



ISSUE 42 | DECEMBER 2025

# PensionNews

The Newsletter for Members  
of the ITB Pension Funds



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## Your Trustees

The ITB Pension Funds is managed by a Board of 14 Trustee Directors. 7 are nominated by employers and 7 are nominated by members. The only change since the previous Members Newsletter is that in June 2025 Maurice Alston stepped down as the Closed Fund Pensioner Trustee Director. All Closed Fund members were asked to nominate a potential replacement Trustee, in accordance with the scheme rules. However, unfortunately a potential replacement has not been found. Therefore, this position on the Trustee Board remains vacant for the time being. The Trustee would welcome Closed Fund members putting themselves forward as a Trustee, please contact the Funds Office if you wish to do so.

# Chair's Message

In my first message as Chair of the ITB Pension Funds in the July 2025 Newsletter, I referred to the progress being made to transfer the Open Fund Defined Contribution (DC) Section to the L&G Mastertrust. I am pleased to report that the transfer went very smoothly, and the DC Section was transferred in August 2025 as planned. This now clears the way for progressing the buy-out of the Open Fund Defined Benefit (DB) Section and Closed Fund DB, and ultimately winding-up the Funds. Buy-out represents a natural step for schemes like ITB Pension Funds that have insured all the members' DB benefits through bulk buy-in insurance contracts, as buy-out with the insurance companies will secure members' benefits over the long term. Once buy-out is concluded your pension will be provided directly by the insurer enabling ultimate wind-up of the scheme.

We are making really positive progress towards the end goal of fully securing your pensions with insurance providers and ultimate scheme wind-up. 2026 will continue to be a busy year for the Funds Office as they work through all the necessary steps under the guidance of the Trustees. It is important to me and the Trustee Directors that members are kept informed of these developments. This Newsletter is part of those communications and there will be further communications throughout 2026 to ensure members are fully informed of what buy-out means for them.

**Joanna Woolf**

Chair ITB Pension Funds





# Update on the Buy-out of the Open Fund Defined Benefit Section and Closed Fund

As previous Newsletters have set out, the Open Fund Defined Benefit (DB) Section and Closed Fund have been fully “bought-in” through bulk insurance contracts known as “buy-ins” under policies with Just Retirement (Just) and Pension Insurance Corporation (PIC). This means that when a member or their dependants take a benefit the buy-in insurance policy pays money to the Funds that covers the value of these benefits. This ensures the Funds can pay you what you’re entitled to.

The final stage of this process is for the Trustee to ask Just and PIC to set up individual pension arrangements (or “annuities”) for each Open Fund DB Section and Closed Fund member’s pension and so that pensions will be paid directly to members in future by either Just or PIC.



The Trustee is making good progress with the process to convert the bulk buy-in policies to individual annuities. Final pension benefit data and specifications are being agreed and the next step is to begin transferring the pension administration, including the pension payroll, to Just and PIC. We currently expect all these actions to be completed by mid-2026 and the final transfer to take place and annuities to be set up by Just and PIC in the second half of 2026.

Once this work is complete and transfers to Just and PIC are made, it will be these insurance companies who will be responsible for looking after the members' pension benefits. The Trustee will keep you informed well in advance of the transfer. The next communication about the transfer is expected to be made in February 2026.

For those Open Fund members that have an Additional Voluntary Contribution (AVC) benefit, this will be maintained in a suitable arrangement after the buy-out so that members can continue to use this benefit alongside their DB benefit. Members with AVCs will be glad to know that an independent assessment of the current AVC arrangement has assessed it as being very good value.



# Changes – How am I affected?

To help you understand what the changes mean for you profiles have been produced to explain the impact. Since these profiles were introduced in the December 2024 Newsletter, some of the transfer timings have changed.



## I am an Open DB Fund Pensioner or Dependant

I currently receive my pension from The ITB Pension Funds, however in the future I will receive my pension from either Just Retirement or Pension Insurance Corporation following the transfer of the DB Section. The date that this will happen is not yet decided, however it is likely to be early in the second half of 2026. I will be told in good time the exact date and to which insurance company I am transferring to. After the transfer, if I have queries about my pension I will ask Just Retirement or Pension Insurance Corporation.



## I am an Open DB Fund Deferred Member

The administration of my deferred pension from the Open Fund will be transferred to Just Retirement. The date that this will happen is not yet decided but is likely to be early in the second half of 2026. I will be told the exact date in good time. After the transfer, if I have queries about my pension I will ask Just Retirement.



## I am a Closed Fund Pensioner or Dependant

I currently receive my pension from The ITB Pension Funds however in the future I will receive my pension from Pension Insurance Corporation. The date that this will happen is not yet decided but is likely to be in the second half of 2026. I will be told the exact date of transfer in good time. After the transfer, if I have queries about my pension I will ask Pension Insurance Corporation.



# Closed and Open Fund Defined Benefit Sections Funding

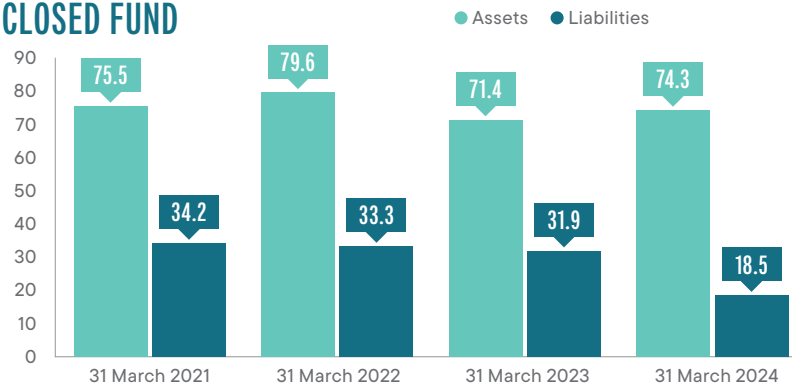
There have been no more recent valuations of the Closed Fund or Open Fund since the previous newsletter issued in July 2025.

The full valuation of the Closed Fund as at 31 March 2024 showed a surplus of assets over liabilities of £56m. The liabilities are less than in March 2023 due to a reduction in reserves expenses. As part of the 2024 valuation process the Trustee decided to exercise powers in the Rules to award a discretionary increase in May 2025.

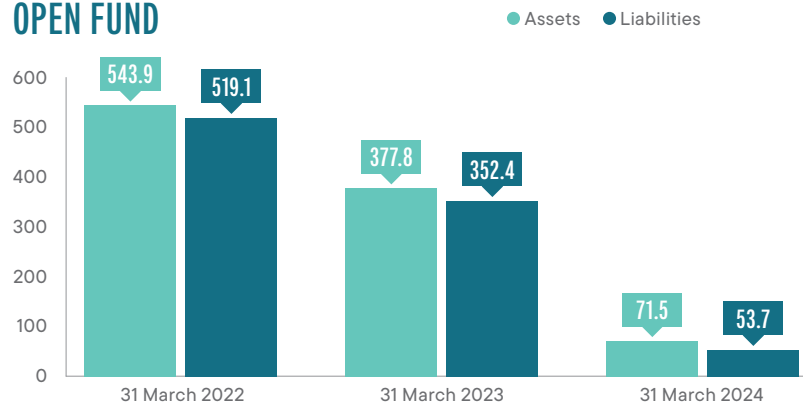
The annual update valuation of the Open Fund as at 31 March 2024 showed a surplus of £18m. The asset and liability values are lower than in March 2023, as the Fund's July 2023 buy-in assets and liabilities are not included in the 2024 valuation.

Previous annual valuations of the DB Funds showing the changes since the last full valuation are shown opposite.

## CLOSED FUND



## OPEN FUND





# Transfer of the Open Fund Defined Contribution (DC) Section to L&G Mastertrust

The transfer of the Open Fund DC Section to the L&G Mastertrust was successfully completed in August 2025. Any members of the Open Fund DC Section will now be members of the L&G Mastertrust, and their DC contributions will now be made through their employer to the pension pot managed by L&G Mastertrust.

If you are one of these members, you will have kept the same internet account logon details and account number that you had when your DC pension was with ITB Pension Funds, so your access to information about your new DC pension with L&G Mastertrust will be the same as it was. If you have queries about your DC pension, please now contact L&G Mastertrust or your employer's HR Department.

For members that now have a DC pension with L&G Mastertrust, it's contact details are below.

Your account information: [www.legalandgeneral.com/existing-customers/my-account-login](https://www.legalandgeneral.com/existing-customers/my-account-login)

L&G App: [www.legalandgeneral.com/app](https://www.legalandgeneral.com/app)

L&G Mastertrust website: [www.legalandgeneral.com/workplace/mastertrust](https://www.legalandgeneral.com/workplace/mastertrust)

Tel: 0345 070 8686 or email [employerdedicatedteam@landg.com](mailto:employerdedicatedteam@landg.com)



# Summary of the Funds' 2025 Accounts

Between 2024 and 2025 the value of the overall Funds reduced by £111m (12.6%). This reduction is mostly due to a decrease in the market value of buy-in policies held in the Open Fund DB Section and Closed Fund. There is no impact from this decrease on the security of future income receipts due from the policies. The DC Section was transferred out to the L&G Mastertrust on 22 August, after the 31 March 2025 financial year end.

	Closed DB Fund £m	Open Fund DB Section £m	Open Fund DC Section £m	Total Funds £m
Value as at 1 April 2024	142.1	690.2	46.2	878.5
Plus contributions	0.0	0.0	10.0	10.0
Plus investment income	8.2	37.2	0.0	45.4
Change in market value	-11.6	-102.7	2.1	-112.2
Less benefits paid	-7.7	-39.8	-3.4	-50.9
Less running expenses	-0.8	-2.2	-0.3	-3.3
<b>Value as at 31 March 2025</b>	<b>130.2</b>	<b>582.7</b>	<b>54.6</b>	<b>767.5</b>

Contributions were only made to the DC Section. Investment income is mostly receipts from buy-in insurance policies held in the DB Funds. Benefits paid includes transfers out to other pension schemes. Each year the Trustee produces a comprehensive report and set of accounts, which is independently audited by PWC. The information on this page is a summary of the report for the year ended 31 March 2025. The full report is available on the website [itb-online.co.uk](https://www.itb-online.co.uk).

# Useful Information

## WINTER FUEL PAYMENT

The government will now link the Winter Fuel Payment to Pension Credit, so that all eligible State pensioners in England and Wales will receive the payment this winter. However, if your pension income is higher than £35,000, HMRC will take the money back through the tax system. You can opt out of receiving the Winter Fuel Payment if you don't want to receive it. Find out more at [www.gov.uk/winter-fuel-payment](https://www.gov.uk/winter-fuel-payment)

## CAN'T FIND AN HISTORIC PENSION?

Research by the Pension Policy Institute shows that there are nearly 3.3 million lost pensions pots in the UK, worth over £31.1 billion. If you think you may have lost a pension, the Pension Tracing Service is a free government service that can help you. You can call the service directly on 0800 731 0175 or search pension tracing on [www.gov.uk](https://www.gov.uk).

## STATE PENSION

The State Pension forms an important part of retirement income. If you're not yet receiving it, you can check your forecast at [www.gov.uk/check-state-pension](https://www.gov.uk/check-state-pension). You can see how many qualifying years you've built up and make any top-up payments if needed.

If you had any gaps in your National Insurance (NI) record between April 2006 and April 2016, the window for filling them with voluntary NI contributions has now closed. However, you can still fill any gaps going back six years. The government website has a tool to check if you have any gaps, how much it would cost to fill them and how much extra State Pension you might get.

## PENSION CREDIT

It is worth checking if you're eligible for Pension Credit. You might be able to get Pension Credit even if you have a personal pension, savings or your own home. You can use the Pension Credit calculator to find out if you're eligible – [www.gov.uk/pension-credit-calculator](https://www.gov.uk/pension-credit-calculator) – or call the claim line on 0800 991 234.

# Update Us

Please use the contact details below to let us know of any changes of address or marital status.

## Get In Touch

If you want to get in touch, please do so by email if you can. If not, you can call or write to us.

✉ **Email us:** pensions@itbpen.com

☎ **Phone us:** 01923 226264

✉ **Write to us:** ITB Pension Funds, 23 King St, Watford, Herts, WD18 0BJ

## Website

You can also check the information available on the website: [www.itb-online.co.uk](http://www.itb-online.co.uk)

