



London Borough  
of Hounslow

# Pension

NEWSLETTER

WINTER 2022/2023 • PENSIONER MEMBERS



**HPF fund report • Your pension is protected**

# Do you want to get involved in the running of your pension fund?

You may be interested to know that there is a vacancy for a pensioner representative on the Pension Fund Panel.

## The role of the Pension Fund Panel

The Pension Fund Panel consists of up to six of Hounslow's elected Councillors. They are appointed by the Borough Council and have responsibility for the management of the investments of the pension fund. The responsibilities include:

- to consider, on the advice of the Executive Director of Finance & Corporate Services and Council's fund managers, the Council's general policy with regard to pension fund investments
- to make arrangements for the management of the fund in line with the Statement of Investment Principles
- to monitor the performance of the fund and its managers
- to exercise the Council's voting rights at AGMs and EGMs of companies in which the fund has holdings, after considering the advice of the Executive Director of Finance & Corporate Services and appropriate manager(s), and
- to overview and agree pension administration matters

## Criteria

What criteria do you need to meet to become a member of the Hounslow Pension Fund Panel?

- You must be in receipt of a pension from the London Borough of Hounslow
- You must be able to commit to a term of membership running up to May 2026
- You must be able to attend up to four meetings each year at Hounslow House
- You must be able to attend up to four additional training sessions a year – some of these may be in the evening.

Expenses will be reimbursed and the Panel meets quarterly at the Hounslow House at 5pm.

## Interested in applying?

For more information and an application pack you can:

**Email** [pensions@hounslow.gov.uk](mailto:pensions@hounslow.gov.uk)  
**hone** 0208 583 5768 or  
0208 583 5635



## The London Borough of Hounslow Retired Staff Association (RSA)

If you have recently retired from the London Borough of Hounslow or associated employers you are eligible to join the Hounslow Retired Staff Association. The Retired Staff Association meets monthly in central Hounslow, holds regular guest speaker events and organises frequent trips.

If you are interested in becoming a member please contact the membership secretary at the address below.

### Ms J Rowe

15 Osterley Court  
Great West Road  
Isleworth  
Middlesex TW7 4PX

**Phone** 020 8560 7657

**Email** [rowe.june@gmail.com](mailto:rowe.june@gmail.com)

## 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 the pension you are receiving is safe and sound.



# Hounslow Pension Fund **Virtual AGM**



## 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 three videos on the annual meetings page of [www.wypf.org.uk](http://www.wypf.org.uk) from these speakers:

- **Barry McKay**, Barnett Waddingham, Pension Fund Actuary
- **Karen Shackleton**, Independent Investment Advisor

## 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.**

TPR says that criminals who steal people's pensions ruin lives. They use psychological deception and professional-looking materials to trick people out of their savings and if they can will take every penny and devastate savers' financial futures.

Over many years, the TPR has worked to prevent

- **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

savers' losses and put fraudsters in prison. It has helped to implement new protections brought in by the Pensions Schemes Act 2021, which it believes will be a game-changer in the fight against fraud. Industry, TPR says, must 'act to deliver good outcomes for savers by being proactive in their pension scam warnings, innovative in driving improvements in protection standards, and reporting potential crimes to the authorities'.

TPR wants to prevent people falling victim to scammers and will educate savers, encourage higher standards and fight fraud.

You can read more about this on the [TPR website](#).



# 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, pay advices and P60s.

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

## Death grants in retirement

You may have nominated somebody to get your death grant when you were working, but you can do it in retirement too – as long as you are under age 75 at date of death and left employment on or after 1 April 2008.

A death grant is a one-off tax-free lump sum on top of any pension due to your husband, wife, partner or children if you die. Conditions apply depending on when you retired and the options you chose, but the grant is usually ten times your yearly pension less any pension already paid (only up to age 75). It's up to you to decide who gets your death grant and if you nominate it can help those you leave behind avoid paying inheritance tax.

For more information about death benefits in retirement visit [www.wypf.org.uk/deathbenefits](http://www.wypf.org.uk/deathbenefits)

If you would like to make a nomination, or change one you've already made, you can download a form at [www.wypf.org.uk/deathgrant](http://www.wypf.org.uk/deathgrant)

## 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 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.

### Privacy and your data

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

### 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

## MoneyHelper

### Can Money Helper help you?

Money Advice Service (including The Pensions Advisory Service and The Pension Wise Service) changed its name to MoneyHelper in June 2021. It's the all-in-one place to get clear, free and impartial money and pension help. MoneyHelper is the direct to consumer brand of the The Money and Pensions Service.

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.

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

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

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