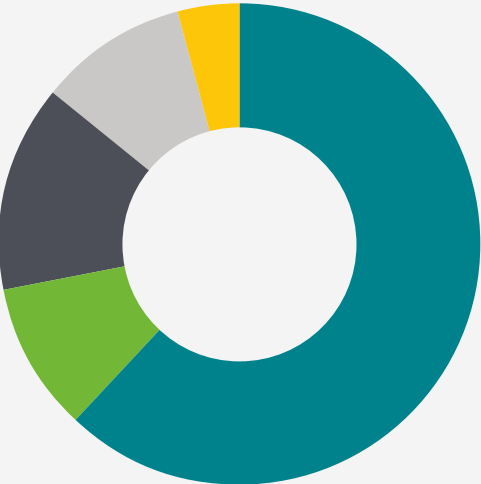
Here's a quick look at where the Scheme's investments stand as of 31st March 2025, broken down by asset class and showing which investment manager is handling each.



Over the year, we made some tweaks to our investment strategy.

The big change was fine-tuning our risk-reducing assets to better match the ups and downs in the value of the Scheme's liabilities.



## Investment by asset class



	Unleveraged Gilts (LGIM)	62%
	Buy and Maintain Credit (Columbia Threadneedle)	10%
	Multi Sector Credit (LGIM)	14%
	Equity (UBS)	10%
	Property (Columbia Threadneedle)	4%







## **Socially-responsible investment**

The Trustees believe that considering environmental, social, and governance (ESG) factors may affect investment risks and future returns.

However, since the Scheme invests in pooled funds (which are open to many different investors), the managers have to handle stewardship duties for their investors, like engaging with companies to improve their environmental policies.

The Trustees check at least once a year how well ESG factors, including climate change, are being integrated into the investment managers' strategies and whether the managers are voting in line with best practices.

The Trustees and their investment advisers take ESG factors into account when setting the overall investment strategy.







# Points of interest

## Beware of pension scams!

The Trustees want to remind you about the risks of pension scams since they're still a big issue in the UK.

Usually, these scams try to convince you to move your pension fund to another plan, sometimes with the promise of getting some cash upfront.

Remember, if you're under 55, it's illegal to access your pension fund unless you're retiring due to ill health.

You can find tips on how to spot a pension scam and what to do if you think you're being targeted on the website.

## Inheritance tax and pensions

In the Autumn budget on 30th October 2024, the Chancellor announced that the Government plans to include most unused pension funds and death benefits within the value of a person's estate for inheritance tax purposes starting from 6th April 2027.

This is a major change in how pensions are treated for inheritance tax and might be a concern for those who previously relied on pensions being exempt from inheritance tax planning.

If you think this change will affect you, you should talk to your financial adviser.

## The Annual Allowance and changes to pensions savings tax

There's information on the Annual Allowance and changes to the Lifetime Allowance on the **Home Group website** (check page 10 for the link).

## Lost pensions

If you've lost track of any pension savings built up elsewhere, you can use this tracing service:

**[www.gov.uk/find-pension-contact-details](https://www.gov.uk/find-pension-contact-details)**



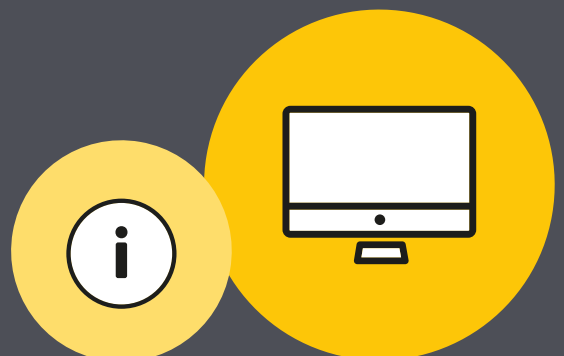
## Queries and complaints

Your feedback is really helpful, so if you think there's something we can do better then just let us know.

For any questions about the Scheme, contact the Pensions Administrator. You can find their contact details in the 'Useful information' section at the end of this Review.

If you're not happy with the response you get, the Scheme has an internal disputes resolution procedure (IDRP).

You can ask the Pensions Administrator for a copy of the IDRP. It explains what you can do next if your complaint isn't resolved the way you want it to be.





# Scheme documentation

You can find these documents on the Home Group website ([www.homegroup.org.uk/about-us/working-with-us/careers/benefits-and-rewards/home-group-pension-and-life-assurance-scheme](http://www.homegroup.org.uk/about-us/working-with-us/careers/benefits-and-rewards/home-group-pension-and-life-assurance-scheme)):

- Statement of Investment Principles
- Implementation Statement
- Chair's statement
- Data privacy notice
- Key information from the Trustee's Report and Financial Statements

We've also got a Statement of Investment Arrangements (SIA) that details the investment funds and managers we're currently working with.

If you're interested, you can get a copy of the SIA by asking for it.



# Helpful websites about pensions

You can find links to external websites that provide useful information about pensions on the **Home Group website**.







## Useful information

### Trustees

**Jenny Croxall**, Align Pensions, Chair

**Sarah Deans**

**Harry Drennan**

**Chris Hopkins**

**Rachel Lawson**

**Harry Lowe**

You can contact the Trustees through the Pensions Administrator, who is:

### Pensions Administrator

**Jackie Carnegie**, Home Group Limited

Email: [pensions@homegroup.org.uk](mailto:pensions@homegroup.org.uk)

Telephone: **0300 304 5464**

Address: **Home Group Limited,  
One Strawberry Lane,  
Newcastle upon Tyne, NE1 4BX**

### Scheme Secretary

**Clare Wilson**, First Actuarial LLP

### Scheme Actuary

**Carl Fletcher**, First Actuarial LLP

### DB investment adviser

**XPS Group**

### Legal advice:

**Pinsent Masons LLP**

### DB Section service provider:

**XPS Administration**

1st Floor  
Flax House  
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Helpline: **02890 023 284**

Email: [home.admin@XPSgroup.com](mailto:home.admin@XPSgroup.com)



