



West Yorkshire Pension Fund

Lincolnshire  
Pension Fund



London Borough  
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# Pension

NEWSLETTER

AUTUMN/WINTER 2021 • DEFERRED MEMBERS



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# Welcome from Cllr Mark Shooter

Chairman of the Pension Fund Committee for the Barnet Pension Fund

Welcome to the autumn/winter edition of the pension newsletter for deferred 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.

It has been more than a year since WYPF took over the administration of the fund and I hope that you have been satisfied with the service received.

The Covid-19 pandemic has been a difficult time for many members of the scheme. The Pension Fund Committee, Local Pension Board and officers have been working with WYPF to ensure that service levels have been maintained for our members during the pandemic. Officers continue to monitor the situation to minimise any impact on the day-to-day operation of the scheme.

The Pension Fund Committee meets at least quarterly and reviews and challenges the pension fund investment managers' performance

against investment performance benchmarks and targets. I am pleased to report that in the last year the fund exceeded its return target and was one of the best performing local authority pension funds.

In addition, the Barnet Pension Fund's Local Pension Board, which has representatives from both scheme members and employers, is responsible for assisting the Pension Fund Committee in ensuring compliance with the scheme regulations and other legislation relating to the governance and administration of the scheme.

Sadly, one impact of the pandemic has been an increase in pension scams. Therefore, I encourage members to remain vigilant and recommend that you take a few moments to read our article about protecting your financial self.

Finally, I hope that you enjoy this newsletter. If you have any feedback please send it to the Barnet Pensions Team, whose details can be found on the next page.

# Barnet Pensions Team



## George Bruce Head of Pensions

George leads the Pensions Team and is responsible for ensuring all aspects of the scheme run smoothly. He works closely with the fund actuary and investment advisors to make sure that the investments and the funding of the scheme provide adequate provision for the payment of members benefits, whilst making sure that the fund provides value for money for both employers and local tax payers.

## Mark Fox Pensions Manager

Mark has overall responsibility for the management of the scheme's administration service, provided by West Yorkshire Pension Fund (WYPF). He works closely with employers to ensure any issues are dealt with promptly and working with new employers to ensure a smooth transition into the Fund, He is responsible for employer and member communications. He leads the quarterly update to the Local Pensions Board on administration issues and meets with Trade unions regular to discuss and pensions related issues raised by their members.

## Adam McPhail Assistant Finance Manager

Adam is the accountant within the Barnet Pensions Team and makes sure that contributions are paid on time and are correct. He assists George with investment matters and drafting the Fund accounts.

## Gavin Roberts Pensions Operations Manager

Gavin has worked in local government pensions for over 30 years and has extensive knowledge on administration processes and regulations. He works closely with WYPF on administrative issues and deals with member enquiries. He assists WYPF on ensuring that the data held by WYPF on member records is up-to-date and accurate.

The pensions team can be contacted at [pensions@barnet.gov.uk](mailto:pensions@barnet.gov.uk)



# Barnet fund report 2021

**The Council has delegated the management of the Fund to the Pension Fund Committee. It has also established the Local Pension Board, comprising of both employer and employee representatives, to ensure that good governance standards are maintained, particularly in relation to service to members.**

The year to 31 March 2021 was a busy period for the pension fund most notably, the appointment of West Yorkshire Pension Fund as the new administrator, responsible for maintaining members records, paying pensions and responding to queries on benefit entitlement. We are confident that they will meet the high level of service that members deserve.

Although members pensions are unaffected by the performance of the fund's investment, with entitlements based on length of service and salary, investment performance is important in keeping the scheme affordable to your employer.

While 2020/21 was a challenging period for scheme members and the country as a whole, financial markets react quickly to new information and take a long term perspective. Thus the reaction to Covid-19 related lockdowns was felt in the quarter to March 2020, with negative investment returns in the prior year of 6%. However, with optimism returning to markets fuelled by government support for the economy, vaccine development, historically low interest rates and talk of easing of restrictions, markets recovered and more, with a fund return of 28% in the twelve months to March 2021, comfortably exceeding both the benchmark and the average return from local authority pension funds. In keeping the fund affordable long-term returns are critical and it is pleasing to note that 3, 5 and 10 year average returns are all at least 7% per annum.

Beyond, Covid-19, another important consideration was climate change and the need to switch the global economy away from fossil fuels towards renewables. In addition, there is a growing acceptance that funds such as

Barnet have a responsibility to ensure that the companies in which we invest recognise their responsibilities to the wider community. Reflecting the council's wish to be a responsible investor, 30% of the pension fund assets will in future be selected on a basis that takes into account environmental, social and governance criteria. In addition approximately 3% of the fund was allocated to renewable infrastructure to help support the transition away from fossil fuels. This is viewed by the Pension Fund Committee as a start, with further options to embed responsible investing into the fund currently being considered.

In recent years the fund has sought to manage risk and enhance returns by diversifying into new asset classes such as UK and Global property, private equity and infrastructure, with a combined target allocation of 18% to these asset classes.

A summary of the Fund's investment as at 31 March 2021 and 2020 is given in the table below. A copy of the fund's annual report for 2020/21 provides more information on the Fund's activities, performance and investments and will be available soon from [www.barnet.gov.uk](http://www.barnet.gov.uk)

## Fund account

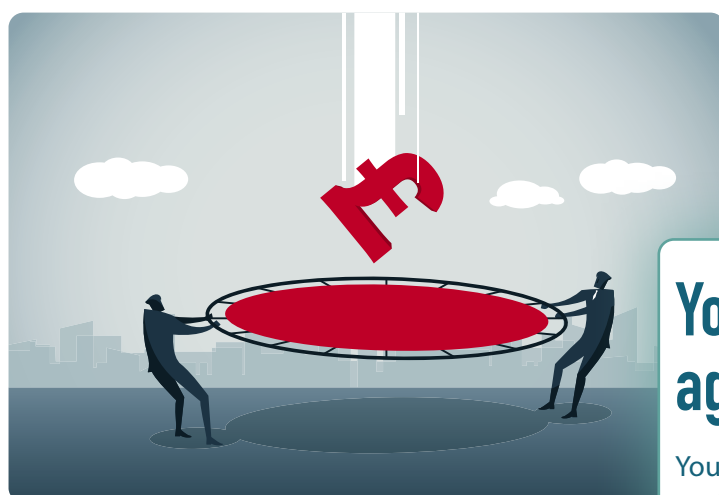
### at 31 March 2021

	2020/21	2019/20
	£000	£000
<b>Dealings with members, employers and others directly involved in the fund</b>		
Contributions	(78,983)	(63,418)
Transfers in from other pension funds	(4,066)	(1,839)
	<b>(83,049)</b>	<b>(65,257)</b>
Benefits	58,933	57,420
Payments to and on account of leavers	3,418	7,638
	<b>62,351</b>	<b>65,058</b>
<b>Net (additions) from dealings with members</b>	<b>(20,698)</b>	<b>(199)</b>
Management expenses	11,305	9,536
<b>Net (additions)/withdrawals including fund management expenses</b>	<b>(9,393)</b>	<b>9,337</b>
<b>Returns on investments</b>		
Investment income	(5,954)	(8,598)
Profit and losses on disposal of investments and changes in the value of investments	(299,820)	71,964
<b>Net return on investments</b>	<b>(305,774)</b>	<b>63,366</b>
<b>Net (increase)/decrease in the net assets available for benefits during the year</b>	<b>(315,167)</b>	<b>72,703</b>
<b>Opening net assets of the scheme</b>	<b>1,079,433</b>	<b>1,152,136</b>
<b>Closing net assets of the scheme</b>	<b>1,394,600</b>	<b>1,079,433</b>



# Investments

Asset class		31 March 2021		31 March 2020	
		£'000	%	£'000	%
<b>Equities</b>	UK	48,885	4%	29,181	3%
	Overseas	650,581	48%	437,888	41%
	Global	35,793	3%	22,356	2%
		<b>735,259</b>	<b>55%</b>	<b>489,425</b>	<b>46%</b>
<b>Bonds</b>	UK	165,684	12%	150,408	14%
	Overseas	238,711	18%	194,063	18%
	Global	18,781	1%	37,942	4%
		<b>423,176</b>	<b>31%</b>	<b>382,413</b>	<b>36%</b>
<b>Property</b>	UK	37,710	3%	35,302	3%
	Overseas	24,446	2%	24,553	2%
		<b>62,156</b>	<b>5%</b>	<b>59,855</b>	<b>5%</b>
<b>Infrastructure</b>		<b>69,521</b>	<b>5%</b>	<b>71,139</b>	<b>7%</b>
<b>Other assets</b>		<b>45,621</b>	<b>3%</b>	<b>35,075</b>	<b>3%</b>
<b>FX Forward derivative</b>		<b>1,370</b>	<b>0%</b>	<b>6,829</b>	<b>1%</b>
<b>Cash and current assets</b>		<b>57,497</b>	<b>1%</b>	<b>34,697</b>	<b>2%</b>
<b>Total investment assets</b>		<b>1,394,600</b>	<b>100%</b>	<b>1,079,433</b>	<b>100%</b>



## Your pension is protected against stock market falls

Your LGPS pension is not linked to stock market performance and your benefits are set out in law by the government. As a member, you can be sure that your future pension 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.

# Never too late to transfer?

Actually, it could already be too late for some, so if you want to transfer your deferred LGPS pension to another provider don't leave it too long. Remember that you'll have to choose to transfer your pension at least one year before your normal pension age (NPA). That's most likely your state retirement age, but some members have a protected NPA of age 60 or 65.

## Be ScamSmart – don't fall for scams in the first place

The Financial Conduct Authority (FCA) and The Pensions Regulator (TPR)'s ScamSmart campaign warns you to be on your guard if you receive unexpected offers about your pension. If you are ever in doubt about a pension offer, visit the ScamSmart website at [www.fca.org.uk/scamsmart](http://www.fca.org.uk/scamsmart)

### Four simple steps to protect yourself from pension scams



Reject unexpected pension offers



Don't be rushed or pressured into making any decision about your pension



Consider getting impartial information and advice



Check who you're dealing with before changing your pension arrangements

Find out more:

[www.fca.org.uk/scamsmart](http://www.fca.org.uk/scamsmart)



## What to do if you become a scam victim

Being scammed can take a huge toll on people's mental health. **Mind** and **Victim Support** have confidential helplines that provide support to consumers who have been hit and you can get more information from their websites.

There are some immediate practical steps you can take if you think you've been scammed however. Call your bank directly, first checking its website for the correct number to ring. If the fraud involved any of your personal information, consider signing up for a Protective Registration with fraud prevention organisation **Cifas**, which costs £25 for two years. Cifas is an independent, not-for-profit organisation working to reduce fraud and related financial crime in the UK. Check out their website at [www.cifas.org.uk](http://www.cifas.org.uk) for information.

Change your passwords for any accounts that have been compromised due to fraud - and any that use the same password. Set up two-factor authentication wherever possible to provide another layer of protection.

## Have you nominated somebody to get your death grant?

A death grant is a one-off tax-free lump sum on top of any pension your husband, wife, partner or children would be due if you died.

How much is paid depends

when you left your job. If it was before 1 April 2008, we pay your

deferred lump sum, including cost of living increases, as a death grant. Otherwise, we pay 5x your deferred annual pension. This may be different if you have active membership elsewhere in the LGPS.

It's up to you who gets your death

grant and nominating somebody can help them avoid paying inheritance tax.

If you haven't made a nomination, or want to change one, download a form now at [www.wypf.org.uk/deathgrant](http://www.wypf.org.uk/deathgrant)

## The new name for Money Advice Service

Money Advice Service (including The Pensions Advisory Service and The Pension Wise Service) changed to MoneyHelper in June 2021. All in one place, get clear, free and impartial money and pension help. MoneyHelper is our direct to consumer brand of the The Money and Pensions Service.

Their new URL from early June 2021 is [moneyhelper.org.uk](https://moneyhelper.org.uk)

Whatever your circumstances or plans, MoneyHelper is on your side. Online or over the phone, you'll get

clear money and pensions guidance, and pointers to trusted services, if you need more support.

Open to everyone, MoneyHelper is helping people to clear their debts, reduce spending and make the most of their income. To support loved ones, plan ahead for major purchases and find out about entitlements. To build up savings and pensions, and know their options.

For money help all in one place that's free to use, just go to [moneyhelper.org.uk](https://moneyhelper.org.uk)

## Privacy and your data **Moving house?**

Read how we use the data we hold about you at [www.wypf.org.uk/privacy](https://www.wypf.org.uk/privacy)

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 going to your old address doesn't put you at risk of identity fraud. So when you move, please let us know your new address as soon as you can.

## Have you checked out your 2021 deferred benefits statement?

Check your statements (past and present) online at any time with your **MyPension** account. Your statement shows you how much your pension benefits will be worth when you start taking them so you can see if you will have enough to live on. It's good to be prepared. Remember that your deferred benefits are protected against inflation.

### Statements are online only now

If you're a deferred member please remember that you'll need to use **MyPension** to see your statements online. But don't panic if you can't use our online services for any reason – let us know and we'll send you a paper copy.

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## Contact us

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