

# Pension

ACTIVE MEMBER NEWSLETTER

## Welcome from Cllr Simon Radford

*Welcome to the summer 2023 edition of the Pension Newsletter for active members of the Barnet Pension Fund.*

*This newsletter is intended to keep you updated on important information regarding the Fund. It has been produced by the administrators to the Fund, West Yorkshire Pension Fund (WYPF) in conjunction with the Pensions Team at Barnet.*

*I have been a member of the Pension Fund Committee since July 2022 and have recently been appointed Chair of the Committee.*

*The Pension Fund Committee has responsibility for all aspects of the governance, investment and administration of the Barnet Pension fund, including ensuring compliance with all Local Government Pension Scheme statutes, regulations and best practice.*

*Two of the main focuses for the Committee going forward will be responsible investment and net zero strategies. An update on this is provided in this newsletter.*

*I hope that you enjoy this newsletter. If you have any feedback, please send it to the Barnet Pensions Team at [pensions@barnet.gov.uk](mailto:pensions@barnet.gov.uk)*

*Cllr Simon Radford*

*Chair of the Pension Fund Committee for the Barnet Pension Fund*

# Meet the LBB Pensions Team

## Mark Fox Pensions Manager

Mark is the Pensions Manager for the London Borough of Barnet. He joined Barnet in October 2019 and has been involved in the pensions industry for over 35 years. Previously, he was part of the management team at National Grid Pensions Operations, leading on pensions projects and legislation changes. Prior to this, Mark was an Administration Manager for over 11 years in the pensions team at accountancy firm KPMG.

Mark is responsible for ensuring that the member and employer experience meets expectations and works closely with West Yorkshire Pension Fund to monitor their performance. He is also responsible for the governance of the Fund, ensuring that both the Pensions Fund Committee and Local Pensions Board are updated regularly, and that policies and processes are updated as appropriate.

Mark can be contacted by emailing [pensions@barnet.gov.uk](mailto:pensions@barnet.gov.uk)

**Below are some further questions we have asked Mark.**

### *How long have you been at Barnet?*

As mentioned above, about 3½ years, not long before the pandemic came along. Working at Barnet is my first job in Local Government.

Whilst I enjoy working at home, particularly the work/life balance (I have two kids – aged 12 and 7), it's good to come into the Colindale Office every so often to meet up with colleagues and other staff face-to-face, rather than just be a face on Teams!

### *What's the most interesting pension related question you've been asked by a member?*

I have been asked many questions over the years from members, but one I remember more than most came from a widower enquiring regarding the death benefits he was entitled to

following the death of his wife.

After explaining what would be payable to him and starting to prepare the forms that he would need to complete, we were contacted by one of the late member's children who told us that her father had been charged with (and was subsequently convicted of) murder.

Needless to say, this meant a change of plan and finding out further details, so the pension fund trustees could determine who the death benefits should be paid to instead of the widower.

Note that this did not relate to a Barnet member!

### *What advice would you give your 25-year-old self if you had the opportunity?*

I would say not to worry too much about work and appreciate the team I worked with more. Whilst I have never been a total 'stress head', when I was younger, I think

I took everything more personally – especially if things hadn't gone to plan. Also, public speaking isn't as frightening as it appears!

Nowadays, and this comes with experience, I am more aware that there is always a solution if anything goes wrong and no problem talking in front of people.

### *What's your key goal for the Pension Fund over the next 12 months?*

My main objective for the Pension Fund over the next year is to improve both member and employer engagement. We are currently reviewing how we communicate to both members and employers which should mean that you will be hearing more from the Pensions Team about pensions and the Barnet Pension Fund.

***Watch this space!***

# Our Net Zero Strategy

On 1 December 2022 Officers, Pension Fund Committee and Local Pension Board members held a day's conference considering Responsible Investment issues with a focus on developing the Pension Fund's Net Zero strategy. We hosted speakers from a number of different organisations and the conference was held at Middlesex University. The conference was a positive and constructive event and will provide a solid platform to develop Barnet's Responsible Investment strategy.

The issues around setting a Net Zero strategy for a Pension Fund

are complex and we expect this process to continue throughout 2023. However, an important first step was taken at the 31 January 2023 Pension Fund Committee meeting when the following principles were agreed.

## Net Zero Principles

- 1. Leading and credible voice:* Our framework should provide a platform for Barnet to be a leading voice in discussions around targeting a Net Zero strategy for an LGPS Pension Fund
- 2. Ambitious and measurable:* our target should be evidence

based, credible, measurable and ambitious

- 3. Risk and return focused:* We should not compromise risk or return potential in targeting a Net Zero strategy
- 4. Wider Council alignment:* We should echo the wider targets set by the Council

Further information about how the Barnet Pension Fund is developing its Responsible Investment strategy can be found within the 31 January 2023 Pension Fund Committee paper linked [here](#).

## Pension Fund Account Statement

	2022/23	2021/22
Notes	£000	£000
<b>Dealings with members, employers and others directly involved in the fund</b>		
Contributions	(66,878)	(61,990)
Transfers in from other pension funds	(6,072)	(9,247)
	<b>(72,951)</b>	<b>(71,238)</b>
Benefits	64,913	63,583
Payments to and on account of leavers	9,944	5,611
	<b>74,858</b>	<b>69,194</b>
<b>Net (additions) from dealings with members</b>	<b>1,907</b>	<b>(2,044)</b>
Management expenses	18,412	14,942
<b>Net (additions) / withdrawals including fund management expenses</b>	<b>20,320</b>	<b>12,899</b>
<b>Returns on investments</b>		
Investment income	(4,037)	(9,023)
Profit and losses on disposal of investments and changes in the value of investments	24,040	(110,902)
<b>Net return on investments</b>	<b>20,002</b>	<b>(119,926)</b>
<b>Net (increase) / decrease in the net assets available for benefits during the year</b>	<b>40,323</b>	<b>(107,027)</b>
Opening net assets of the scheme	1,501,627	1,394,600
<b>Closing net assets of the scheme</b>	<b>1,461,304</b>	<b>1,501,627</b>

## Net Asset Statement

	31 March 2023	31 March 2022
Notes	£000	
Investment assets	1,476,844	1,481,979
Long term investments	150	150
<b>Total net investments</b>	<b>1,476,994</b>	<b>1,482,129</b>
Current assets	14,772	69,353
Current liabilities	(30,461)	(49,855)
<b>Net assets of the fund available to fund benefits at the end of the reporting period</b>	<b>1,461,304</b>	<b>1,501,627</b>

## Pension Fund Investments

	Market value	31 March 2023	Market value	31 March 2022
	£000	%	£000	%
Legal and General	587,697	39.7	603,354	40.7
Schroder Investment Management	117,107	7.9	280,896	19.0
LCIV	227,015	15.4	146,718	9.9
Alcentra	13,161	0.9	35,384	2.4
Partners Group	46,099	3.1	49,506	3.3
Barings	73,469	5.0	60,546	4.1
Insight Investments	89,530	6.1	90,056	6.1
IFM Investors	98,001	6.6	84,949	5.7
Aberdeen Long Lease Property	26,397	1.8	34,234	2.3
CBRE	32,599	2.2	29,881	2.0
Adams Street	62,841	4.3	41,604	2.8
Fiera Real Estate	27,577	1.9	0	0.0
Allianz	18,500	1.3	0	0.0
Pemberton	18,500	1.3	0	0.0
Legal and General Liquidity Fund	19,250	1.3	0	0.0
Aberdeen Standard Life	19,250	1.3	25,000	1.7
	<b>1,476,994</b>	<b>100.0</b>	<b>1,482,129</b>	<b>100.0</b>

## Membership of the Fund

Membership of the Barnet Pension Fund is for employees, including non-teaching staff in schools and employees of other organisations (in addition to the Council) who participate in the Fund.

The other organisations are classed as either:


- **Admitted Bodies** – organisations that participate in the Fund under an admission agreement between the Fund and the organisation. These can include voluntary, charitable and similar bodies or private

contractors undertaking a local authority function following outsourcing to the private sector.

- **Scheduled Bodies** – academies, colleges and similar bodies whose staff are automatically entitled to be members of the Fund.

Below is a breakdown of the number of employers and members in the Fund as of 31 March 2023 (compared against a year before). Scheme members with multiple roles will be included more than once in the table as will contractors with more than one contract.

	31 March 2023	31 March 2022
<b>Number of employers with active members</b>	70	65
<b>Number of employees in scheme</b>		
London Borough of Barnet	3,961	3,561
Other employers	5,768	5,221
<b>Total</b>	9,729	8,782
<b>Number of pensioners</b>		
London Borough of Barnet	5,500	5,248
Other employers	3,087	2,868
<b>Total</b>	8,587	8,116
<b>Deferred pensioners</b>		
London Borough of Barnet	5,835	6,153
Other employers	3,682	3,568
<b>Total</b>	9,517	9,721
<b>Total number of members in pension scheme</b>	<b>27,833</b>	<b>26,619</b>



Have you tried our  
online services?

## CARE pensions up 10.1% in 2023

**The adjustment to your CARE pension for 2023 is an increase of 10.1%. This figure comes from the rate of inflation for the previous September, as measured by the Consumer Prices Index.**

### When was the increase added to my pension?

This year's 10.1% increase was applied to your pension on 6 April 2023. However, your 2023 statement can only show your pension up to the end of the 2022/23 'scheme year', which is before the increase was added. It will be your 2024 statement that shows the effect of applying the 10.1% increase.

### About the adjustment

We adjust the pension you've built up so far every April in line with the Treasury Department's Revaluation Order, currently set by the Consumer Price Index (CPI) for the September before the increase date. The adjustment only applies to the CARE part of your pension. If you also have final-salary pension benefits from membership before April 2014 they're worked out differently and the increase doesn't apply to them until you retire.

## New contribution bands for 2023/24

The contribution rate you pay for your LGPS pension depends on which 'pay band' your pay falls into, and the bands usually change in April. The government adjusts the bands according to the Consumer Price Index for the previous September, so this year they went up by 10.1%.

The table below shows the new pay bands and your contribution rate for the main section of the scheme and the 50/50 section (find out more about that at [www.wypf.org.uk/5050](http://www.wypf.org.uk/5050)) if you opted to pay half your usual contributions.

Yearly pay	Contribution rate	
	Main	50/50
Up to £16,500	5.5%	2.75%
£16,501 to £25,900	5.8%	2.9%
£25,901 to £42,100	6.5%	3.25%
£42,101 to £53,300	6.8%	3.4%
£53,301 to £74,700	8.5%	4.25%
£74,701 to £105,900	9.9%	4.95%
£105,901 to £124,800	10.5%	5.25%
£124,801 to £187,200	11.4%	5.7%
£187,201 or more	12.5%	6.25%



# RETIREMENT COURSES

**FREE** 2023

If you're considering retirement soon, why not join Affinity Connect, our pre-retirement partner, for an informative retirement planning session. Keeping your retirement plans on track is really important, it's always best to start planning early! This course is perfect for you if you are within three years of retirement and require more information about how to maximise retirement savings.

[Click here for more information and to book](#)

## What's covered?

**Lifestyle changes • Managing change  
• Income in retirement • State pension and other benefits • Personal taxation and tax tips • Money management • Budgeting in retirement • Making your money last**

## Workshop dates

17 August 2023	9:30am to 12:00pm
31 August 2023	4:00pm to 6:30pm
07 September 2023	9:30am to 12:00pm
04 October 2023	9:30am to 12:00pm
26 October 2023	1:00pm to 3:30pm
20 November 2023	9:30am to 12:00pm
29 November 2023	4:00pm to 6:30pm
18 December 2023	1:00pm to 3:30pm
20 December 2023	9:30am to 12:00pm

These workshops provide information only and will not include or constitute financial advice.

## Paying extra to get a bigger pension

We have two ways you can get a bigger pension.

### APCs

Buy up to £7,579 of guaranteed extra yearly pension in the LGPS with additional pension contributions. Pay monthly or by lump sum. The pension you buy is inflation-proofed, both before and after retirement. Find out more at [www.wypf.org.uk](http://www.wypf.org.uk)

### AVCs

With additional voluntary contributions from our provider **Prudential** you can buy extra pension and lump sum at retirement. You pay a percentage of your salary or a set amount. AVCs are flexible – you can change your payments, take a break, or stop paying at any time.

Read more at [www.wypf.org.uk/payingextra](http://www.wypf.org.uk/payingextra)

## 2023/24 HMRC tax allowances

**Annual allowance** £60,000 but with a tapered reduction to a minimum of £10,000 depending on earnings.

**Lifetime allowance** Abolished from 6 April 2023  
Find out more at [www.wypf.org.uk/allowances](http://www.wypf.org.uk/allowances)

## Have you tried our new estimate calculator?

We've added a new function to our **My Pension** online service – now you can create your own retirement estimates in a few moments!

We think this will be a very useful and popular feature that could help you plan your retirement.

You can create as many estimates as you like using different retirement dates and pay.

### How to create your estimate

- 1 Log in to **My Pension**
- 2 Choose **retirement estimate calculator** in the blue panel on the right
- 3 Enter the date you want to retire and your expected pay to get your estimate.

## Pension Dashboards are coming

The Department for Work and Pensions, via the Money and Pensions Service (MaPS), is creating a 'Pension Dashboard' that will be free for all UK citizens to view all their pension information, no matter how many different pensions they have, securely, online and in one place.

All pension schemes in the UK, including the Local Government Pension Scheme (LGPS), need to connect to the dashboard ecosystem to provide pension members' information in a secure way. The project is being managed by the **Pension Dashboard Programme** and you can find out all about them on their website [here](#).

### Why does the Government want to set up a Pension Dashboard?

The aim is simple – they want the pension industry to provide clear and simple information about a person's multiple pension savings, including their State Pension. They also want the industry to help people reconnect with any lost pension pots they have.

### When will it be launched?

Dashboards are being launched in five phases from **programme mobilisation** to **Transition to business as usual**. Phase one is due to start in the summer of 2023, with public service schemes like ours expected to join by the end of September 2024.

However, in March 2023 a written ministerial statement was issued which suggested these timelines may shift further into the future but we do not know what changes to the timetable will be made. But you can be sure that we'll let you know when this new service is available.

## Help for Households

The government's **Help for Households** campaign website is your one-stop-shop for useful money-saving tips and links to find help with benefits you might be able to claim. See what support is available to help with the cost of living and find out how to save money with their energy saving tips.

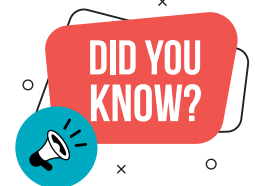
The subjects they cover include

- **Cost of Living Payment**
- **Energy saving tips to save money**
- **Support with energy bills**
- **Support if you're disabled or have a health condition**
- **Household costs**
- **Income support**
- **Travel costs**
- **Help with childcare costs**

On the **website** you just have to answer a few simple questions to check what benefits and financial support you might be able to get to help with your living costs. Visit:

<https://helpforhouseholds.campaign.gov.uk/>

## Your pension is protected against falls in the stock market



LGPS defined benefit pensions are not linked to stock market performance and are set out in statute by the government. LGPS scheme members can therefore be assured that both their contributions and their pension, whether in payment now or built up to date, will be unaffected.

Although short term investment values may vary, the LGPS as a long-term investor is securely managed to address any longer-term impacts.



Register today at  
[www.wypf.org.uk/mypension](http://www.wypf.org.uk/mypension)



## Moving house?

If you move house we need to know your new address, not only to keep your records up to date but to make sure personal or sensitive information doesn't go to your old address putting you at risk of identity fraud.

So when you move, please let us know about it as soon as you can. Please also tell your employer you've moved, and if you're paying AVCs, your AVC provider.

## Your death grant

If you die while you're paying into the scheme, we pay a death grant of at least three times your pay (the actual amount may be different if you have other pensions in the LGPS). You can choose who gets this money. If you haven't nominated anyone yet you can download a form on [www.wypf.org.uk/deathgrant](http://www.wypf.org.uk/deathgrant)

## Transfer time limits

If you're thinking about leaving the pension scheme and transferring your LGPS pension to another provider, please remember that to be entitled to transfer your pension you must leave this scheme and choose to transfer your pension at least one year before your normal pension age (NPA).

**Beware of pension scams:** falling foul of a scam could mean you lose some or all of your money. See [pensions-scams.com](http://pensions-scams.com) or [fca.org.uk/scamsmart](http://fca.org.uk/scamsmart)

## CONTACT US

**Phone** 01274 434999  
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Published summer 2023 by WYPF on behalf of London Borough of Barnet Pension Fund. The information in this newsletter relates to active members only and can't be treated as a statement of the law.

Available in large type, Braille or in audio format on request

If you don't have access to the internet or prefer not to use our online services, we can send important pension information by post on request.

## PENSION SCHEME AT-A-GLANCE

• Build up rate of 1/49th of your pay a year

• Revalued yearly by Treasury order

• Build up rate for survivor benefits 1/160th

• Pensions in payment inflation protected

**Q** What pay counts towards my pension?

**A** Actual pay including overtime, and additional hours if you're part time

**Q** Can I reduce my contributions?

**A** You can temporarily pay 50% contributions to get 50% pension

**Q** What's my normal pension age?

**A** Your state pension age

**Q** Can I trade pension for lump sum?

**A** Yes – get £12 lump sum for every £1 pension you trade

**Q** What death grant is paid if I die 'in service'?

**A** A lump sum of at least three times your pensionable pay

**A** Depends if it's tier 1, 2 or 3...

- 1 ... enhancement to normal pension age
- 2 ... 25% enhancement to normal pension age
- 3 ... temporary payment of pension for up to three years

**Q** How long do I have to pay in to be entitled to a pension?

**A** Two years

**Q** How long can I pay into the pension scheme?

**A** Up to age 75