

The 2025 annual newsletter of the L&Q Housing Trust Staff Benefits Plan

Saving for retirement

L&Q



You can contact our pension advisers, Hymans Robertson, at LQpensions@Hymans.co.uk or 0121 210 4334.

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Our trustees welcome your views. If there is any aspect of the plan you'd like to comment on, or discuss further, please get in touch at pensionsLQ@lqgroup.org.uk





Our trustees

Our trustees are responsible for running the plan in accordance with the Trust Deed and Rules - the legal documents that govern it. As part of their responsibilities, the trustees invest the plan’s assets and oversee the payment of benefits to members and other beneficiaries. **Our current trustees are:**

Trustees	
Joanne Fairbairn (Chair)	Independent trustee, Zedra Governance Limited
Tom Nicholls	Employer appointed trustee
Amy Gilham	Employer appointed trustee
Jasmin Bryan	Member nominated trustee
Paul Hornsby	Member nominated trustee

Member nominated trustee exercise

The plan has recently undertaken an exercise to appoint a new Member Nominated Trustee (MNT) following the completion of Paul Hornsby’s five-year term. Several nominations were received, and a thorough selection process was undertaken. We are pleased to announce that Paul Hornsby has been reappointed and will continue to serve for another term. The trustees would like to thank everybody who participated in the process.

Hear from Paul



Hello to all pension scheme members. I’m Paul Hornsby, and I work as a Senior Technical Project Manager in L&Q’s Technology department. I also recently completed a five-year term as a Member Nominated Trustee of the pension scheme and was delighted to have been selected to serve for another term earlier this year.

A bit about me: I’ve worked at L&Q for nearly 17 years. The first 10 years were in digital communications where I was responsible for L&Q’s websites and intranet. After that I moved into our Technology department where I have been focussed on project management across quite a wide range of our business areas. I’ve met many of you in the course of my duties and am always happy to talk about pensions with those of you that I haven’t yet met.

I’ve been deeply interested in my own retirement planning for some time now and my motivation to apply for the member-nominated trustee role comes from the same place. I aim to apply my knowledge and enthusiasm for pensions to help my fellow pension scheme members achieve good retirement outcomes. It has been both personally and professionally rewarding for me to work alongside the other trustees for the last five years, and I remain energised to meet the challenges and opportunities that lie ahead.

Autumn Budget 2024

You may have seen in the news that the Autumn Budget was announced by the Chancellor of the Exchequer, Rachel Reeves, in October 2024. This introduced several changes that may impact pensions and retirement planning. We want to keep you informed about these updates and how they could affect you.

Inherited pensions

The tax treatment of inherited pensions is changing. From 6 April 2027, unused pension funds and death benefits will be included in estates for inheritance tax, subject to a few conditions.

Generally, inheritance tax currently applies to estates worth £325,000 or more and pensions left to a spouse or partner are not subject to inheritance tax. Please note that the exact conditions of inheritance tax could vary depending on individual circumstances.

Inheritance tax is a complex matter, so if you plan to pass on your pension savings, you may wish to review your options. We recommend speaking to a financial advisor if this is the case, to understand whether these changes could affect you and your loved ones.

Expression of wish form

Whilst reviewing your options, take the opportunity to complete your expression of wish form, if you have not done so already. This is a form for you to nominate beneficiaries in the event of your death. It tells the trustees who you wish to receive any benefits payable on your death. The trustees will not be bound by your expression of wish form but will always take it into account when making its decision. You can complete, or update, your expression of wish form via the plan website or by emailing LQpensions@Hymans.co.uk

State Pension

The State Pension is set to increase in line with the triple lock — whichever is highest among inflation, wage growth or 2.5%. This aims to help pensioners manage living costs. The basic and new State Pension are set to increase by 4.1% from April 2025.

No changes to the State Pension age were announced. The State Pension age is currently 66 for both men and women and will rise to 67 between 2026 and 2028.

Minimum pension age

The minimum pension age (which is the earliest age at which most people can start accessing their pension) is increasing from age 55 to age 57 from 6 April 2028.

Your pension plan website

Have you recently checked the value of your pension? You can easily do so by logging in to your account at <https://www.lqpensionplan.co.uk/> Here you can:

- View and update your personal information
- View the current value of your pension
- Add and update your beneficiaries
- Tell us how you prefer for us to contact you.

If you have not registered yet, go to <https://secure.lqpensionplan.co.uk/register> and follow the registration steps which include a short security process.

The plan website also includes important resources to help you understand your pension, including fraud prevention guidance or your pension payment dates. Have a look at the “Your Pension Knowledge” page for more information: <https://www.lqpensionplan.co.uk/your-pension-knowledge/>

PRISM updates

The trustees have noted the feedback received from members regarding PRISM (the online self-service pension management platform available for members). The trustees are working with Hymans Robertson, the plan’s administrator, to develop some of the online functionality.

In the meantime, the trustees encourage members to make use of the MoneyHelper retirement savings calculator, which is a free online tool. A link to this calculator can be found at: <https://www.moneyhelper.org.uk/en/pensions-and-retirement/pensions-basics/use-our-pension-calculator>

Additional Voluntary Contributions (AVCs)

The trustees would like to remind you that you can also pay AVCs into your pension account. You receive tax relief on pension contributions – in effect, this means that for most people contributions are deducted from salary before any taxation is applied. If you would like to pay AVCs, you can get in touch at pensionsLQ@lqgroup.org.uk or download a form from the plan website. We recommend that you seek independent financial advice if you are considering paying AVCs into your pension account.



Market volatility update – What this means for your Defined Contribution Pension

You may have seen headlines about recent global market volatility, following the announcement of new international trade tariffs. These developments have caused uncertainty in investment markets and it’s natural to wonder what this means for your pension savings.

Your pension is invested for the long term. While short-term volatility in the market can affect the value of your pension pot day-to-day, your investments in the L&Q default strategy are diversified across a range of investments and in different markets around the world. Your investment strategy also gradually shifts into more stable investments as you get closer to retirement — helping to cushion your savings from market shocks.

For example, if you are more than 10 years from retirement, you will be mainly invested in global equities and diversified funds, meaning your recent contributions may be buying at more attractive prices following recent market falls. Members closer to retirement are generally less exposed to equities and more protected by defensive assets such as bonds.

While periods like this can be unsettling, it’s important not to make hasty decisions. If you’re thinking about switching funds or accessing your pension, we strongly recommend seeking financial advice before taking any action. Free guidance is available through Pension Wise (**0800 011 3797**).



Pensions news (continued)

Pensions Dashboard Programme

In addition to your pension in the plan, it is important to be aware of other pensions you may have, including your State Pension.

The Pensions Dashboard Programme (PDP) is an upcoming initiative for all pensions in the UK that will transform how you access your pension information. When launched, the dashboard will allow you to see all your pension details, including your State Pension, all in one place. This will help you better understand your total retirement savings and plan effectively for the future.

Key advantages of the dashboard:

- **Consolidated view** – You will be able to see information from multiple pension providers, including any workplace or personal pensions, as well as your State Pension, all in one place.
- **Reconnecting with lost pensions** – The dashboard will help you reconnect with any lost or forgotten pension pots.
- **Better planning** – With all your pension data at your fingertips, you can make more informed decisions about your retirement planning.

We have been working behind the scenes with the plan administrator, Hymans Robertson, to connect to the dashboard. We are on track to connect to the dashboard by the end of September 2025. It is expected that the dashboard will become available to members of the public in 2026, as it is still in development. We will keep you informed of developments in this area and when you will be able to access it.



Getting financial advice

Your pension is a valuable asset, and your choices will affect the standard of living throughout your retirement. Many people underestimate how long they will live, and underestimate how much income they need in retirement. If you are unsure as to what action to take or are thinking of leaving the plan for any reason, we strongly recommend that you seek independent financial advice first. Please note that independent financial advisers charge a fee for their services, which you will have to pay. Neither the trustees nor L&Q are able to provide financial advice on your retirement or transfer options. A directory of independent financial advisers in your area can be found at www.moneyhelper.org.uk

MoneyHelper is a free government-backed service which provides information, video guides and online tools to help you manage your money by making choices clearer and cutting out the jargon. It also has a team of specialists you can talk to. Visit www.moneyhelper.org.uk or ring 0800 138 7777.

If you are looking for help with any aspect of your personal finances, including your pension, you may find MoneyHelper a useful resource.

Hargreaves Lansdown retirement service

L&Q have appointed Hargreaves Lansdown (HL) to provide a free retirement service to members of the plan. The information they provide can help you choose the best option for your circumstances at retirement so you can make the most of your hard-earned money. You can contact their retirement helpdesk directly with any questions on 0117 314 1798 or by emailing retire@hl.co.uk

They will talk you through what your pension pot might get you in retirement, what your options for income are and they will demystify the jargon – so you can retire with confidence. You can also explore their online support including retirement planning webinar videos, information about retirement options and income planning tools at www.retirementsservice.co.uk/LQgroup

Beware of pension scams!

Scammers are often unknown contacts who will attempt to gain your trust by making false claims. They will likely say they are authorised by the Financial Conduct Authority (FCA) and present unsolicited but attractive investment opportunities, in an attempt to gain control of your pension pot. In other circumstance the money may be stolen outright.

If an offer seems too good to be true, it's likely exactly that. Some warning signs to watch out for include low risk, high return investment opportunities, "free" pension reviews, aggressive sales tactics and complicated investment plans, where it's unclear where your money will end up. If you are called by an unknown number and presented any of these opportunities, it's almost certainly a scam. You should be aware however, that following the cold call ban of 2019, many scammers focus on social media to reach people.

Another way scammers operate is to ask their victims to refer friends, family and colleagues to them. At this point the scammers have usually built a strong relationship with their original victim, who believes they have received a good service. It can be many years before it becomes apparent that someone has lost their pension. If you are referred to someone you are told can help you with your pension, please stay vigilant and check the advisor is who they say they are.

Common scams to be aware of are early pension release and pension review scams. Any scheme offering to help you release cash from your pension before you are 55 is almost always a scam. Additionally, pension review scams contact people unexpectedly, offering a free pension review. This could be a phone call, an email, text message or an offer in an online advert. Most of the companies offering free pension reviews are not FCA authorised but may falsely claim they are.

The trustees ask you to be suspicious of all unexpected telephone calls, emails, and text messages, and be vigilant on social media platforms. You should not download software or an app unless you know it is safe. When visiting websites, always look for the padlock next to the URL to show a safe connection.

The FCA has a register of authorised financial advisers on its website <https://register.fca.org.uk/>. You can also access it by calling 0800 111 6768 or you can learn how to protect yourself from pension scams by visiting the FCA's Scamsmart website, www.fca.org.uk/scamsmart

The Pensions Regulator, the UK regulator of workplace pension schemes, is also keen to raise awareness of pension scams. Its guidance can be found at www.thepensionsregulator.gov.uk/en/pension-scams

Equalisation of Guaranteed Minimum Pension (GMP) benefits

In 2018, the UK High Court determined that pension schemes must equalise benefits to allow for GMPs being different for men and women.

The impact of this is that some members may receive a small top-up to their pension whilst others will see no change (there will be no reduction to the overall value of any member's benefits in the plan). The members who may be affected are those who were active within the defined benefit section of the plan between 17 May 1990 and 5 April 1997. Work to calculate the top-ups due to members is ongoing, although please note that it may take some time to implement these changes as the project is large and complex. The trustees will provide further communications to members in due course if they are affected.



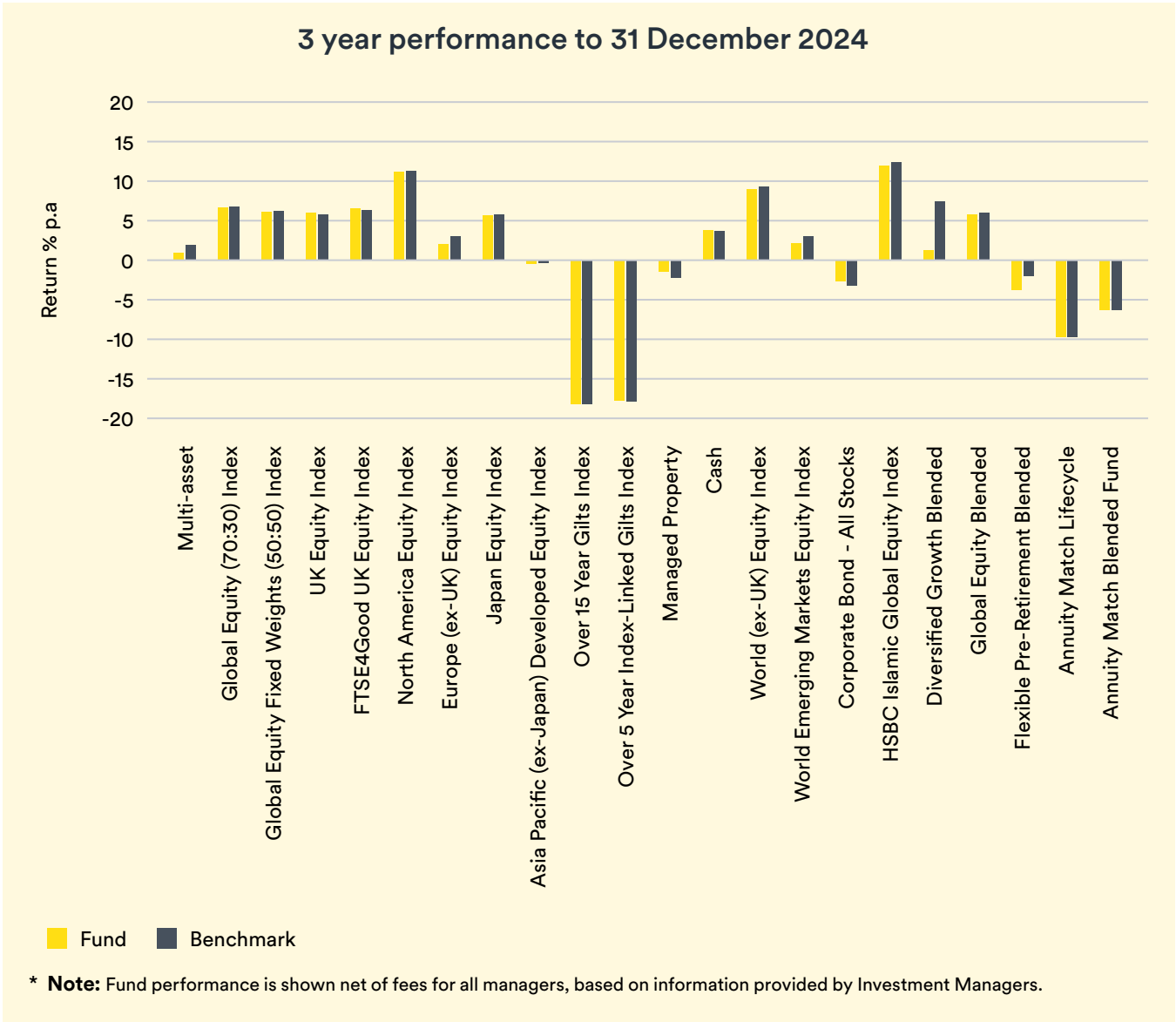
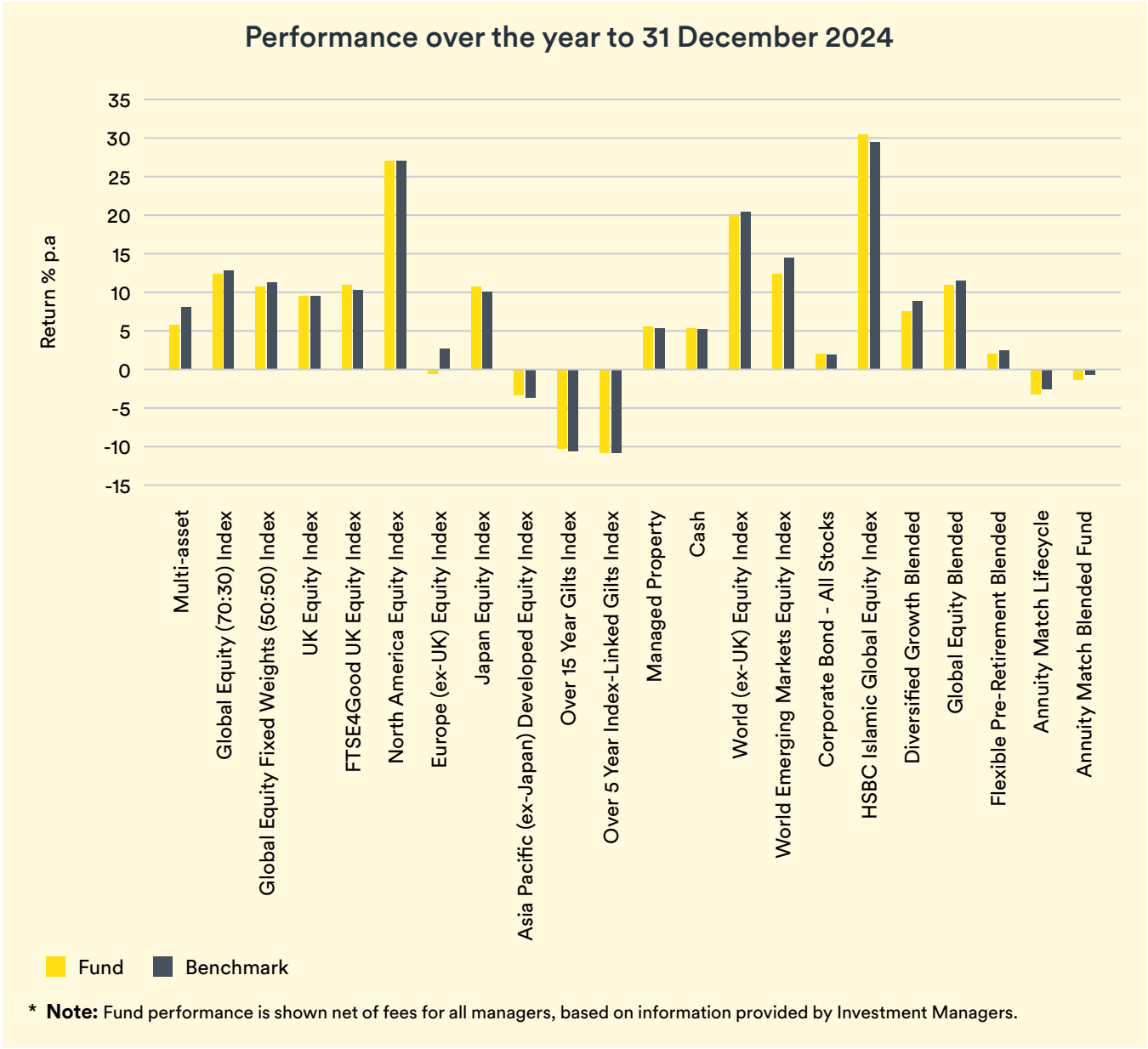
Investment performance

Defined Contribution (DC)

The amount in your pension pot at retirement is based on how much has been paid in and how well your investments have performed.

DC Investment Performance

Members of the DC section can choose to invest their retirement savings in a range of funds. The chart below show how these funds have performed, over one year and three years to 31 December 2024.



The trustees recommend that you regularly review your fund choices to make sure they remain appropriate for your circumstances. You can see the funds you are currently invested in by logging into your account at <https://www.lqpensionplan.co.uk/>

For most members, pensions are a long-term investment. In the short term, the default investment strategy is designed to reduce exposure to market volatility as you near retirement. However, investment markets remain volatile, and the trustees will continue to closely monitor the investment options on offer and keep members updated.



Investment performance (continued)

Defined Benefit (DB)

A pension scheme where the pension paid is based on a set of calculations, using a member’s pensionable salary and pensionable service. This is sometimes known as a final salary scheme.

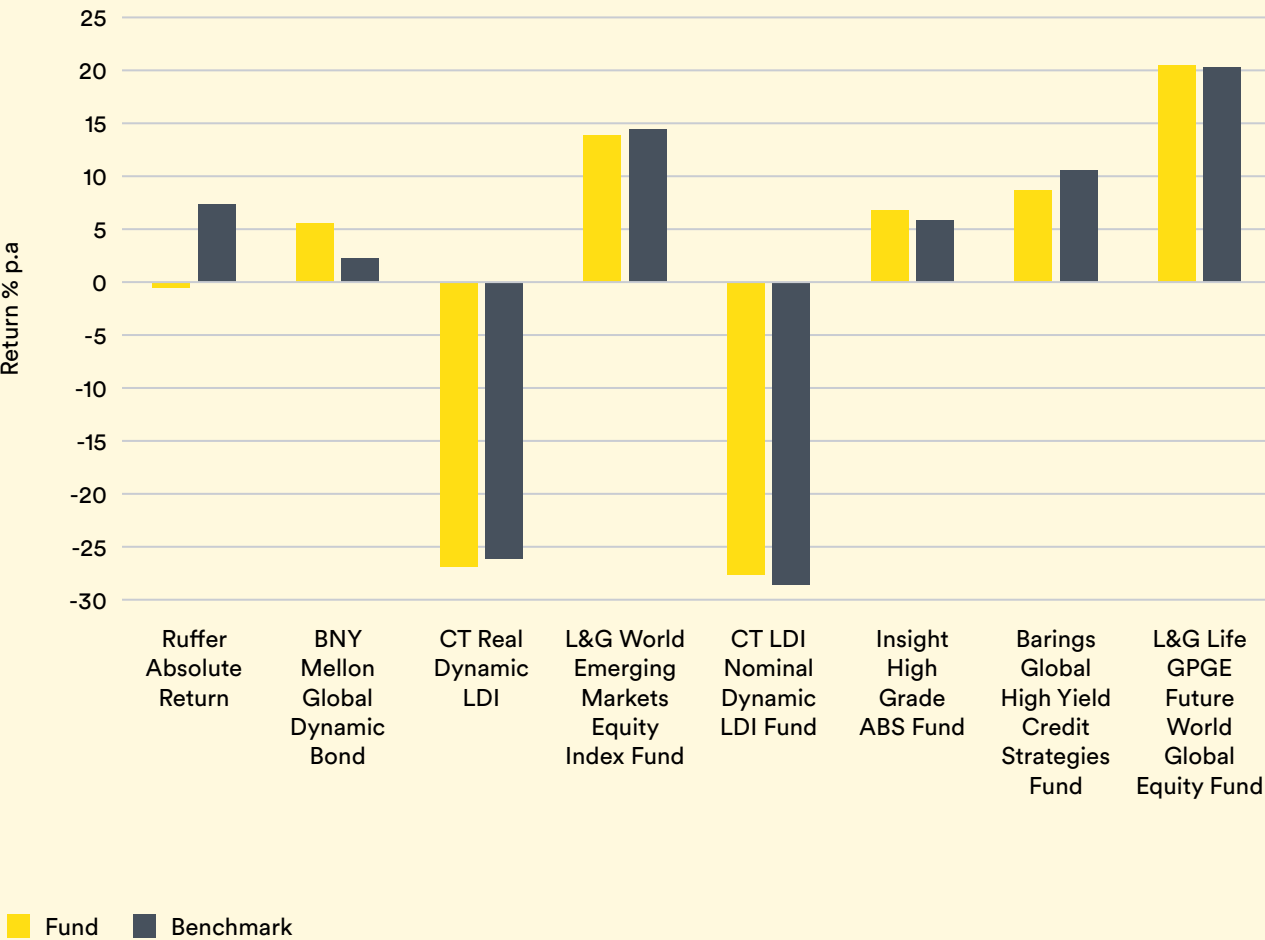
DB Investment Performance

The trustees are responsible for regularly reviewing the performance of these funds and whether the strategy remains appropriate for meeting the plan’s liabilities over the long term.

The charts below show the returns achieved by the DB investment funds against the benchmark returns over one year and three years to 31 December 2024.

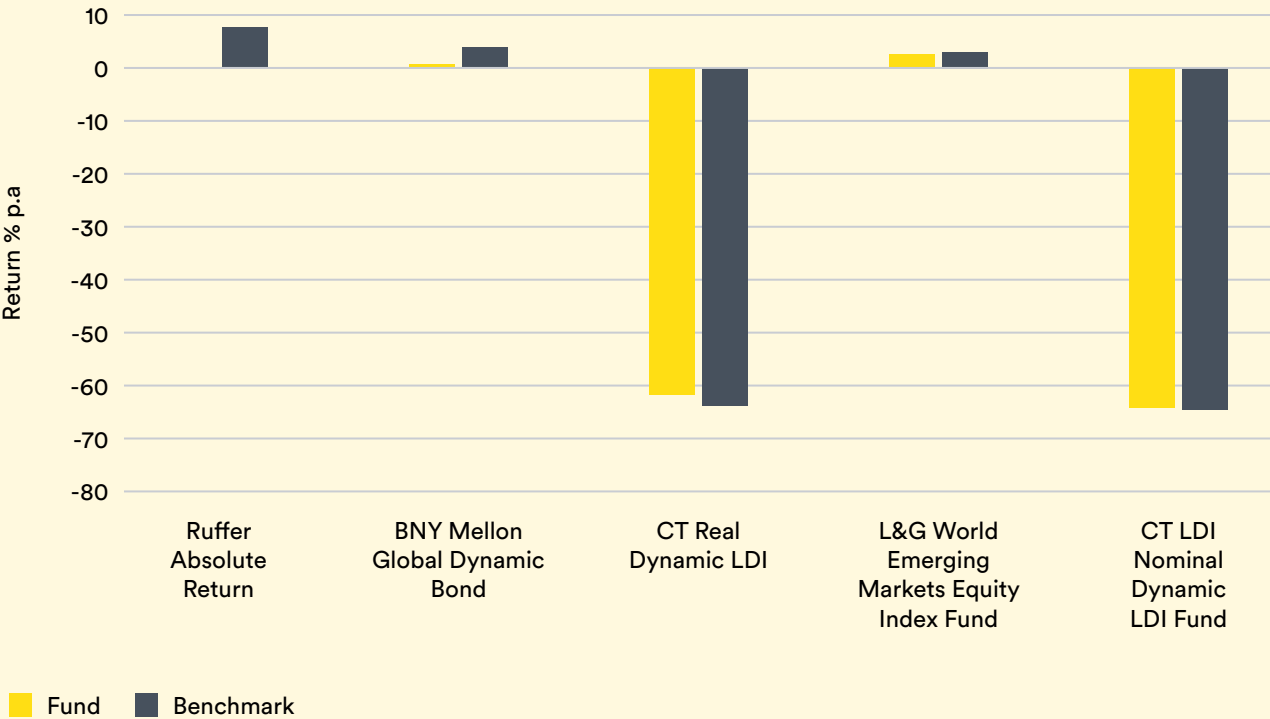


1 year performance to 31 December 2024



* **Note:** Fund performance is shown net of fees, provided by Mobius and Investment Managers.

3 year performance to 31 December 2024



* **Note:** Fund performance is shown net of fees, provided by Mobius and Investment Managers. Some funds have not been in place for three years and therefore are not shown on the chart above.



Funding update for the DB Section

Please note the following information is only relevant to members with benefits in the DB section of the plan.

2024 summary funding statement

This statement lets you know about the plan’s financial position and updates you on developments over the past year. A full valuation of the plan’s financial position is done every three years, with annual updates in intervening years. The most recent actuarial valuation was carried out at 1 April 2022, with the results being finalised in April 2023. The results are summarised below, along with the estimated positions as at 1 April 2023 and 1 April 2024.

	1 April 2022	1 April 2023	1 April 2024
Total value of the plan’s member benefits	£149.2m	£109.9m	£101.8m
Total value of the plan assets	£150.9m	£104.3m	£98.5m
Surplus/(shortfall)	£1.7m	(£5.6m)	(£3.3m)
Funding level (assets/value of member benefits)	101%	95%	97%

The funding position as at 1 April 2024 has improved since the last update as at 1 April 2023. Over the period since 1 April 2023, the value of the plan’s member benefits decreased primarily due to an increase in yields on government bonds. The plan’s assets have also decreased due to the nature of the plan’s investment strategy, although this was partially offset by contributions paid by the employer.

The 1 April 2022 actuarial valuation showed that the Plan had no funding deficit relative to the plan’s statutory funding objective. Therefore L&Q is not required to pay regular deficit reduction contributions.

The trustees are required by law to let you know the estimated amount of assets that would have been required for all members’ benefits to have been completely secured with an insurance company if the plan were to be wound up. As at 1 April 2022 this was £194.4m, resulting in a shortfall of £43.5m. Please note that the inclusion of this information does not imply that the employer or the trustees are thinking of winding up the plan and the employer remains fully committed to ensuring the financial security of members’ benefits.

The trustees are required to inform you what would happen if the plan started to wind up. If the plan winds up, you might not get the full amount of pension you have built up even if the plan is fully funded under our funding plan. However, while the plan remains ongoing, benefits will continue to be paid in full.

If the plan were to start to wind up, the employer is required to pay enough into the plan to enable the members’ benefits to be completely secured with an insurance company (full solvency). It may be, however, that the employer would not be able to pay this amount. If the employer becomes insolvent, the Pension Protection Fund may take over the plan and pay compensation to members. The compensation may not be at the same level as the benefits that are provided by the plan.

Further information and guidance is available on the Pension Protection Fund’s website at www.ppf.co.uk Or you can write to the Pension Protection Fund at:

Pension Protection Fund
PO Box 254
Wymondham
NR18 8DN


The trustees are required to notify you if there have been any payments to the employer out of the plan since the previous summary funding statement. We confirm that there have not been any such payments.

The trustees are also required to tell you certain information about The Pensions Regulator’s involvement in the plan. We confirm that The Pensions Regulator has made no modifications or directions on the plan and has not imposed a schedule of contributions on the plan.

Contact details

For questions relating to the Plan, your benefits or about logging on to the Plan website, please contact the administrator, Hymans Robertson:

 0121 210 4334

 London & Quadrant Housing Trust Staff Benefits Plan
Hymans Robertson
Seventh Floor
45 Church Street
Birmingham
B3 2RT

 LQpensions@hymans.co.uk quoting your name,
the Plan name and your National Insurance number.



For more information

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