



London Borough  
of Hounslow

# Pension

NEWSLETTER

WINTER 2022/2023 • DEFERRED MEMBERS



HPF fund report • **Your pension is protected** • Free retirement courses

### Introduction by Cllr. Jagdish Sharma

The pension fund's 2022 annual meeting is now available to view online. Even though we've moved to an online format you will still find that all the usual speakers have recorded videos, with an update on the performance of the fund over the last year and other information that should prove useful to you.

You will find videos on the AGM page of [www.wypf.org.uk](http://www.wypf.org.uk) from:

- **Barry McKay**, Barnett Waddingham, Pension Fund Actuary
- **Karen Shackleton**, Independent Investment Advisor
- **Stuart Duncombe** and **Ammie McHugh**, WYPF scheme administrators

As a member of a local government pension scheme, you will recall that the benefits you build up are ring-fenced for you to use in later life and are not subject to investment risk. As Barry from Barnett Waddington explains, the 2022 valuation shows that the scheme is well placed to meet all the pension commitments it has. [Watch the video here](#)

While your pension fund entitlement is not subject to investment risk, the performance of the investments made by the fund do impact on the level of contribution employers are required to make into the fund. The video from Karen, our investment advisor, talks through some high-level developments from September 2021 to September 2022 and speaks to the diversification of the investments. [Watch the video here](#)

These videos highlight that past performance has been strong as evidenced by the 2022 valuation which shows a fully funded scheme, but looking ahead the outlook is less positive with the expectation for investments to face challenges. Officers and advisors work closely to monitor and recommend changes to the Pension Fund Panel.

Finally, see the videos from West Yorkshire Pension Fund, the administrators of the scheme who hold all the key records to ensure everyone gets paid the correct pension. They describe what services are available to you online via the [MyPension](#) portal, so please do sign up to use this. WYPF will also update you on how you can go about claiming benefits. [Watch the video here](#)

#### Cllr. Jagdish Sharma

Chair of our Pension Fund Panel

If you're thinking about transferring your deferred LGPS pension to another provider, don't leave it too late. You would 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.

Always be aware of pension scams and don't make rash decisions during the pandemic. Fall foul of a scam and you could lose some or all of your money. See [pension-scams.com](http://pension-scams.com) or [fca.org.uk/scamsmart](http://fca.org.uk/scamsmart)

## Your 2022 deferred statement

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 so you'll need to log in to [MyPension](#) to see your statement 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.

## Your LGPS pension is fully protected

When the news reports instability in the world of stock and bond markets it's reassuring to know that your pension is fully protected and unaffected by market changes. We are part of the LGPS, the Local Government Pension Scheme, which is a **defined benefit** scheme in which benefits are set out in law and therefore fully protected from the impact of short-term market instability. Like all LGPS pension funds we are diversified long-term investors, securely managed to protect our members' pensions from short-term fluctuations in market values. You can be assured that your deferred pension is safe and sound.







# Hounslow Pension Fund Annual Report 2022

## Introduction

Welcome to the Annual Report of the London Borough of Hounslow Pension Fund.

On behalf of the Hounslow Pension Fund Panel, I am pleased to introduce the scheme's annual report and financial statements for the financial year to 31 March 2022.

## 2022 headlines and highlights

In the introduction last year, our Section 151 officer was able to report on the positive recovery in the fund's value that had been achieved as financial markets recovered strongly from the Covid-19 pandemic. Any potential optimism that that recovery might lead to a more stable UK and global environment in 2022 has been mistaken. The continued war in Ukraine, a global surge in inflation and a national focus on the cost-of-living crisis indicate uncertainty will continue for some time.

The Hounslow Pension Fund has been able to bear up against these events reasonably well throughout the year, however. During the year, the value of the fund increased by a modest 5.43% when the comparison is made between the value on 1 April 2021 and 31 March 2022. The fund has however seen its value fall after this date.

We continue to focus on delivering value for money to our members. An increasing number of members have signed up to use the online **MyPension** portal. Members are able to update their personal details as well as view and download pension fund documents like the annual pension statement. In the last year uptake has increased by 127%.

The financial statements show the financial position of the fund on a particular day (31 March 2022) and the money which has gone in and out of the scheme between 1 April 2021 and 31 March 2022.

2022. The financial accounts can be found in more detail in this report.

Hounslow has a long-standing commitment to being a responsible investor; as such we take a strong interest in how companies are run and exercise our voting rights at the AGMs of the companies we are shareholders of. Further details of this can be found in our Corporate Governance report.

I would like to thank the officers and all our stakeholders involved in the management of the pension fund during the year during 2021/22.

*Cllr Jagdish Sharma*

**Chair of the Pension Fund Panel**

# Fund Accounts

	2020/21	2021/22
	£m	£m
<b>Dealings with members, employers and others directly involved in the fund</b>		
<b>Contributions</b>		
From employers	33.5	33.2
From employees	9.6	10.0
Individual transfers in from other pension funds	6.2	6.0
	<b>49.3</b>	<b>49.2</b>
<b>Benefits</b>		
Pensions	(34.7)	(37.2)
Commutation, lump sum retirement and death benefits	(9.9)	(9.4)
<b>Payments to and on account of leavers</b>		
Individual transfers out to other pension funds	(4.1)	(3.9)
Refunds to members leaving service	(0.2)	(0.1)
	<b>(48.9)</b>	<b>50.6</b>
<b>Net additions/(withdrawals) from dealings with members</b>	(0.4)	(1.4)
<b>Management expenses</b>	<b>(6.1)</b>	<b>(6.6)</b>
<b>Returns on investments</b>		
Investment income	24.3	25.5
Taxes on income (irrecoverable withholding tax)	–	–
	<b>24.3</b>	<b>25.5</b>
<b>Profit and loss on disposal of investments and change in the market value of investments</b>	<b>210.1</b>	<b>47.0</b>
<b>Net returns on investments</b>	<b>234.4</b>	<b>72.5</b>
<b>Net increase/(decrease) in the net assets available for benefits during the year</b>	<b>228.7</b>	<b>64.5</b>
<b>Opening net assets of the fund</b>	<b>958.1</b>	<b>1186.8</b>
<b>Closing net assets of the fund</b>	<b>1,186.8</b>	<b>1,251.3</b>

# Investments

The top 10 equity holdings of the London Borough of Hounslow Pension Fund worldwide as at 31 March 2022

	Bid value	% of total fund	% of Equities
	£m	%	%
Astra Zeneca Plc	37.9	3.0	9.6
Relx Plc	30.1	2.4	7.7
Rio Tinto Ltd	21.7	1.7	5.5
Compass Group Plc	19.4	1.5	4.9
London Stock Exchange Group	17.8	1.5	4.7
Ferguson Plc	18.8	1.5	4.8
Next Plc	17.9	1.4	4.6
Reckitt Benckiser Group	14.8	1.2	3.8
London Stock Exchange Group Plc	14.5	1.2	3.7
3i Group Plc	12.3	1.0	3.1
	<b>202.2</b>	<b>16.1</b>	<b>51.5</b>

# Equities

	31 Mar 21	31 Mar 2022
	£m	
<b>UK Investments (listed)</b>	<b>370.5</b>	<b>391.1</b>
<b>Overseas Investments (listed):</b>		
North America	5.8	1.7
Europe	2.2	0
	<b>378.5</b>	<b>392.8</b>

# Net Assets Statement as at 31 March 2022

	2020/21 £m	2021/22 £m
<b>Investment Assets</b>		
Equities	378.5	392.8
Pooled Investment Vehicles	790.4	838.1
Private Equity	1.4	0.8
Long-term Investment	0.2	0.2
Cash (Money Market Fund)	7.1	4.5
<b>Other Investment Balances</b>		
Income Due	2.8	3.2
Amounts Receivable for Sale of Investments	4.1	0.4
Cash Deposits	2.5	3.4
	<b>1,187.0</b>	<b>1,234.4</b>
<b>Investment Liabilities</b>		
Amounts Payable for Purchase of Investments	(8.2)	(3.0)
<b>Net Value of Investment Assets</b>	<b>1,178.8</b>	<b>1,240.4</b>
Long-term Debtors	–	0.1
Current Assets	10.2	12.8
Current Liabilities	(2.2)	(2.0)
<b>Net Assets of the Fund Available to Fund Benefits at the Period End</b>	<b>1,186.8</b>	<b>1251.3</b>

# It's time to go online

Our online **My Pension** service is the fast way to view your pension record and your deferred pension statements

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

## Who gets 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 5 times your deferred annual pension. This may be different if you have active membership elsewhere in the LGPS.

If you haven't done it yet, you can [download a form](#) from our website.

## DATA PRIVACY

Read how we use your data at  
[www.wypf.org.uk/privacy](http://www.wypf.org.uk/privacy)

*Published February 2023 by West Yorkshire Pension Fund. The information in this newsletter relates to HPF deferred members only and can't be treated as a statement of the law. Available in large type, Braille or in audio format on request.*



[facebook.com/westyorkshirepensionfund](https://www.facebook.com/westyorkshirepensionfund)  
 @WYPF\_LGPS

## Moving house?

Don't forget to tell us!

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.

## TPR launches strategy to combat scams

The Pensions Regulator (TPR) has set out its strategy on 'how it will try to keep savers' money secure. You can read more about the new strategy on the [TPR website](#).

## Contact us

Phone **01274 434999**

Monday to Friday 8.45am  
to 4.30pm

Email [pensions@wypf.org.uk](mailto:pensions@wypf.org.uk)

Our postal address is  
PO Box 67 Bradford BD1 1UP

## Free retirement courses 2023

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

Workshops cover estate planning, managing change, income in retirement, state pension and other benefits, personal taxation, money management, budgeting in retirement, making your money last, wellbeing, lifestyle and more.

### January to April 2023 dates

10 January	9:30am - 12:00pm
16 January	1:00pm - 3:30pm
02 February	9:30am - 12:00pm
10 February	1:00pm - 3:30pm
23 February	9:30am - 12:00pm
28 February	1:00pm - 3:30pm
13 March	9:30am - 12:00pm
15 March	1:00pm - 3:30pm
03 April	4:00pm - 6:30pm

[More dates throughout 2023. Click here for more information and to book.](#)

*Workshops provide information only and will not include or constitute financial advice.*