

The Quill

Autumn 2019

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



THE ROYAL COUNTY OF
BERKSHIRE
PENSION FUND

Welcome

Welcome to your Autumn 2019 edition of **The Quill**, the newsletter for former members of the Royal County of Berkshire Pension Fund.

Following the local elections in May of this year there have been some significant changes to the Berkshire Pension Fund Panel and Advisory Panel. Therefore I would like to introduce myself as the new chairman to the Panels and take this opportunity to thank the former chairman, John Lenton, for his dedication and hard work whilst in this role for the past 12 years.

A guide to the Berkshire Pension Fund Panel structure can be found on pages 4 and 5.

Having lived in the area for over twenty years, I was elected to the council on the day of the referendum back in 2016, which was a very exciting time. I have been very busy since then, with the council over the past 3 years, and I have enjoyed every moment of it.

Professionally, I work in procurement in the technology sector, usually on large projects, so am used to dealing with large numbers.

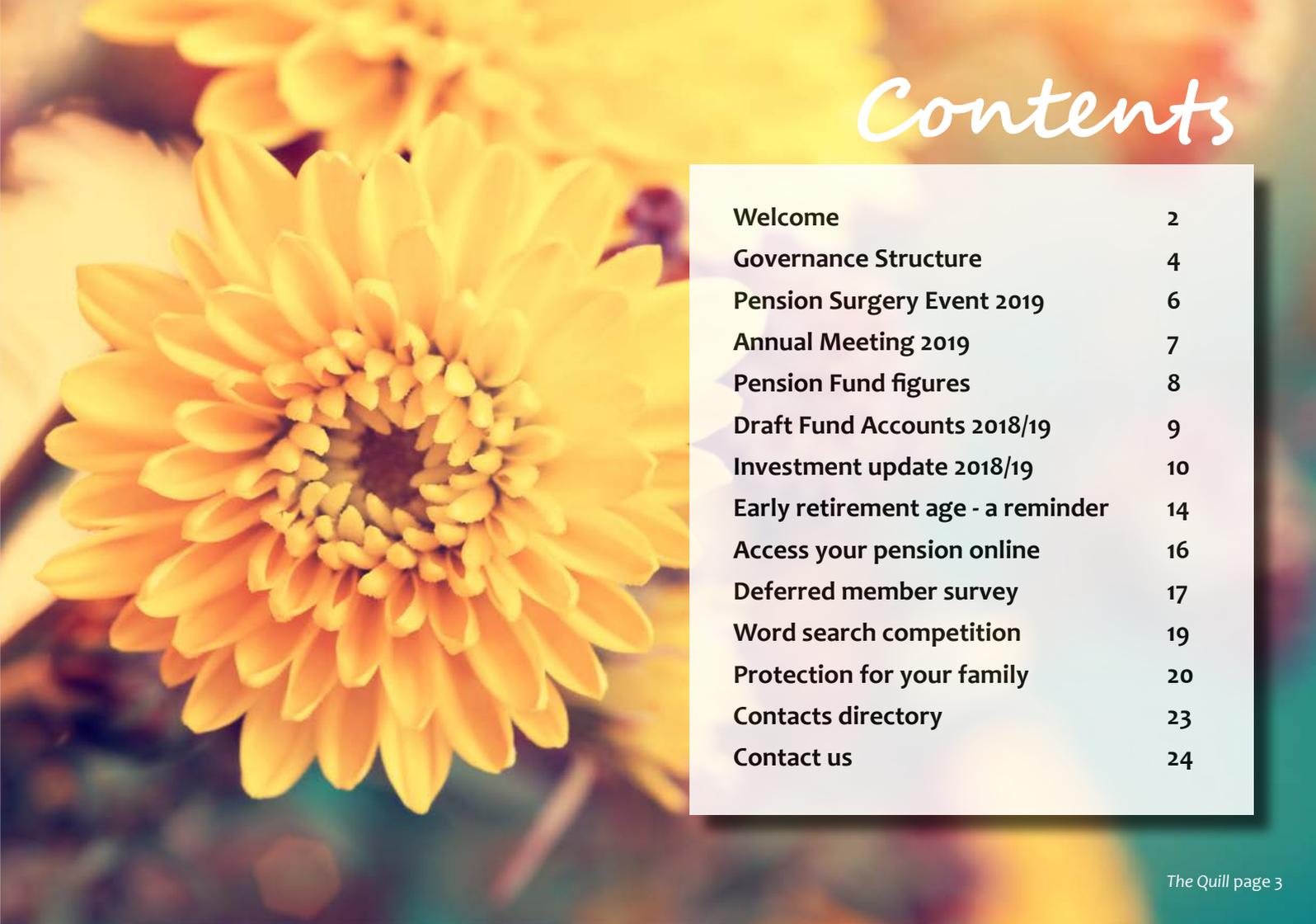
Working closely with finance teams, I know how to make the best use of the funds we have available so I am looking forward to this new role.

One thing I want to ensure is that we get the best out of the funds we have under management. It is good that we have such a dedicated team working here to carefully manage your pensions, and I am looking forward to working with them over the next few years.



Councillor Julian Sharpe, Chairman, Berkshire Pension Fund and Berkshire Pension Fund Advisory Panels



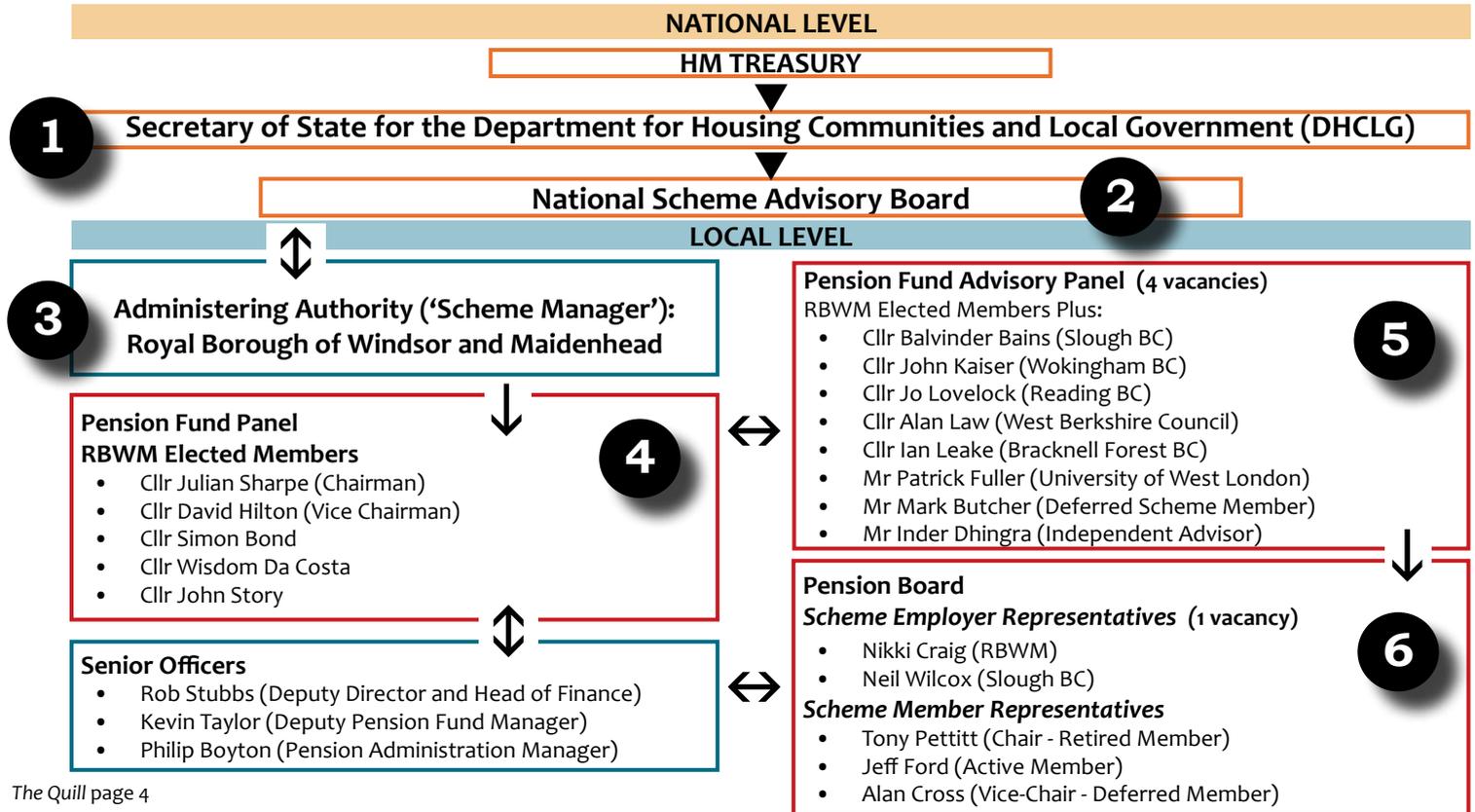


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Governance Structure

The flowchart detailed below displays the Governance structure of the Royal County of Berkshire Pension Fund. This is explained in more detail on page 5.



Governance Structure *explained*

1

Secretary of State for the Department for Housing Communities and Local Government (DHCLG)

The responsible authority in accordance with the Public Service Pensions Act 2013 for formulating and publishing Scheme regulations.

2

National Scheme Advisory Board

Responsible for providing advice on the desirability of changes to the Scheme to the responsible authority.

3

Administering Authority ('Scheme Manager')

Listed as the appropriate administering authority in Part 2 of Schedule 3 to the LGPS Regulations 2013.

4

Pension Fund Panel

Established under Part 6 Section A1 of RBWM's Constitution Panel Members Act as 'Trustees' to the Pension Fund and have decision-making powers.

5

Pension Fund Advisory Panel

Established under Part 6 Section A3 of RBWM's Constitution. Acts in an advisory capacity to the Pension Panel but has no decision-making powers.

6

Pension Board

Established under Regulation 106 of the LGPS Regulations 2013 (as amended) to assist the Administering Authority in securing compliance with the LGPS Regulations, other related legislation and the requirements of the Pensions Regulator.

Pension Surgery Event 2019

To coincide with our 2019 Annual Meeting (see opposite page) we are holding a Pension Surgery event open to all Scheme members:



Thursday 14 November 2019 - 10:00am to 3:00pm

Desborough Theatre, Maidenhead Town Hall, St. Ives Road, Maidenhead, SL6 1RF

- ✓ **Do you have a question about your LGPS pension?**
- ✓ **Would you like to find out more about the benefits of the LGPS?**

We invite you to book a 20 minute appointment with one of our representatives who will be happy to help. A wide range of pensions literature will be available and all discussions will be treated in complete confidence.

How do I book?

To book a 20 minute appointment with one of our pension representatives please contact the Pensions Team.

Telephone: 01628 796 754

E-mail: info@berkshirepensions.org.uk

This event is open to all members of the Berkshire Pension Fund.

2019 Annual Meeting

We invite you to attend the Royal County of Berkshire Pension Fund Annual Meeting to be held on 14 November in the Council Chamber, Maidenhead Town Hall.

Agenda items include:

- Investment update
- Annual Review 2019
- Actuarial update
- Q and A



The meeting will commence at **12:00pm**, with a view to finishing at approximately **1:30pm**. Light refreshments will be available from **11:30am**.

Don't forget to book an appointment at our pension surgery event in the Desborough Theatre (see page 6).

Annual Meeting 2019 Attendance Request

TITLE	
SURNAME	
FORENAME(S)	
TEL. NUMBER	
HOME ADDRESS	
POSTCODE	
E-MAIL	

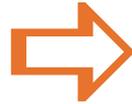
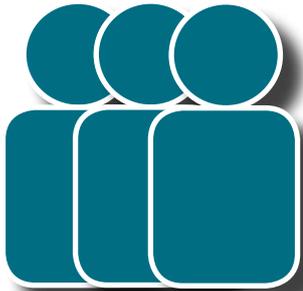
Please return this reply slip to **Royal County of Berkshire Pension Fund, Minster Court, 22-30 York Road, Maidenhead, Berkshire, SL6 1SF.**

Alternatively you can confirm your attendance by e-mailing: **info@berkshirerpensions.org.uk**

All attendance requests will be confirmed by return of e-mail or post.

Pension fund figures

The Royal County of Berkshire Pension Fund provides pensions for over 72,000 members. The figures provided below are the values at 31 March 2019.



72,612



24,719 Active members

29,980 Former members

17,913 Retired members

168
overseas
payments
every month
to retired
members

15,674
users of
'my pension
ONLINE'

Total number
of Fund
employers
388

Draft Fund Accounts 2018/19

The pension fund is slowly maturing as benefits payable grow as more members retire so managing cash-flow is increasingly important.

The Pension Fund Panel 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 £40 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 £2.0 billion.

Income	£'000
Employer contributions	89,336
Employee contributions	27,654
Transfer values received	8,130
Investment income	39,032
TOTAL INCOME	164,152
Expenditure	
Benefits Payable	102,835
Payments to and on account of leavers	10,526
Fund administration and management costs	11,093
TOTAL EXPENDITURE	124,454
Change in Market Value of Investments	104,482
Net Increase / (Decrease) in Fund during year	144,180
Balance Sheet	
Investment assets	2,219,285
Investment liabilities	(67,998)
Current assets	14,815
Current liabilities	(9,658)
Net assets at 31 March 2019	2,156,444

Investment Update 2018/19

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 The Berkshire Pension Fund’s assets has transferred to **The Local Pension’s Partnership** (**‘LPP’**). The assets remain the legal property of The Berkshire Pension Fund. LPP have setup and oversee the investment of seven pooled fund vehicles.

The majority of The Fund’s on balance assets have been transferred into the pooled funds. LPP is in the process of setting up an eight pooled fund vehicle for the asset class of Real Estate.

	March 2018			March 2019		
	Allocation (£ Million)	Actual Weighting	Target Weighting	Allocation (£ million)	Actual Weighting	Target Weighting
Public Equity	697	33.6%	40.0%	849	38.3%	40.0%
Credit	249	12.0%	10.0%	277	12.5%	10.0%
Private Equity	261	12.6%	13.0%	286	12.9%	13.0%
Diversifying Strategies	83	4.0%	4.0%	80	3.6%	4.0%
Real Estate	272	13.1%	16.5%	295	13.3%	16.5%
Infrastructure	129	6.2%	12.5%	200	9.0%	12.5%
Fixed Income	66	3.2%	3.0%	64	2.9%	3.0%
Cash	317	15.3%	1.0%	166	7.5%	1.0%
Total	2,074	100.0%	100.0%	2,217	100.0%	100.0%

N.B. “Target Weighting” shown above represents the agreed Strategic Asset Allocation (‘SAA’)

Investment Update 2018/2019

Over the reporting period, the Strategic Asset Allocation (SAA) Weightings/Target Weightings remained unaltered.

The Fund is currently going through an actuarial valuation (which occurs every three years) and the appropriateness of the SAA will be reviewed as part of establishing the funding level and determining longer term ambitions.

The Fund's exposure to Public Equities and Infrastructure increased over the reporting period (by circa 5% and 3% respectively) whilst the cash weighting reduced considerably.



Economic Update

The year through to March 2019 was a period of slowing global economic activity. The deceleration in global gross domestic product (“GDP”) growth was relatively synchronised across the developed and emerging markets. Inflation, within the UK, Eurozone and U.S., subsided from key central bank levels in the first quarter of 2019. GDP growth and inflation are two key macroeconomic variables that impact most asset classes (to varying degrees and over different time horizons).

Amid this trend of lower growth and inflation, all the major central banks pivoted to a more accommodative stance (i.e. one that encourages growth) either through their forward guidance and/ or their monetary policy tools. For major developed and emerging market equity indices, Quarter 4's market turbulence led to negative full-year returns for the first time since 2015. In a rebounding move, 2019 started strongly for all major equity and credit markets.

Pensions increase

2019

Your Berkshire Pension is increased annually in line with the Pensions Increase Order which is currently linked to the Consumer Prices Index (CPI).

The increase is calculated in line with the CPI index based on the 12 months to September.

The September 2018 CPI rate was 2.4% and was applied to your pension from **Monday 8 April 2019**.

Previous year's pensions increase percentages are listed below:

Year	Increase %
2019	2.4%
2018	3%
2017	1%
2016	0%
2015	1.2%

Keep in touch

If you change address, name and/or partnership status, please notify the Pensions Team immediately so that we can continue to send you important information about your pension, e.g pensions increase notifications, P60s etc.

Please note that changes of address can be accepted over the telephone or by e-mail.

You can also update your address via your online account - 'my pension ONLINE'. For more information turn to page 16.

Deferred Annual Benefit Statement

Your 2019 Deferred annual benefit statement is available to view via your online account.

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

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

Your statement is available to view through your online account along with statements from previous years. If you would like a copy please contact us at info@berkshirerpensions.org.uk

Turn to page 16 to find out more about **'my pension ONLINE'**.



Early retirement age - a reminder

As reported in our previous edition of *The Quill* changes have been made to the Local Government Pension Scheme (LGPS) affecting the earliest date from which a deferred pension can be released.

If you are a former member of the LGPS and hold a deferred pension you can access your pension benefits from the age of 55.

Early retirement reductions - deferred benefits paid earlier than your Normal Pension Age (NPA) will normally be subject to a reduction to take account of the fact that your annual pension will be paid for longer. How much your deferred benefits are reduced by depends on how early you take them.



If you intend to claim your deferred pension benefits before the age of 60 we require a period of notice (either by e-mail or by post). The amount of notice required depends on when you became a deferred member:

Date of leaving employment	Earliest retirement age	Notice period required if claiming pension before age 60
Before 1 April 1998	55	One month
Between 1 April 1998 and 31 March 2014	55	One month
After 31 March 2014	55	Three months

Revised early retirement reductions

If you claim your deferred pension before you reach your Normal Pension Age (NPA) an actuarial reduction will be applied to the value of your benefits to reflect early payment of your pension. The reductions are applied in line with percentages supplied by the Government Actuary's Department (GAD).

Earlier this year GAD produced revised early retirement percentage reductions. The new factors are slightly more favourable and have been equalised for males and females.

The table opposite displays the reductions in whole years, however any reductions applied will be calculated to your exact date of retirement.

.....
• Before making any decisions about your future retirement it is recommended you get financial advice. You can find a list of regulated advisers at www.unbiased.co.uk
.....

Reduction %		
Years early	Annual Pension	Lump sum
0	0.0%	0.0%
1	5.1%	2.3%
2	9.9%	4.6%
3	14.3%	6.9%
4	18.4%	9.1%
5	22.2%	11.2%
6	25.7%	13.3%
7	29.0%	15.3%
8	32.1%	17.3%
9	35.0%	19.2%
10	37.7%	21.1%
11	41.6%	N/A
12	44.0%	N/A
13	46.3%	N/A

The above reductions do not apply in the case of redundancy, business efficiency or ill-health retirement.

Access your pension *online*

'my pension ONLINE' is an internet based application which enables you to securely access and update your own pension details online via the Royal County of 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:

- **view/update your address**
- **perform benefit calculations**
- **update your Expression of Wish nomination**
- **access all publications to calculate the value of your dependant benefits**

To register for 'my pension ONLINE' please visit



Sign-up in **3** steps

1

To begin your registration, follow the link to the 'my pension ONLINE' home page. Visit our website www.berkshirerpensions.org.uk and click on the 'my pension ONLINE' logo.

2

From the 'my pension ONLINE' home page click on '**Register for my pension ONLINE**'. You will be directed to the '**Sign Up**' Section.

3

Input your Surname and NI Number using capital letters only and your Date of Birth using the format DD/MM/YYYY. Enter your e-mail address and click '**Sign Up**' to permit the generation of an Activation Code.

Your Activation Code will be sent to you within 5 working days. If you have not received your code please contact the Pension Team.

Deferred member survey

The purpose of this survey is to seek your views and comments, as deferred (former) members, on the service provided by the pensions team at the Royal County of Berkshire Pension Fund. In an effort to improve the services we provide we welcome your feedback so please take a few minutes to complete the questions below and feel free to make any additional comments in the spaces provided. Please return your completed survey to Berkshire Pension Fund, Minster Court, 22-30 York Road, Maidenhead, SL6 1SF or e-mail a scanned copy to info@berkshirerpensions.org.uk

If you prefer to complete this survey online please visit: <https://www.surveymonkey.co.uk/r/D52RR6C>

Question 1

Have you ever contacted the pensions administration team in Maidenhead (either by telephone, e-mail, post or in person)? **Yes / No** (please circle)

Question 2

If yes, how would you rate the service you received?
Please rate the following statements:

The Berkshire Pensions team are...	Strongly agree	Agree	Disagree	Strongly disagree
...clear in their written communication				
...clear in their verbal communication				
...inform me of the information/ services that they can provide				
...provide high quality information/ services				
...are able to answer my questions				
...are knowledgeable and approachable				
...are courteous				
...are helpful				

Question 3

Do you believe you are kept up to date and informed about issues and updates surrounding the LGPS?

Yes / No (please circle)

Deferred Member Survey

Question 4

How do you rate the communications offered by the Berkshire Pension Fund? Please score the following areas of communication on a scale of 1-4 (4 being the highest).

Please place a tick in the boxes provided	1	2	3	4
Paper communications (including the Quill newsletter and general correspondence)				
Berkshire Pension Fund website				
'my pension ONLINE'				
Other pension events (Annual Meeting)				

Question 5

An annual benefit statement is made available every year for you to keep track of your retirement benefits.

Do you find your annual benefit statement helpful in preparing for your retirement? **Yes / No** (please circle)

Question 6

Do you find your annual benefit statement easy to understand? **Yes / No** (please circle)

Question 7

Please comment on any areas of our pension service where you feel we could improve?

Question 8

How do you rate the overall service provided by the Berkshire Pension Fund? Please score on a scale of 1-5 (5 being the highest).

Please place a tick in the boxes provided	1	2	3	4	5

Question 9

Please feel free to add any other comments below

Thank you for taking the time to complete our survey



Word Search competition

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 December 2019**. 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 the 12 sports hidden in the grid below?



- | | | |
|-----------|----------|---------|
| BADMINTON | CRICKET | CYCLING |
| FOOTBALL | GOLF | HOCKEY |
| RUGBY | RUNNING | SKIING |
| SNOOKER | SWIMMING | TENNIS |

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.

A note about cohabiting partner's pensions

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

- Your cohabitation 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 payment

If you pass away before you claim your deferred pension a Death Grant becomes payable calculated 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 built up since leaving the Scheme, will be paid as a tax-free lump sum to your nominee(s) or personal representatives.

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 built up since leaving the Scheme, will be paid as a tax-free lump sum to your nominee(s) or personal representatives.



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 2		
Name:	Relationship	Proportion (%)
Date of Birth (if known)	Address	

Beneficiary 3		
Name:	Relationship	Proportion (%)
Date of Birth (if known)	Address	

Beneficiary 4		
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: If you have nominated your husband, wife, cohabiting partner or civil partner and in the event of you both 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 varied, 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**



Contacts directory...

We have provided some contacts below which you may find helpful:

Pension Wise

www.pensionwise.gov.uk

0800 138 3944

Citizens Advice Bureau

www.citizensadvice.org.uk

State Pension

www.gov.uk

0800 731 7898

Find an advisor

www.unbiased.co.uk

0800 0236868

The Money Advice Service

www.moneyadviceservice.org.uk

0800 1387777



Contact us

Royal County of Berkshire Pension Fund

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

Pensions Helpdesk: 0845 602 7237

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



Reception desk:

Tel: 01628 796 668

Fax: 01628 796 700

info@berkshirerpensions.org.uk

www.berkshirerpensions.org.uk

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

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

www.rbwm.gov.uk



Royal Borough
of Windsor &
Maidenhead