

HORIZON  
PENSION SCHEME

# Horizon Pension Scheme 2025 Newsletter

(Previously the Capita Pension  
& Life Assurance Scheme)



# Introduction from the Chair

On behalf of the Trustee, welcome to the Horizon Pension Scheme 2025 newsletter. Our role as Trustee is to look after your Scheme and best interests as members.

In this year's newsletter we remind you about our plans to move communications online, and how you can help by registering for the online member portal if you haven't already done so. You can read about the Member Nominated Trustee Director selected following applications in 2024 as well as the most recent funding position for the Scheme and news about the Autumn Budget 2024 and Pensions Dashboard Programme.

## A brief reminder

I'd like to take this opportunity to remind you that the standard minimum age at which you can claim early retirement from any UK pension scheme will be increasing from 55 to 57 from 6 April 2028. At the same time, the State Pension age (SPa) is increasing to 67 for men and women. You can check your SPa at [www.gov.uk/state-pension-age](https://www.gov.uk/state-pension-age)

Benefits may still be drawn before a member's minimum retirement age on the grounds of ill health.

Some members may also retain a retirement age of less than 55 where certain conditions are met.

## Member survey and email address update

We have created a short survey where we would like to hear your thoughts on the Scheme using the QR code below.

The email address for the Scheme will soon be switched off and not available for members to use. We're encouraging members to contact us through our online member portal: [portal.hartlinkonline.co.uk/horizon](https://portal.hartlinkonline.co.uk/horizon)

On behalf of the Trustee, I hope that you find this newsletter useful and informative.

## Simon Byrne

On behalf of Zedra Governance Limited  
Independent Chair of the Trustee



# Scheme news

## The Scheme website

We're regularly updating our Scheme website with news articles, documents and details about the services we provide, some of which are covered later in the newsletter.

Please visit our website for more information at [www.horizonpensionscheme.com](http://www.horizonpensionscheme.com)



## Paperless communications and your online member portal

The Trustee is moving Scheme communications online as it's a quicker and easier way for you to access key information whenever you need to and take actions yourself.

We're asking you to register an email address with us. The easiest way for you to provide us with this and help us to make the switch to digital is by registering for the online member portal. Members who've already registered an email address with us will have received this newsletter by email.

You can find out more information about the portal on our website at [www.horizonpensionscheme.com/how-to-register](http://www.horizonpensionscheme.com/how-to-register) or you can go to it directly at [portal.hartlinkonline.co.uk/horizon](http://portal.hartlinkonline.co.uk/horizon) You can use the portal to see details of your pension and keep us updated on changes such as address, marital status and nominated beneficiaries' details. This will help us provide you with the best support for your circumstances.

Members already receiving their pension can see their payslips and P60s on the portal. We're planning to move these entirely online over the next couple of years, unless members opt to continue receiving paper copies. This will allow us to provide a more efficient service and secure access for members as well as reduce our environmental impact. We'll provide further information on this change before it happens.

## LV= Retirement Advice Service

LV= have been carefully selected by the Trustee of the Scheme to provide independent retirement advice, paid for by the Trustee once, to members aged 54 or over. This service is still available to members under age 54, but you would have to pay for it yourself.

LV= are experts in providing independent financial advice and have helped thousands of individuals live financially confident lives for almost 200 years. The services that LV= offer are as follows:

- Advice on retirement options from Horizon
- Advice on transferring pensions, which will open up flexible retirement options for you
- Options for other pension savings you may have (both personal and from previous employers)

You can read more about the service at [www.horizonpensionscheme.com/lv](http://www.horizonpensionscheme.com/lv)

## Expression of Wish reminder

When you die, who receives certain benefits from your Horizon pension is at the discretion of the Scheme's Trustee. However, they will take your wishes into account when it comes to deciding who should receive any benefits.

You just need to fill in some simple information on an Expression of Wish (EoW) to nominate your beneficiaries so the Trustee has the information they need to provide financial support to your loved ones when you die. An EoW is needed for each of the Capita pension schemes you're a part of.

You can read more about this on our website [www.horizonpensionscheme.com/eow](http://www.horizonpensionscheme.com/eow) and complete an EoW via the online member portal.

You should still complete an EoW even if you've made a Will. Your pension is usually not included as part of your estate, so you should let the Trustee know who you wish to receive your benefits.

If you have previously completed a paper EoW, please also log on or register on the portal to complete this electronically.

## Selection of a Member Nominated Trustee Director (MNTD)

Our 2024 newsletter included details of an MNTD election and noted that Graham Povey wanted to continue in the role. Graham was the only nomination that we received and he was re-elected in June 2024 for a further six-year term which will run to 2030.

At least one third of the trustees of a pension scheme must be chosen via a process that involves some, or all, of the pension scheme's members. Your Scheme has two MNTDs, with the other being Jane Sargeant and her current six-year term ends in March 2027. We will hold the next nomination process towards the end of 2026, but if you're interested in becoming an MNTD please do not wait until then.

Please contact Capita, the Scheme's administrator, should you wish to know any further information about what is involved in the role and if you're interested in applying in future.





# Summary Funding Statement

## How is the funding level calculated?

Every three years we formally analyse the Scheme's financial position by comparing the cost of providing the pension benefits promised to members (liabilities) to the value of the investments held in the Scheme (assets). This analysis is called an 'actuarial valuation', and the latest full valuation was carried out as at 31 March 2023.

Following each valuation, the Trustee and Capita agree appropriate contributions and a record of this decision is made in the Schedule of Contributions. A less formal analysis of the Scheme's funding position is performed in between actuarial valuations called an 'actuarial report'.

To calculate the cost of providing benefits the Trustee, with its advisors, has to make a number of assumptions about future events – like future investment returns, salary increases and life expectancy. These assumptions are set by the Trustee with Capita's agreement.



## How are the Scheme's assets invested?

**The Scheme has continued its journey on reducing investment risk throughout 2024, from a position that was already relatively low risk compared to other UK pension schemes.**

The Scheme continued moving towards an increasingly stable portfolio as the funding position improved. Specific changes included disinvestment from the majority of the UK property investments and multi asset credit. The proceeds were predominantly invested in high quality corporate bonds; designed to generate income to specifically meet some of the Scheme's expected benefit payments.

# Results of the 31 March 2024 actuarial report

Hyman Robertson LLP, the Scheme’s Actuaries, have assessed the Scheme’s funding position and the table below shows the results of the actuarial report as at 31 March 2024, compared to the full actuarial valuation results as at 31 March 2023.

	31 March 2023	31 March 2024
Assets	£1,180.8m	£1,128.8m
Liabilities (value of benefits promised)	£1,129.4m	£1,039.9m
Surplus / (Deficit)	£51.4m	£88.9m
Funding level	105%	109%

## Funding objective

The Trustee has a primary funding objective to ensure that the assets held in the Scheme cover 100% of the liabilities, when assessed on the expectation that the Scheme continues. Following the payment of c.£40m of contributions into the Scheme by Capita over the year to 31 March 2024, we are pleased to report that the Scheme is now 109% funded on this measure of the liabilities and continues to meet the primary objective.

There is a secondary, long-term funding objective of having sufficient assets to be able to invest in a portfolio of low-risk assets that will generate income to pay members’ benefits as they fall, which will place a lower reliance on future investment returns. This is in line with The Pensions Regulator’s (TPR) expectations. The Scheme had set a deadline of 2026 for reaching this target, and we are pleased to confirm that it had been met ahead of schedule, with the Scheme achieving an estimated 100% funding level on this measure as at 31 March 2024.

## Impact of market conditions

A valuation is a snapshot in time and is dependent on the value of the Scheme’s assets and liabilities on that day. These values will vary over time.

As such, the funding position may improve or deteriorate in a relatively short period of time due to changes in market conditions. The investments in the Scheme are long-term, and short-term volatility is to be expected. However the actions the Trustee has taken are intended to reduce this volatility. The Trustee regularly monitors funding and investment matters, as well as the financial strength of Capita.

## Improvement of funding position

The analysis shows the main factors affecting the funding position since 31 March 2023 have been:

- The Employer has made contributions to the Scheme of c.£40m (in addition to the cost of accruing benefits and Scheme running costs).
- The Scheme's assets and liabilities have reduced. This was mostly a result of increasing long-term interest rates, which are used in the valuation of the Scheme's liabilities, with higher interest rates reducing the value of liabilities. The Scheme's 'liability matching portfolio' is designed to mirror any movement in the liability value and as expected, fell in value by a similar amount. The design of the 'liability matching portfolio' also means that it's expected to increase in value when the Scheme liabilities increase which gives stability to the funding level.

**The funding level of the Scheme, when assessed on the expectation that the Scheme continues, has improved over the year from 105% to 109%.**

## What does this mean for me and my pension?

It's expected that the Scheme's funding position will go up and down over time. The change in the funding level is partly because of the Scheme's investment policy, which involves some investment in company shares (i.e. equities) and other growth assets whose value is volatile and varies from day to day. In addition, expected returns on bonds and expectations of future inflation are used to estimate liabilities and these also vary from day to day depending on economic market conditions. The fact that the funding level has gradually improved over the last couple of years, despite significant volatility in investment markets, shows that the investment strategy is working well.

It's important to remember that while the Scheme is supported by Capita (and there are rules which prevent Capita from withdrawing this support unless it becomes insolvent), benefits will continue to be paid in full to all members of the Scheme even if there's a shortfall.



## What would happen if the Scheme started to wind up?

If the Scheme were to be wound up, Capita would be required to pay enough money into the Scheme to enable members' benefits built up to that point to be secured with an insurance company.

The estimated additional amount needed to ensure that all members' accrued benefits could be paid in full if the Scheme had been wound up at 31 March 2023 was £287.5m. The cost is high because it includes additional margins for profit and expenses that an insurance company would be likely to charge. This shortfall would have to be paid by Capita if this were to happen.

In the unlikely event that Capita was unable to pay the full amount and became insolvent, the Pension Protection

Fund (PPF), which has been set up by the Government to assist schemes in such circumstances, might be able to take over the Scheme and pay compensation to members. If the Scheme were to wind up and go into the PPF, the compensation you would receive from the PPF may be less than the full benefit you've earned in the Scheme.

Further information and guidance is available on the PPF website at [www.ppf.co.uk](http://www.ppf.co.uk) or you can write to the PPF at: PO Box 254, Wymondham, NR18 8DN

**Please note it's a requirement that we provide you with this information. It doesn't imply that Capita is considering winding up the Scheme or that we have any concerns about Capita continuing to support the Scheme.**



## Have there been any payments to Capita?

Regulations require the Trustee to confirm to you that there haven't been any payments from the Scheme to Capita in the past 12 months. The Trustee is happy to confirm this.

## Has TPR had to intervene in the Scheme?

Regulations require the Trustee to tell you whether TPR has used its powers to modify, direct, or impose a Schedule of Contributions on the Scheme. The Trustee is happy to confirm that TPR has not had to intervene in the running of the Scheme in this way.

## Pension news

### The Pensions Dashboard Programme (PDP)

The Department for Work and Pensions announced the PDP in 2022, a project dedicated to the creation of a centralised platform for accessing information on your pensions online. The dashboard will allow you to view your pension information, for those pensions that you haven't started receiving yet, from multiple sources in one place, including the State Pension.

The PDP are working with other volunteer pension schemes and providers to test the service with real data. All schemes in scope will need to be connected by 31 October 2026.

You will be able to register for it once it is live. We don't know yet when this will be. Following an identity check, details of any pensions successfully matched to you will be added to the dashboard. Find out more about the programme by visiting [www.pensionsdashboardsprogramme.org.uk](https://www.pensionsdashboardsprogramme.org.uk)

To ensure we can successfully match your Capita pension to you, please ensure the data we hold for you is correct. You can do this by registering on the portal – see page 3 for more details.

If you think you may have lost track of an old pension, you can use the Government's pension tracing service at [www.gov.uk/find-pension-contact-details](https://www.gov.uk/find-pension-contact-details)

## Autumn Budget 2024 – changes to unused pensions and death benefits

The Government announced that some pension benefits will be included within the value of a person's estate for Inheritance Tax purposes from 6 April 2027. Some of these benefits are currently tax free depending on your age.

We are waiting for more details from the Government on how this will work, but Inheritance Tax is currently payable if your estate is worth more than £325,000 and you do not leave it to your spouse, civil partner or a charity. With your Horizon pension, this could affect certain lump sum benefits that may be provided when you die. You may also want to consider if this impacts any other pension benefits you have, as defined contribution pension schemes are also affected.

## Pensions scams

Scams are still on the rise, and some people may try to gain access to your pension. It's important to be vigilant and know what to look out for when it comes to pension scams. For more information you can visit the dedicated Horizon scams webpage at [www.horizonpensionscheme.com/pension-scams](https://www.horizonpensionscheme.com/pension-scams)



# Contact us

If you have any questions regarding this newsletter, your pension entitlement or about the Scheme in general, please visit the website at [www.horizonpensionscheme.com](http://www.horizonpensionscheme.com). Should you have any queries, please use the online member portal in the first instance to log your query. Please note the email address for the Scheme is no longer in use. You can get in touch with the Horizon Pension Team using the following:



Online member portal: This can be accessed via [www.horizonpensionscheme.com](http://www.horizonpensionscheme.com) or should you have any queries, or you would like information on your benefits from the Scheme, please use [portal.hartlinkonline.co.uk/horizon](http://portal.hartlinkonline.co.uk/horizon). Please note the email address for the Scheme will no longer be in use from 28 February 2025.



UK telephone number: +44 (0) 345 122 0887



Write to us at: Horizon Pension Scheme, Capita Pension Solutions, PO Box 555, Darlington, DL1 9YT

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## Additional documents available

The Scheme's Statement of Investment Principles (SIP) and the Task Force on Climate-related Financial Disclosures Report (TCFD report) can be found on the Horizon website.

The following can be requested using our contact details:

- The Schedule of Contributions
- The Statement of Funding Principles
- The Actuarial Valuation Report
- The Actuarial Report
- The Recovery Plan
- The Annual Report and Accounts
- The Trust Deed and Rules