



**The OCS Group**  
**Staff Pension and Assurance Scheme**  
**Annual Report to Members**  
**Year ended 31 March 2024**

# The OCS Group Staff Pension and Assurance Scheme

Annual Report to Members for the year ended 31 March 2024

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# The OCS Group Staff Pension and Assurance Scheme

## Annual Report to Members for the year ended 31 March 2024

### Dear Member

The Trustee of The OCS Group Staff Pension and Assurance Scheme (the "Scheme") is pleased to present this report to members for the year ended 31 March 2024.

This report takes the form of a summary of the audited Trustee's Report and Financial Statements for the year to 31 March 2024.

The report highlights the Scheme's progress during the year and provides other useful information regarding the Scheme.

**The Trustee would like to encourage deferred members and pensioners who have retired in the last five years to ensure that their Expression of Wish form contains details of the person(s) whom the Trustee should consider for payment of any death benefits. This is particularly important where your circumstances have changed, but even where they have not, it is good practice to reconfirm your nomination every few years.**

An **Expression of Wish** form can be obtained from the Scheme Administrator on request or you can update this on the Scheme's online portal. If you are currently in the employ of OCS, you should update details of your nominated beneficiaries on the **Death Benefit Nomination** form. This can be found in the Life Assurance tile in the Hapi portal.

A copy of the full audited Trustee's Report and Financial Statements, together with the Trust Deed establishing the Scheme may be inspected on application to the Trustee.

**Anthony Patteson**  
For the Trustee  
February 2025

### Enquiries

If you have any queries about this report or about the Scheme generally, please contact the Scheme Administrator in the first instance.

**So that we can keep in touch with you, please ensure that you inform us of any change of address.**

### Data Protection Legislation

The Trustee needs to record and use personal data in order to run the Scheme and pay your benefits. Under Data Protection Legislation, the Trustee is treated as the Data Controller for this purpose.

Where the Scheme Actuary is fulfilling his statutory function (or any other function required by the rules of the Scheme), he and the Trustee act as joint Data Controllers for this purpose.

The Trustee will ensure that personal information will only be disclosed to those individuals who need it in order to help administer the Scheme and that it will not be used for any other purpose.

Please refer to the Privacy Notice for further information. Further copies of this are available on request to the Scheme Administrator.

### Scheme Membership

At 31 March 2024, the membership of the Scheme was as follows:

	2024	2023
Pensioners	1,229	1,207
Deferred pensioners	801	863
<b>Total membership</b>	<b>2,030</b>	<b>2,070</b>

### Additional Voluntary Contributions (AVCs)

Since the Scheme closed to future pension accrual from 31 July 2009, no further AVCs can be paid to the Scheme.

In October 2022, following a review by the Trustee of the Scheme's AVC arrangements, the AVC funds with Clerical Medical and Utmost Life and Pensions (formerly Equitable Life) were transferred to the Aegon Master Trust. Affected members have already been contacted regarding the transfer and provided with all the information they require to manage their AVC funds going forwards.

AVC funds with Phoenix Life remain within the Scheme due to certain guarantees provided by this product. Affected members have been contacted with further information about this and will continue to receive annual statements in respect of their AVCs.

**Important:** If you are thinking of transferring your benefits out of the Scheme for any reason, you should consult a professional advisor, such as an independent financial advisor, before taking any action. Whilst this is recommended for all transfers out, please note that financial advice is a requirement for all transfer values over £30,000.

### Who looks after the Scheme?

#### Trustee:

OCS Group Pension Trustees Limited.  
The Directors of the Trustee Company are:

Anthony Patteson (Chairman)

Stephen Bonner

Peter Johnson (retired 31 December 2023)

Andrew Goodliffe

Brian Smith\*

Guy Hill\* (retired 28 February 2024)

Margaret Forsyth\*

\*Denotes a member nominated director

Second Floor,  
81 Gracechurch Street,  
London, EC3V 0AU

#### Scheme Administrator & Advisers:

Capita Pension Solutions Limited  
PO Box 555, Stead House  
Darlington, DL1 9YT

Tel. No. 01227 773922

Email: [ocspensions@capita.co.uk](mailto:ocspensions@capita.co.uk)

#### Independent Scheme Auditors:

J.W. Hinks LLP  
19 Highfield Road  
Edgbaston  
Birmingham, B15 3BH

#### Scheme Actuary:

J. McCoy F.I.A.

#### Scheme Investment Managers:

M&G Investment Management Limited  
Partners Group AG

Insight Investment Fund Management Limited

Schroders IS Limited

#### Scheme Bankers:

Lloyds Bank plc

#### Scheme Investment Consultant:

Hymans Robertson LLP

#### Scheme Websites:

<https://ocsstaff.pensions-directory.co.uk/>

<https://portal.hartlinkonline.co.uk/ocsgroup>

# The OCS Group Staff Pension and Assurance Scheme

## Investment Report and Financial Summary

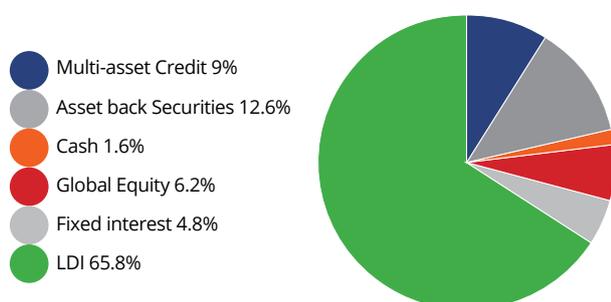
### Investments

In accordance with the requirements of the Pensions Act 1995, the Trustee has agreed a Statement of Investment Principles, a copy of which is available on the Scheme's website:

<https://ocsstaff.pensions-directory.co.uk/>. The Trustee also has a Responsible Investment Policy in place.

The Scheme's assets are managed by the independent external investment managers. The assets are invested in the major investment sectors of the UK and overseas markets. The Trustee monitors the performance of the investment managers on a regular basis.

The distribution of the Scheme investments (excluding AVCs) as at 31 March 2024 was:



Over the year to 31 March 2024, the Scheme investments returned -5.4%, compared with the Trustee's benchmark return of -5.5%.

Over the past 12 months, global growth improved as a result of improved economic activity, declining inflation and increased enthusiasm in the artificial intelligence sector. As a result, global equities rose materially, although the UK underperformed, given little exposure to technology and above-average exposure to energy and basic materials sectors. Moreover, global credit spreads fell, with global investment-grade credit spreads and global speculative credit spreads tightening. Inflation fell albeit remained above the long-term 2% target, with the Bank of England raising interest rates to 5.25% during the period. Government bond yields rose due to revised expectations that interest rates will remain higher for longer.

The Trustee's objective is to ensure there are enough funds available in the Scheme to pay the promised benefits to its members, and so the Trustee's investment strategy is designed to keep the level of the Scheme's assets stable relative to its liabilities. The Scheme's assets reduced by c.£9m in value during the year, but the Scheme's liabilities also reduced (the size of assets relative to liabilities remained stable, as intended).

The overall impact from these events meant that the funding position improved.

### Investment De-Risking

Over the past few years, the Trustee and OCS Group UK Limited (the "Employer") have sought to reduce the risks faced by the Scheme in order to best protect members' benefits.

With the help of their advisors, the Trustee continues to review the Scheme's investment strategy in order to reduce the investment risks faced by the Scheme. In June 2023, the Trustee increased the hedge ratios for both interest and inflation to 95%.

The changes made over the past few years have contributed to a reduction in the investment risk faced by the Scheme when compared to the risks faced several years ago and provide greater stability and security for member benefits.

The Trustee regularly reviews the services provided by the Scheme's managers and advisers, along with the costs involved in running the Scheme, to ensure that the Scheme and its members are getting value for money.

### Financial Summary

The financial results of the Scheme during the year are summarised as follows:

Income		
Amounts received in year ended 31 March		
	2024	2023
	£	£
Employers' contributions	5,477,025	18,015,000
<b>TOTAL</b>	<b>5,477,025</b>	<b>18,015,000</b>

Outgoings		
Amounts paid out in year ended 31 March		
	2024	2023
	£	£
Benefits payable	(8,838,055)	(8,525,084)
Payments to and on account of leavers	(2,063,318)	(1,412,366)
Administrative expenses	(64)	(115)
<b>TOTAL</b>	<b>(10,901,437)</b>	<b>(9,937,565)</b>

Return on Investments		
Amounts in year ended 31 March		
	2024	2023
	£	£
Investment income	3,635,395	3,207,225
Change in market value of investments	(7,195,922)	(67,909,925)
Investment management expenses	(173,959)	(446,514)
<b>TOTAL</b>	<b>(3,734,486)</b>	<b>(65,149,214)</b>

Summary		
	2024	2023
	£	£
<b>Net Assets as at 1 April</b>	<b>200,228,350</b>	<b>257,300,129</b>
Total income	5,477,025	18,015,000
Total outgoings	(10,901,437)	(9,937,565)
Net return on investments	(3,734,486)	(65,149,214)
<b>Net Assets as at 31 March</b>	<b>191,069,452</b>	<b>200,228,350</b>

# The OCS Group Staff Pension and Assurance Scheme

## OCS News

Since the acquisition of the OCS Facilities Services business by Clayton, Dubilier and Rice ('CD&R') in 2022, the business has grown both organically and through acquisition.

In February 2023, CD&R acquired the UK, Ireland and Asia Facilities Management businesses from Atalian-Servest, effectively doubling the size of the Group. Subsequent to this, OCS acquired a number of smaller businesses in the UK&I to strengthen its portfolio offering in key geographical areas and service lines of business. These smaller acquisitions included Accuro (a specialist in education and healthcare sectors), Profile Security (one of the UK's largest independent security

specialists) and Abate (a leading Pest services business in Norfolk).

There were a number of significant contract wins across both public and private sectors in the year, including the Government Property Agency, Irish Rail, Southbank Centre and Hitachi Rail in the UK&I business and the likes of Lazada (Philippines) and the Adani Airport and Port (India) in APAC, demonstrating the strength of the OCS brand and reputation.

Overall business growth has been robust – well ahead of inflation - and profit margins have expanded through strong commercial management and realisation of economies of scale in the now larger business.

## Summary Annual Funding Statement

### Introduction

Every three years, the Trustee of the Scheme undertakes a formal actuarial valuation of the Scheme to assess its financial position. The Scheme Trustee undertook the latest formal actuarial valuation of the Scheme as at 1 April 2024. In intervening years, annual reports are obtained from the Scheme Actuary to provide an approximate update of the financial position of the Scheme.

Full copies of any of the documentation referred to in this Summary Annual Funding Statement are available from the Scheme Administrator on request.

### Actuarial Valuation at 1 April 2024

The most recent actuarial valuation of the Scheme showed that on 1 April 2024, the funding position was as follows:

The Scheme had assets of	£191.0m
The estimated amount needed to provide the benefits was	£178.8m
Giving a surplus of	£12.2m
<b>This shows a funding level of</b>	<b>107%</b>

These figures are calculated in line with the funding plan agreed between the Trustee and the Employer.

### Change in funding position between 1 April 2023 and 1 April 2024

At the last annual update as at 1 April 2023, there was a funding level of 107% and a surplus of £13.9m. In the following twelve months, the funding level has remained constant, however the surplus has decreased slightly to £12.2m.

The principal factor which contributed to the small decrease in surplus was a fall in the asset value due to the investment return achieved on the Scheme's assets over the period being negative. The Employer continued to pay additional contributions in order to support the funding position in the year to 1 April 2024.

This was offset by a similar fall in the amount needed to provide the benefits in future following a new triennial valuation completed this year, which has introduced new member data and more up-to-date mortality assumptions which reduced the valuation of the Scheme liabilities.

The funding position will reflect, to some extent, movements in markets and therefore can be volatile.

### The action plan

Following the formal actuarial valuation as at 1 April 2024, no recovery plan needed to be agreed between the Trustee and the Employer as the Scheme was in surplus.

The Employer agreed to continue to pay the amounts necessary to meet the expenses incurred in the management of the Scheme, including any Pensions Regulator and Pension Protection Fund levies.

### Pensions Regulator intervention

We are required to notify you if the Pensions Regulator has used its statutory powers to intervene in the Scheme. Such an intervention may be:

- to modify the future accrual of benefit;
- to give directions that either set the manner in which actuarial calculations of the Scheme's funding situation are done or set the period in which any funding shortfall must be remedied; or
- to impose a schedule of contributions stipulating what contributions must be paid by the employer and active members and by when they must be paid.

We confirm that there have not been any such Pensions Regulator interventions.

### Solvency Buy-Out Basis

We are required by legislation to report the amount of assets that would have been needed in the Scheme to achieve "full solvency". The estimated amount of assets to ensure that all members' benefits could have been completely secured with an insurance company if the Scheme were to be wound up was £203.8m as at 1 April 2024. Please note that inclusion of this information does not imply that the Employer or the Trustee is contemplating winding-up the Scheme.

### Payments to the Employer

We are required to notify you if there have been any surplus payments to the Employer out of the Scheme since the previous summary funding statement. We confirm that there have not been any such payments.

# The OCS Group Staff Pension and Assurance Scheme

## Summary Annual Funding Statement (continued)

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### How the Scheme operates

#### How are pensions paid for?

The Employer pays contributions to the Scheme so that members' pensions can be paid when they retire. The money to pay for members' pensions is held in a common fund and not in separate funds for each individual, with the exception of any Additional Voluntary Contributions.

#### How is the amount the Scheme needs worked out?

The Trustee has a funding plan (the *Statement of Funding Principles*) agreed with the Employer which aims to make sure there is sufficient money in the Scheme to pay for pensions now and in the future.

Following regular checks on the Scheme's funding level by the Scheme Actuary, the Trustee and the Employer must agree the amount of money which the Employer should pay into the Scheme. Future payments to the Scheme may go up or down depending on the Scheme's funding level.

#### The importance of the Employer's support

The Trustee's objective is to have sufficient money in the Scheme to pay pensions now and in the future. To meet this objective, the Scheme relies on the Employer's continued support because:

- the Employer will be paying the future expenses of running the Scheme on an annual basis;
- the funding level can fluctuate, and when there is a funding shortfall, the Employer will usually need to increase its contribution to the Scheme; and
- the target funding level may turn out not to be sufficient to provide for all benefits, in which case the Employer will need to increase its contribution further.

The Employer continues to engage with the Trustee, demonstrating its continued commitment to making funds available to support the Scheme and therefore to enable continued payment of pensions in full.

#### What would happen if the Scheme commenced winding up?

We are required to inform you of what would happen if the Scheme started to wind up. If the Scheme is wound up, you might not get the full amount of pension you have built up even if the Scheme is fully funded under the last ongoing funding valuation. However, whilst the Scheme remains ongoing, even though funding may temporarily be below target, benefits will continue to be paid in full.

If the Scheme were to commence winding up, the Employer is required to pay sufficient money into the Scheme 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 Scheme and pay compensation to members, but any compensation may not necessarily be at the same level as the benefits that are provided by the Scheme.

Further information and guidance is available on the Pension Protection Fund's website at [www.ppf.co.uk](http://www.ppf.co.uk). Or you can telephone them on 0345 600 2541.

#### Why does the funding plan not call for full solvency at all times?

The full solvency position assumes that benefits will be secured by buying insurance policies. Insurers are obliged to take a very cautious view of the future and need to make a profit. The cost of securing pensions in this way also incorporates the future expenses involved in administration. By contrast, our funding plan assumes that the Employer will continue in business and support the Scheme.

## Trustee Directors

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### Member Nominated Directors

The Member Nominated Director selection process took place in January and February 2024. A letter was issued to members in March 2024 confirming the results of this, which were that Brian Smith and Margaret Forsyth had been reappointed for a further five-year term.

### Retirement

Sadly, Guy Hill retired as a Trustee Director on the 29th February 2024. Guy had been a Member Nominated Trustee Director since 2018. The Trustee would like to thank him for his service and wishes him good health and a continuing happy retirement.

### Peter Johnson, Former Trustee Director

As many of you will know, Peter Johnson, a former Trustee Director, passed away in September 2024 after a short period of illness. Peter served as the first 'non-Goodliffe family' director on the board of OCS Group Limited for 22 years. At the same time as he was a company director, he served as a trustee of the pension schemes for a total of 42 years, retiring in December 2023. He was Chairman of the trustees for 14 years.

Many significant pension scheme matters were dealt with during his tenure as a trustee and Peter would always have members' interests at the forefront of his decision making.

Peter was a mentor and friend to many members and his wisdom and wise counsel will be missed by them and the Trustee Directors.

# The OCS Group Staff Pension and Assurance Scheme

## Other Pensions News

### Lifetime Allowance

The Lifetime Allowance (LTA) was the maximum amount an individual can take from all their registered pension schemes without incurring additional tax charges. This did not include the State Pension. A 55% tax charge was applied to amounts above this threshold withdrawn as a lump sum, or 25% if paid as a pension.

The LTA was abolished from the 6th April 2024 onwards.

### Pension Liberation Fraud

The Trustee wishes to bring to the attention of members that there has been an increase in companies singling out pension scheme members and offering to help them release their pension benefits early.

These pension scams are also known as 'pension liberation fraud', and if members engage in this they could, amongst other things, incur a tax charge of more than half the value of their pension.

With effect from 9 January 2019, pensions cold-calling was banned, meaning firms can no longer make unsolicited marketing calls about pension schemes. Firms who break the ban will face enforcement action from the Information Commissioner's Office and a fine of up to £500,000.

If you have been approached in this way, or are contemplating following this route, the Trustee most strongly advises you to reconsider and seek independent advice.

If you would like any further information about this, The Pensions Regulator has issued a leaflet entitled 'Don't let a scammer enjoy your retirement' which can be requested from the Scheme Administrator.

### Guaranteed Minimum Pension ("GMP") Equalisation

If you were a member of the contracted-out section of the Scheme between 1988 and 1997, your pension benefits will include a GMP. The presence of GMP may result in unequal benefits when compared to those that would be payable if you were of the opposite sex. Whilst this issue had been known about for a long time, there had been no case law or agreed statutory guidance to clarify how to resolve these inequalities given that GMPs were calculated in a way mandated by Government.

However, a High Court judgment published in October 2018 ruled that pension schemes are required to equalise pension benefits between men and women for the effect of GMPs which were accrued on or after 17 May 1990. If you were a member of the contracted-out section of the Scheme between 17 May 1990 and April 1997 you may be affected by this ruling.

The Trustee continues to review the current position with regard to implementing changes to effect the ruling and equalise benefits. However, the process and calculations are complex and will take a long time to complete. Work on these calculations has now been started. However, at the moment, it is unclear exactly when this process will be complete and the exact impact it may have on your pension benefits, if any, is also unknown. However, it is important to note that the equalisation will not result in the reduction of anyone's benefits.

As a result, it is important to note that any transfer values or retirement benefits quoted have been produced **before** an assessment has been carried out to determine if an adjustment for the effect of GMP equalisation is required.

Capita strongly recommends that you seek independent financial advice regarding this issue before deciding whether to proceed with any transfer or retirement benefits.

### Scheme Websites and Online Access for Members

Amendments to Pension Scheme Regulations in 2018 mean that the Trustee is now required to release certain information about the Scheme on a publicly available website.

The site where you can access the required information is:

<https://ocsstaff.pensions-directory.co.uk/>

Here, you will be able to access the Scheme's Statement of Investment Principles (SIP) and Statement of Implementation each year.

The website will also be used to provide other useful information to members regarding the Scheme and pensions in general.

The Trustee would like to encourage you to check this website regularly for updates.

In addition, members now also have access to their pension details and the ability to change their address and other information online. The link below will take you to a website where you can register for online access and which provides further information on what is available:

<https://portal.hartlinkonline.co.uk/ocsgroup>

### Increasing Earliest Age of Retirement

Currently, the earliest age at which you can take retirement from the Scheme is age 55. This has been the case since April 2010 when the minimum pension age increased to 55 from 50. The Trustee wishes to make members aware that the Government has announced its intention to increase the earliest age of retirement to 57 with effect from 6 April 2028.

### Change to the Retail Prices Index ("RPI")

The Trustee would like to inform members of some changes that are happening to RPI.

Currently, pensions in payment for the Scheme that are in excess of GMP, increase in line with RPI to a maximum of 4% or 5% (depending on when the service in the Scheme took place). However, the UK Statistics Authority (UKSA) views RPI as a very poor measure of general inflation because the methods used to produce it don't meet current international statistical standards and have been 'frozen' since 2013. This makes continuing with RPI inconsistent with the Authority's statutory duty to promote, safeguard and continuously improve national statistics. Therefore, HM Treasury and the UKSA published a joint consultation on reforming the methodology used to calculate RPI, proposing that the basis of RPI be changed so that its future rates of change map exactly to the CPIH (a variation of the existing Consumer Prices Index that includes housing costs). The UKSA views the CPIH as providing a good estimate of price changes across the economy.

# The OCS Group Staff Pension and Assurance Scheme

## Other Pensions News (continued)

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The consultation was agreed and the change from RPI to CPIH will take place from 2030, although there is some indication that the proposed changes have already been priced into the market. Historically, CPIH has been at a lower level to RPI so pensioner members may notice some changes to their pension increases. However these increases will still provide some protection to pensions against inflation.

### Capita Cyber Incident

You may have seen in the news that Capita, who provide our administration services, experienced a cyber incident in March 2023. Capita have found that files containing **some** Scheme member data have been identified on an affected server from which data was exfiltrated as a result of the cyber incident.

**In August 2023 and August 2024, we wrote to all impacted members. If you have not received a letter, this means Capita's investigation has not identified any impact to your personal data.**

## Obituaries

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Sadly, we have been informed the following Scheme members have passed away:

Mrs J L Anderson	Mr I Glover	Mr J Hill	Mrs S Nixon
Mr J Baker	Mr B J Goddard	Mr K R Iles	Mrs E D Padgett
Mrs C Bass	Mrs M A Goodman	Mr P J Johnson	Mr J A Patient
Mr D Birkmyre	Mr C K Goodwin	Mrs S R Karanjia	Mr A W Pitt
Mr J A Blundell	Miss G E Grainger	Mr A I Kinghorn	Mr S W Rawlins
Mrs M Cocks	Mr G J Green	Mr E Long	Mr D M Steward
Mr W E Cummings	Mrs M E Hamilton	Mr P W Martin	Mrs J M Wilcock
Mr P W Day	Mrs J Harding	Mrs S Mead	
Mr P R Dulley	Ms S Harvey	Mr L G Milligan	
Mrs J Faultley	Mr S Hayward	Mr P Milne	
Mr F A Gerardo	Mr R Hesp	Mr S Muir	

## Queries and Difficulties

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### MoneyHelper

The Money and Pensions Service (MaPS) was created in 2019 as a single body to bring together the services previously delivered by The Pensions Advisory Service (TPAS), the Money Advice Service and Pension Wise, providing information to the public on matters relating to workplace and personal pensions. With effect from 30 June 2021 MaPS has been re-branded as MoneyHelper but still offers all the same services. Please visit their website for any assistance you need:

<https://www.moneyhelper.org.uk/en>

### Pensions Ombudsman

The Pensions Ombudsman has the power to investigate any complaints and settle disputes between the Trustee and managers or employers and the complainant. He will usually only become involved if the parties have been unsuccessful in sorting out the problem directly via the Internal Dispute Resolution Procedure, a copy of which is available from the Scheme Administrator on request. Complaints must normally be referred to the Ombudsman within three years of the act or omission occurring. The Ombudsman cannot investigate a dispute once legal proceedings have been started.

The Ombudsman may be contacted on 0800 917 4487.

### Pension Tracing Service

The Pension Tracing Service was set up by the government to assist members and others in tracing the people responsible for paying the benefits under pension schemes with which contact has been lost.

The Pension Tracing Service collects and retains certain information on all pension schemes so that individuals are able to trace their deferred pension rights. This Scheme has been registered with the Pension Tracing Service.

The Pension Tracing Service may be contacted on 0800 731 0175.

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

### The Pensions Regulator

The Pensions Regulator is able to intervene in the running of a scheme where trustees, employers or professional advisers have failed in their duties.

The Pensions Regulator may be contacted on 0345 600 0707.

<https://www.thepensionsregulator.gov.uk/>