

The Quill

Autumn 2021

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The newsletter for deferred members of the Local Government Pension Scheme in Berkshire



THE ROYAL COUNTY OF
BERKSHIRE
PENSION FUND

Welcome

Welcome to your Autumn 2021 edition of *The Quill*, the newsletter for deferred members of the Royal County of Berkshire Pension Fund and their dependants.

Your Autumn newsletter contains LGPS updates and news items - including a summary of the Fund accounts and investments from page 6 onwards and your 2021 pensions increase information is found on page 10.

We are very pleased to announce the appointment of Damien Pantling as our new Head of Pension Fund. Damien joined us on 1 September and introduces himself on page 4.

We are pleased to reintroduce our Annual Meeting this year which will be held at Maidenhead Town Hall on 16 December. Further details can be found on page 5.

The pension team continue to be available during normal office working hours. If you would like a one to one chat with a member of the team we can arrange a meeting online via Microsoft Teams. Feel free to contact us if this would be of interest to you.

We are always happy to help you with your pension questions so please do not hesitate to contact us.

We hope you enjoy reading this newsletter and you are keeping safe and well.

**Councillor Julian Sharpe,
Chairman, Berkshire Pension Fund Committee
and Berkshire Pension Fund Advisory Panel**

Please note our helpdesk number has changed to **01628 796 668**. The previous '0845' number is no longer in use.

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Dear Scheme members...



I am truly delighted and honoured to be appointed as the Royal County of Berkshire Pension Fund's new Head of Pension Fund. I formally started in post in early September 2021 and my first impression of the organisation so far is

the exemplar administration team and the positive solutions-oriented organisational culture. There are several challenges that lie ahead such as the wider macro-economic environment post-pandemic, the ever-changing complex and legislative administrative environment, and managing the needs of the Fund's wide, diverse and growing stakeholder group. These are exciting challenges that I very much look forward to and am proud to be backed by such a strong and able team of qualified pensions professionals.

I am a Chartered Public Finance Accountant (CPFA), having started my public service career in the London-Boroughs back in 2014. I am originally from the East-Midlands before studying at Oxford Brookes University

then relocating to London to dedicate my professional life to public services. My portfolio of experience to date ranges across a total of five London Boroughs, having run finance teams across the board in housing, regeneration, corporate services, environment and of course pensions. I currently still hold several non-executive and independent advisory positions in the London Boroughs and am truly delighted to be sharing my first outside of London experience with the Berkshire Pension Fund.

Pension Fund management has always been a true passion of mine and not just on a professional level, I have a personal interest in the wider macro-economic environment especially now in times of uncertainty and volatility. Ultimately it is my role to ensure that you as one of the 75,000 scheme members are receiving the information, guidance and support that you deserve from our great administration team whilst guiding the Fund through our next phase in the journey that lies ahead.

Many Thanks,

Damien J Pantling | Head of Pension Fund

Annual Meeting 2021

We are pleased to be able to reintroduce our Berkshire Pension Fund annual meeting event this year which will be held on **Thursday 16 December** in the **Council Chamber** at **Maidenhead Town Hall**.

This will provide a great opportunity for you to meet Damien Pantling, our new Head of Pension Fund.

The agenda will also include an Annual Review 2021 and an Actuarial update.

The meeting will be a socially distanced event and follow current Government guidelines, therefore places will be limited.

The meeting will be held from **9:30am until 11:30am** with refreshments available from 9am.

To book your place please e-mail joanne.benstead@rbwm.gov.uk

Alternatively you can complete the attendance request form opposite.

We hope you can join us on 16 December.

Annual Meeting 2021 Attendance Request

TITLE

SURNAME

FORENAME(S)

TEL. NUMBER

HOME ADDRESS

POSTCODE

E-MAIL

Please return this reply slip to:

Joanne Benstead
Royal County of Berkshire Pension Fund,
Minster Court, 22-30 York Road, Maidenhead,
Berkshire, SL6 1SF.



Draft Fund Accounts 2020/21

The Pension Fund is slowly maturing as benefits payable grow and more members retire so managing cash-flow is increasingly important.

The Pension Fund Committee are committed to managing the Fund's assets so that assets will not have to be sold to make benefit payments; in the past year this strategy resulted in net positive cash-flow of just under £31 million.

The Fund's assets continued to grow during the year as investment markets were strong. At the year end assets were in excess of £2.3 billion.



Income		£'000
Employer contributions		107,860
Employee contributions		30,337
Transfer values received		6,959
Investment income		29,261
TOTAL INCOME		174,417
Expenditure		
Benefits Payable		114,245
Payments to and on account of leavers		16,109
Fund administration and management costs		13,598
TOTAL EXPENDITURE		143,952
Change in market value of investments		317,861
Net Increase/(Decrease) in fund during year		348,327
Balance Sheet		
Investment assets		2,470,773
Investment liabilities		(134,302)
Current assets		20,582
Current liabilities		(3,780)
Net assets at 31 March 2021		2,353,273

Pension Fund membership

Berkshire Pension Fund membership at 31 March 2021



Number of members registered for 'my pension ONLINE'

18,805

representing approximately 30% of the total membership this service is accessible to.

440

retired members living overseas

1,258

retirements processed during 2020/2021

4,608

new starters processed during 2020/2021

Investments update 2020/21

In continuing with the UK Government’s initiative for LGPS Funds to take advantage of the benefits of pooling their investments, the management of the Fund’s assets has transferred to The Local Pensions Partnership Investments Ltd. (‘LPPI’). The assets remain the legal property of The Berkshire Pension Fund.

LPPI has set up and oversees the investment of eight pooled Fund vehicles – the most recent addition being the Real Estate Fund (REF) in Q4 2019. Over the fiscal year, a milestone was achieved with a significant proportion of the Fund’s real estate assets pooled into the LPPI REF.

As at 31 March 2021, over half of the Fund’s real estate exposure was invested through the REF. The Fund has also achieved greater pooling with the proceeds from the sale of its externally managed Emerging Market Equity managers transferred into the LPPI Global Equity Fund (GEF). All of the Fund’s Public Equities exposure is now with LPPI’s GEF.

As at 31 March 2021, c.75% of the Fund’s total assets have been pooled with LPPI – increasing from c.40% in the prior year. Pooling brings with it benefits such as a lowering of costs. The table below provides a comparison between the actual and target weighting of The Fund’s assets, at the dates indicated:

	March 2020		March 2021	
	Actual Weighting	Target Weighting	Actual Weighting	Target Weighting
Public Equity	38.2%	40.0%	44.2%	40.0%
Credit	10.4%	10.0%	12.9%	16.0%
Private Equity	14.1%	13.0%	12.7%	10.0%
Diversifying Strategies	3.2%	4.0%	3.7%	4.0%
Real Estate	14.7%	16.5%	12.7%	13.5%
Infrastructure	7.2%	12.5%	6.8%	12.5%
Fixed Income	2.9%	3.0%	2.8%	3.0%
Cash	9.3%	1.0%	4.3%	1.0%
TOTAL	100.0%	100.0%	100.0%	100.0%
Actual Weightings may not sum to 100% due to rounding				
N.B. “Target Weighting” shown above represents the agreed Strategic Asset Allocation (‘SAA’)				

How did investments perform?

Following a review of The Fund's investment strategy, the Target Weightings / SAA Weightings were adjusted with an increase in exposure to Credit and reductions to Real Estate and Private Equity.

How did the investments perform?

Over the twelve-month period to the end of March 2021 the Fund returned 15.1%. This represents an outperformance of 8.1% against the Fund's Actuarial Target of 6.5% but below its Policy Portfolio Benchmark return of 22.1%. All asset classes generated positive absolute returns over this period with performance led by public equities, which rallied strongly following the market downturn in early 2020.

The recovery in credit markets benefited the Fund's fixed income investments with a return of 10.0% for the year. The LPPI Fixed Income Fund's low interest rate exposure also supported the Fund's outperformance against its benchmark (relative return of 8.8%), as yields moved higher from their

historic lows. Despite challenges in the real estate market, marked by losses of 2.0% for the wider UK property market (MSCI UK Quarterly IPD Index), the Fund's real estate portfolio fared well with a gain of 4.2% over the year.



The Fund's credit portfolio posted a flat return for the year. Underperformance among some of the Fund's on-balance sheet credit investments detracted from the gains made by the LPPI Credit Fund. Over the reporting period, the Fund increased its exposure to the LPPI Credit fund where it now represents c.75% of the Fund's overall credit exposure. Positive absolute returns were delivered by both The Fund's infrastructure (+5.3%) and private equity (+8.5%) investments over the year. However, due to the lagged reporting of these investments, which is typical for illiquid asset classes, valuation and performance figures do not fully capture the rally in financial market assets following the re-opening of economies and vaccine initiatives.

Pensions increase 2021

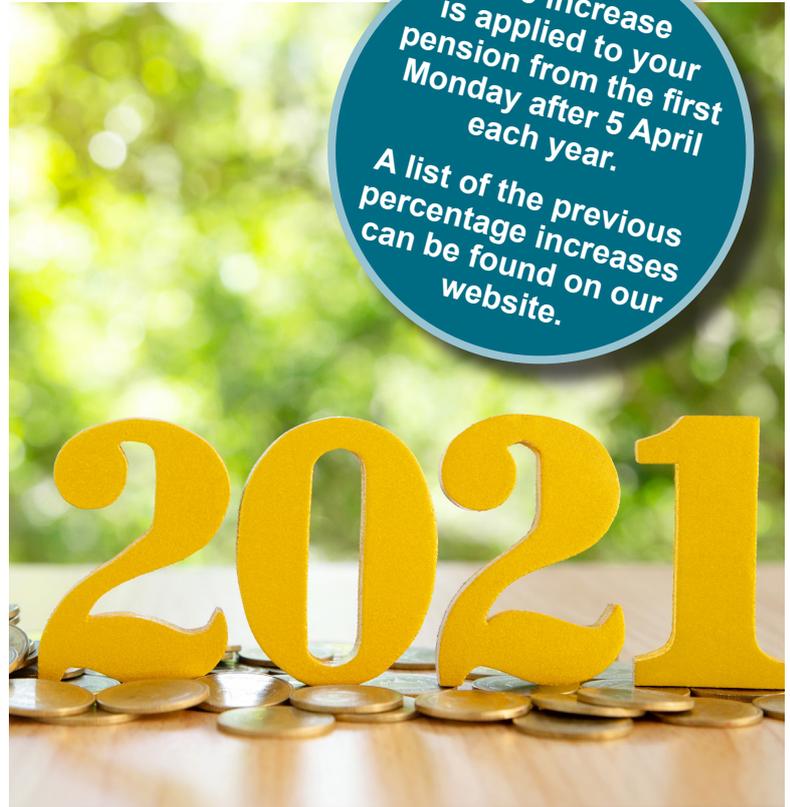
Your deferred pension is increased annually in line with the Pensions Increase Order which is currently linked to the Consumer Prices Index (CPI). The 2021 increase is based on the CPI rate at September 2020.

The 2021 increase is **0.5%** and was applied to your deferred pension from **Monday, 12 April 2021**.

Please note that as the LGPS is a statutory scheme governed by Acts of Parliament, the Berkshire Pension Fund is powerless to make any discretionary increase to the benefits payable under Scheme legislation.

The increase is applied to your pension from the first Monday after 5 April each year.

A list of the previous percentage increases can be found on our website.



Deferred Annual Statement 2021

Your 2021 statement is available to view through your online account along with statements from previous years.

If you previously requested a hard copy of this statement you should have received this in June.

Your statement displays the current value of your deferred pension built up within the Royal County of Berkshire Pension Fund.

If you would like a copy e-mailed to you please contact us. Turn to page 18 to find out more about 'my pension ONLINE'.



When can I claim my Deferred pension?

As a deferred member of the LGPS you can claim your pension from age 55 onwards. Pension benefits paid earlier than your Normal Pension Age will normally be subject to a reduction to take account of the fact that your pension will be paid for longer. The reduction applied depends on how early you claim your pension.

If you are intending to claim your pension from age 60 onwards we require a one month notice period from you. If you are under 60 please see the table below:

Date of leaving employment	Earliest retirement age	Notice period required if claiming pension before age 60
Before 31 March 2014	55	One month
After 31 March 2014	55	Three months

Keep ahead of the Scammers

Pension scams can be hard to spot. Scammers can be articulate and financially knowledgeable, with credible websites, testimonials and materials that are hard to distinguish from the real thing. Scam tactics include:



- **Contact out of the blue**
- **Promises of high/guaranteed returns**
- **Free pension reviews**
- **Access to your pension before age 55**
- **Pressure to act quickly**

Scammers design attractive offers to persuade you to transfer your pension pot to them (or to release funds from it). It is often then invested in unusual and high-risk investments like overseas property, renewable energy bonds, forestry, storage units, or simply stolen outright.

If you suspect a scam, report it ...

Report to the Financial Conduct Authority (FCA) by contacting their Consumer Helpline on **0800 111 6768** or using the reporting form at **www.fca.org.uk**

Alternatively you can contact Action Fraud on **0300 123 2040** or at **www.actionfraud.police.uk**

LGPS Videos

A series of **'Pensions Made Simple'** videos have been produced and are available to view online

Each video offers a brief overview of an LGPS topic.

The videos are less than four minutes long so it's a great way to learn more about your pension in bite-sized portions.

A **'Transferring your pension'** video has been added to the list and will be useful if you are considering transferring out to another pension scheme. Visit the LGPS website to view the videos online:

<https://www.lgpsmember.org/more/Videos.php>

Tracing lost pensions

Do you have any pensions you have lost contact with over the years?

If so why not contact the **Pension Tracing Service**. The service is free and helps reunite people with their lost pensions, giving details of providers to help people track them down.

You can trace contact details for lost pensions by using the online portal at <https://www.gov.uk/find-pension-contact-details>

Alternatively you can request contact details by telephone on **0800 731 0193**



Keep in touch

If you change address, contact details, name or partnership status, please notify the pension team immediately so that your pension record can be updated with your correct personal details.

Please note that changes of address can be accepted over the telephone or by e-mail. Alternatively you can change your address via your online account (see page 18 for more information).

If you are updating your name or partnership status please e-mail or post to us the accompanying certification or documents to reflect this change.

E-mail info@berkshirerpensions.org.uk or write to us at the address shown on the reverse of this newsletter.

Protection for your family

If you pass away as a deferred member of the LGPS and leave a spouse or civil partner, he or she will become entitled to part of your pension.

Children's pensions also become payable automatically if you have children under the age of 18, or if they are continuing in full-time education up to age 23.

Co-habiting partner's pension

If you left the LGPS after 1 April 2008 a co-habiting partner's pension may be payable. For a co-habiting partnership to be valid both you and your partner **MUST** meet the following criteria:

- **Your co-habitation had been continuous for at least 2 years at date of death**
- **You must both be free to marry each other**
- **You are not living with a third person as if husband or wife or civil partners**
- **Either your partner is financially dependent upon you or you are financially inter-dependent upon each other**

Death Grant Lump Sum

If you pass away before you claim your deferred pension a Death Grant becomes payable to your nominee(s) or personal representatives as follows:

If you left the LGPS before 1 April 2008 - A death grant **equal to** the value of your lump sum, plus inflationary increases, will be paid as a tax-free lump sum.

If you left the LGPS after 1 April 2008 - A death grant equal to **five times** the value of your deferred pension, plus inflationary increases, will be paid as a tax-free lump sum.

Note: If you have re-joined the LGPS in England or Wales, the Death Grant payable would be the greater of:

- the total from all deferred benefits, annual pensions in payment and any suspended Tier three ill-health annual pensions, or
- three times your pensionable pay (Assumed Pensionable Pay) in your new role.

Are your nominated beneficiaries up to date? Update your 'Expression of Wish' on page 15

Expression of Wish form

In the event of my death I wish the administering authority for the Local Government Pension Scheme to make payment of any lump sum death grant to which entitlement may arise by virtue of my membership of the Scheme to the beneficiary(ies) listed below:

Beneficiary 1		
Name:	Relationship	Proportion (%)
Date of birth (if known)	Address	

Beneficiary 1		
Name:	Relationship	Proportion (%)
Date of birth (if known)	Address	

Beneficiary 1		
Name:	Relationship	Proportion (%)
Date of birth (if known)	Address	

Beneficiary 1		
Name:	Relationship	Proportion (%)
Date of birth (if known)	Address	

Please note that your expression of wish will only be valid if the proportions listed above total 100%



IMPORTANT: In the event of you and your nominee(s) passing away together please indicate here how you wish the Death Grant to be distributed (e.g split equally between children or other family members etc.)

NAME	RELATIONSHIP	PROPORTION (%)

I understand that this notice may be cancelled or amended, in writing, at any time and that the administering authority is not bound by the notice, that it has absolute discretion when making payment and that it may be disregarded in certain circumstances.

Signed: _____ Date: _____

Full name: _____ Employer: _____

Home address: _____

_____ Postcode: _____ NI number: _____

Please return your completed form to: **The Royal County of Berkshire Pension Fund, Minster Court, 22-30 York Road, Maidenhead, Berkshire, SL6 1SF**



Autumn word search

For a chance to win a £25 Marks & Spencer gift card why not try our Autumn word search competition?

Please send your entry to **Royal County of Berkshire Pension Fund, Minster Court, 22-30 York Road, Maidenhead, SL6 1SF**, to reach us by **31 January 2022**. The winner will be drawn at random from the correct entries received. Good luck!

Please note this competition is not open to members of the administration pension team.

Name	
Address	
Tel. number	

Can you find 12 'pension' themed words in the grid below?



- | | | |
|-------------------|----------------|---------------|
| . APCS | . FINAL SALARY | . LUMP SUM |
| . CARE | . FUND | . REGULATIONS |
| . CONTRIBUTIONS | . INCOME | . RETIREMENT |
| . DEFINED BENEFIT | . LGPS | . TRANSFER |



Take charge of your pension



'my pension **ONLINE**' is an internet based application which enables you to securely access and update your own pension details online via the Berkshire

Pension Fund website from the comfort of your own home or workplace using a desktop PC, laptop, smartphone or tablet.

As a *Deferred (former)* member of the scheme you can:

- **check your personal details**
- **update your address**
- **perform benefit calculations**
- **update your Expression of Wish nomination**
- **access all publications and benefit statements**

To register for 'my pension **ONLINE**' or to log in to your existing account please visit www.berkshirerpensions.org.uk



Further support and guidance

New! Money Helper website



The Money Advice Service and The Pension Advisory Service have changed to **MoneyHelper**.

MoneyHelper is here to make your money and pension choices clearer. Here to cut through the jargon and complexity, explain what you need to do and how you can do it. Here to put you in control with impartial guidance that's backed by government and to recommend further, trusted support if you need it.

For clear money help that's on your side and free to use, just search for MoneyHelper:

www.moneyhelper.org.uk

Some further useful pension related contacts are listed opposite.

State Pension information

www.gov.uk
0800 731 0469

Citizens Advice Bureau

www.citizensadvice.org.uk

Age UK

www.ageuk.org.uk
0800 678 1602

The Pensions Advisory Service

www.pensionsadvisoryservice.org.uk
0800 011 3797

Find an advisor

www.unbiased.co.uk
0800 0236868

Contact us

Royal County of Berkshire Pension Fund

Minster Court, 22-30 York Road, Maidenhead, Berkshire, SL6 1SF

Pensions Helpdesk: 01628 796 668

Lines are open Monday to Thursday 8.30am to 5pm and Friday 8.30am to 4.30pm



info@berkshirepensions.org.uk

www.berkshirepensions.org.uk

If you would like this newsletter in large print or audio please contact us on 01628 796754 or e-mail info@berkshirepensions.org.uk

The Royal Borough of Windsor & Maidenhead is the administering authority to the Royal County of Berkshire Pension Fund

www.rbwm.gov.uk



Royal Borough
of Windsor &
Maidenhead