

Ragged Staff

WARWICKSHIRE
pension fund



FOR MEMBERS OF THE LOCAL GOVERNMENT PENSION SCHEME (LGPS) | **SPRING 2019**

➤ First Word

by Neil Buxton

Welcome to the Spring 2019 edition of “Ragged Staff”. In this edition we have the usual notification of this year’s pension increase applicable from 9 April 2019 and the dates you can expect payment to be credited to your account.

Something interesting to note about your pension fund is that as well as the value of the pension funds increasing over the long term, the number of employers and members has been growing over time. In 2017/18 the fund had approaching 48,000 members and 181 employing organisations. 10 years previously, in 2007/08 there were only 31,148 members and 60 employers. At the same time the scheme has increased significantly in complexity. The team administering the fund have had to continually improve to keep up with the increases in demand that has resulted.

Please keep sending in your poems and articles about what you are doing since you retired. If you have any articles that you would like to see in your newsletter, please email us your suggestions.



Neil Buxton
Pension Services Manager

➤ Fund Update

by Michael Nicolaou

The 2018 calendar year was a difficult period for global markets. This was reflected in whole fund performance that generated a slightly negative return but fund managers overall still did slightly better than the benchmark.

During 2018 monetary tightening, particularly in the US, and heightening trade protectionism between two of the world’s largest economies, had an adverse effect on equity markets in particular, which generally ended the year down.

However, the Pension Fund is well-diversified across a broad range of investment types, of which equities are only one. This provides a degree of protection in difficult market environments and helped the Fund’s performance overall. But diversification does not just mean spreading investments across asset classes. The Fund is also geographically diversified. In particular, the fund’s overseas investments should help mitigate the impact from the uncertainty associated with any economic and/or political fall-out from Brexit.

The year 2018 was particularly notable for ushering in investment via the Borders to Coast Pensions Partnership (BCPP). BCPP is jointly owned by Warwickshire and eleven other Local Government Pension Schemes (LGPS). It was created as

part of the Government’s initiative to pool the asset of the LGPS. There are now eight pools across the LGPS. The Warwickshire Pension Fund joined the BCPP Pool in the expectation of benefiting from increased collaboration and economies of scale.

The Fund has now transitioned its active UK equity portfolio (approximately £240m) to BCPP. This means the Fund’s active UK equities are now being overseen by BCPP and managed by three external fund managers: UBS, Baillie Gifford and Janus Henderson. This fund is now diversified across 3 asset managers, the target rate of return (and risk) is slightly higher, and fund manager costs are lower.

The scale of the pool is very significant. The 12 funds forming the pool encompass approximately 2,500 employers, 1 million members, and over £42 billion of assets under management.

During the year, the Fund continued with its diversification policy by making further investments into existing alternative assets, such as private equity. It is also looking at making a small initial investment into the BCPP private equity fund later this year. Other investments into BCPP funds, such as infrastructure and private debt, will hopefully follow.

In particular, we hope to transition the Fund's holdings in active global equities to BCPP this year. Again, the BCPP fund is likely to have a more aggressive benchmark target return, but it will also provide greater opportunity to optimise the risk and return trade-off while allowing the Fund to further diversify across fund manager.

For those of you interested in Responsible Investment (RI), this is one of the key benefits to our involvement with BCPP. BCPP has put significant resources and effort into formalising a set of RI policies and the pension fund committee has endorsed these efforts by resolving that the Fund adopt the principles of its RI policies. Further information on BCPPs RI policies can be found at www.boardertocoast.org.uk/sustainability

The Fund is also undergoing its actuarial triennial valuation. This is due to be completed later in the year. The purpose of this is to help determine the funding of the pension fund so that it can ensure sufficient assets are available to pay future benefits. This provides a timely opportunity to review the Funds investment strategy.

The year just gone has been an eventful one for the Pension Fund. The year ahead is widely expected to be just as eventful as it transitions further assets into BCPP and determines its funding needs.

Michael Nicolaou
Interim manager
Treasury and Pension Fund

➤ Pension Increase 2019

This years 'Cost of Living' increase to pensioners is 2.4% which is payable from 8th April 2019.

The full increase is only payable if your pension began on or before 23rd April 2018.

If your pension began after this date a smaller increase will be apply as shown in the table below.

The increase applies to the pensions of all widows, civil partners and children, those who retired on health grounds and all pensioners over the age of 55.

If you have any questions about the amount of increase payable please contact Warwickshire Pension Fund on;

Telephone: 01926 412234
Email: pensions@warwickshire.gov.uk

From		To	%
9 April 2018	>	23 April 2018	2.40%
24 April 2018	>	23 May 2018	2.20%
24 May 2018	>	23 June 2018	2.0%
24 June 2018	>	23 July 2018	1.80%
24 July 2018	>	23 August 2018	1.60%
24 August 2018	>	23 September 2018	1.40%
24 September 2018	>	23 October 2018	1.20%
24 October 2018	>	23 November 2018	1.0%
24 November 2018	>	23 December 2018	0.80%
24 December 2018	>	23 January 2019	0.60%
24 January 2019	>	23 February 2019	0.40%
24 February 2019	>	23 March 2019	0.20%
24 March 2019 onwards			NIL

▶ Payment Dates

For your information, please find below payment dates for your pension.

- 30/04/19
- 31/05/19
- 28/06/19
- 31/07/19
- 30/08/19
- 30/09/19
- 31/10/19
- 29/11/19
- 31/12/19
- 31/01/20
- 28/02/20
- 31/03/20

▶ New telephone system



From the 1st April, all calls to Payroll Services will go through our telephone system. This means that you will now hear a short recorded message before we answer your call. The message is 'Please note our calls are recorded for training and monitoring purposes'.

▶ 5 easy steps to reduce waste



Recycle Now is a national recycling campaign, supported and funded by Government. The following information has been produced by Recycle Now. More information can be found on their website:

www.recyclenow.com

1. Stop unwanted mail

To stop receiving unsolicited advertising mail, contact the Mailing Preference Service and Royal Mail.

Be aware when giving your name and address; ensure you indicate you don't want your details to be used for future promotions or passed to other marketing agencies.

2. Think before you shop

Before you shop, think about how you could reduce your waste. For example, you could buy things with less packaging, or second-hand items.

Can you buy something that will last longer rather than a disposable item? Rechargeable batteries are cheaper than disposables, and they can be used again and again - and using real crockery and cutlery for your parties instead of disposable ones can make a real difference.

To avoid taking home more carrier bags, choose reusable shopping bags: keep them in the car boot or pop a folded cotton bag in your handbag or pocket so you always have one to hand.

3. Your rubbish is another person's treasure!

Contact your local Furniture Re-use Network - they distribute unwanted furniture and household goods to those in need. Or advertise your old furniture in your local paper or on websites such as Freecycle.

Having a clear out? Donate good quality clothing, books and unwanted gifts to charity shops. Alternatively use the clothing banks at your local recycling centre.

4. Avoid wasting food

Every year in the UK we throw away £12.5 billion worth of good food, costing the average family almost £60 a month.

To find out useful tips on the storage of food, tantalising recipes and advice on portioning and meal planning, visit Love Food Hate Waste.

5. Re-paint

Donate left-over paint to your local charity. To find your nearest scheme visit Community Repair.

➤ How to fund your long-term care – a beginner's guide



The biggest fear about funding long-term care is that you'll be forced to sell your home if you need to move into a care home. Fortunately, if you need care in your own home its value is not counted.

There are many options for funding long-term care and they can often be complicated to understand. So if you or a loved one need to pay for care at home or in a care home, it's important to know the facts. The Money Advice Service have produced guides and further information. Please visit www.moneyadvice.org.uk/en/articles/how-to-fund-your-long-term-care-a-beginners-guide for more information.

How much will you need to pay for long-term care?

People often have to make quick and difficult decisions about their own or a loved one's care needs. Thinking about the options in advance will help in the long run.

This all depends on your health and mobility, what level of help and support you need, the value of your savings, assets and income, and what local authority or NHS funding you might be entitled to.

You could end up paying for all of it, some of it or nothing at all.

NHS continuing healthcare

If you have a disability or complex medical problem, you might qualify for free NHS continuing healthcare (CHC) if you're an adult, or free NHS continuing care (CC) if you're under 18.

Not many people know about it, so it's important to find out if you're eligible and get an assessment. This is a package of healthcare that's arranged and funded by the NHS. It is provided for you at home, or in a hospital, nursing home or hospice.

You're more likely to qualify if you have mostly healthcare needs rather than social care needs. In other words you need a nurse or medical attention rather than a carer.

If you live in Northern Ireland, Continuing Health Care is provided by your local Health and Social Care Trust.

Local authority funding for long-term care

Your local council (or Health and Social Care Trust in Northern Ireland) may be able to help you with the costs of a care home, or if you

prefer, and it's appropriate, they can help you stay in your own home by providing carers, support for carers, equipment and specialist services.

Your local authority or trust can arrange care services for you or you can choose to receive direct payments and organise things yourself.

Self-funding your long-term care

Depending on your circumstances you might not qualify for funding from the NHS or your local authority. Even if you do, the amount you receive might not be enough to completely cover your care costs either at home or in a care home.

If this happens you'll need to think about how you're going to top up any contributions, or if you have to pay for it all yourself.

Claim the benefits you're entitled to. Even if you have to pay for care you may still be entitled to claim some benefits.

These two benefits aren't means tested, so you could get them if your health needs are great enough regardless of your income and savings:

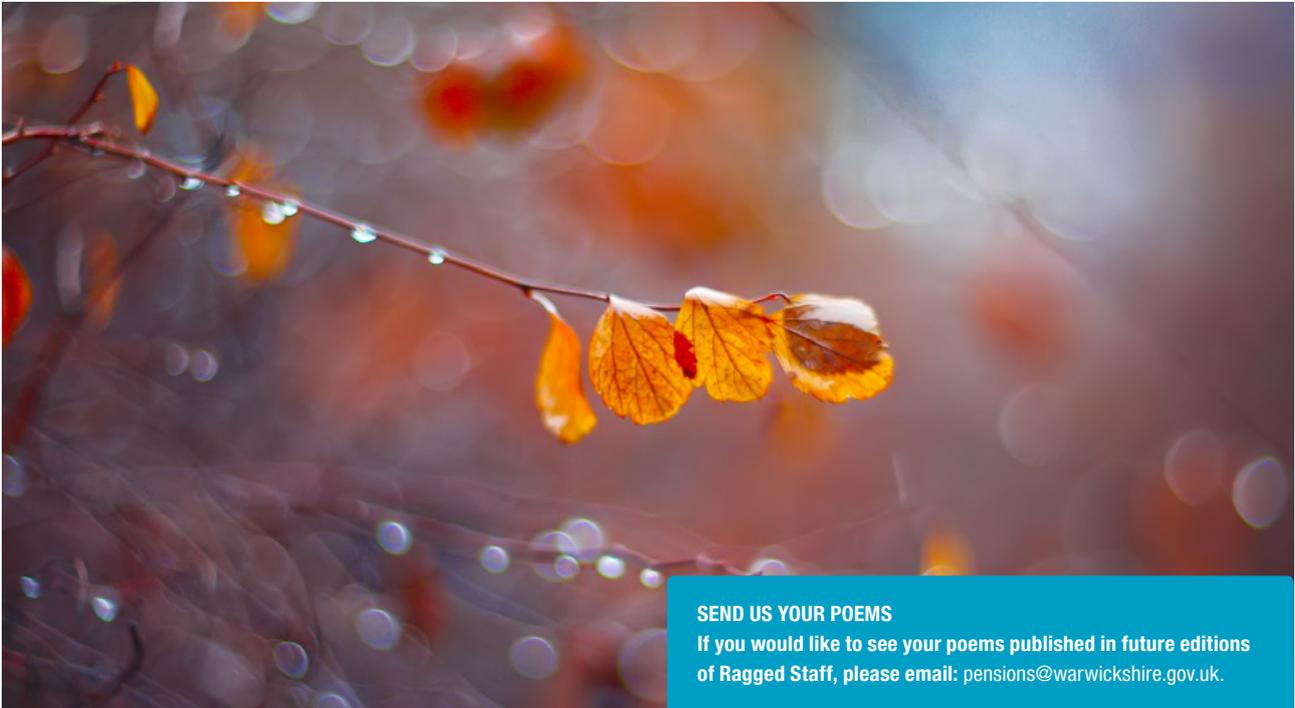
- Attendance Allowance
- Disability living allowance
- Personal Independence Payment (which is replacing Disability Living Allowance)

There are other benefits that you may also be able to claim depending on your circumstances.

The above information has been produced by The Money Advice Service. Please visit www.moneyadvice.org.uk/en for more information.

➤ Poets Corner

Poems by
Gerry Steele



SEND US YOUR POEMS

If you would like to see your poems published in future editions of Ragged Staff, please email: pensions@warwickshire.gov.uk.

Autumn

Chill is the air, dark is the night.
Summer expires as the frosty winds bite.
The sunshine is paler, it no longer burns,
it loses its power as autumn returns.

Early each morning dew covers the ground.
The birds feed in earnest – their foodstuffs abound.
Like shimmering jewels, all glistening and white,
hang the cobwebs the spiders have spun in the night.

On cables and rooftops the birds have begun
to gather together to follow the sun.
For the sun, too, is ready to leave us behind,
with memories of summer filling the mind.

Of hot sunny days, of warm summer nights.
Memories of laughter, memories of fights,
memories of happiness, memories of tears.
Memories of hope and memories of fear.

Although both the birds and the sun go away
those memories of summer are with us to stay.

Whispering Leaves on a Summer Day

Whispering leaves, what do you say
Over my head and far away?
Shivering, shaking, never still
I love you and I always will.

The breeze, which will not let you lie,
seems only present where you fly
and I, below – upon the ground,
feel it not – yet hear my sound.

A million leaves, a hundred branches
toss and sway as each one dances.
A waltz, a foxtrot, a gavotte –
I will not join you – it's too hot!

Instead, I'll rest upon the lawn
thanking God that I was born
to spend my life's proximity
beneath the splendour tree.

And, at the end, when Death's Owl hoots,
Scatter me among your roots
and ever after my demise,
a million leaves I'll fertilise.

Don't let a scammer enjoy your retirement



Find out how pension scams work, how to avoid them and what to do if you suspect a scam.



Scammers can be articulate and financially knowledgeable, with credible websites, testimonials and materials that are hard to distinguish from the real thing. Scammers design attractive offers to persuade you to transfer your pension pot to them or to release funds from it. It is then invested in unusual and high-risk investments like overseas property, renewable energy bonds, forestry, storage units, or simply stolen outright.

Scam tactics include:



- contact out of the blue



- promises of high / guaranteed returns



- free pension reviews



- access to your pension before age 55



- pressure to act quickly

If you suspect a scam, report it

- Report to the Financial Conduct Authority (FCA) by contacting their Consumer Helpline on **0800 111 6768** or using the reporting form at www.fca.org.uk
- Report to Action Fraud on **0300 123 2040** or at www.actionfraud.police.uk
- If you're in the middle of a transfer, **contact your provider immediately** and then get in touch with The Pensions Advisory Service (TPAS) at www.thepensionsadvisoryservice.org.uk

www.fca.org.uk/scamsmart

Four simple steps to protect yourself from pension scams

1

Reject unexpected offers

If you're contacted out of the blue about your pension, chances are it's high risk or a scam. Be wary of free pension review offers. A free offer out of the blue from a company you have not dealt with before is probably a scam. Fortunately, research shows that 95% of unexpected pension offers are rejected.*

2

Check who you're dealing with

Check the [Financial Services Register \(www.register.fca.org.uk\)](http://www.register.fca.org.uk) to make sure that anyone offering you advice or other financial services is FCA-authorized.

If you don't use an FCA-authorized firm, you also won't have access to the Financial Ombudsman Service or the Financial Services Compensation Scheme. So you're unlikely to get your money back if things go wrong. If the firm is on the FCA Register, you should call the Consumer Helpline on 0800 111 6768 to check the firm is permitted to give pension advice.

Beware of fraudsters pretending to be from a firm authorized by the FCA, as it could be what we call a 'clone firm'. Use the contact details provided on the FCA Register, not the details they give you.

3

Don't be rushed or pressured

Take your time to make all the checks you need – even if this means turning down an 'amazing deal'. Be wary of promised returns that sound too good to be true and don't be rushed or pressured into making a decision.

4

Get impartial information and advice

The [Pensions Advisory Service \(www.thepensionsadvisoryservice.org.uk\)](http://www.thepensionsadvisoryservice.org.uk) – Provides free independent and impartial information and guidance.

[Pension Wise \(www.pensionwise.gov.uk\)](http://www.pensionwise.gov.uk) – If you're over 50 and have a defined contribution (DC) pension, Pension Wise offers pre-booked appointments to talk through your retirement options.

Financial advisers – It's important you make the best decision for your own personal circumstances, so you should seriously consider using the services of a financial adviser. If you do opt for an adviser, be sure to use one that is regulated by the FCA and never take investment advice from the company that contacted you or an adviser they suggest, as this may be part of the scam.

Be ScamSmart with your pension. Check who you are dealing with.

www.fca.org.uk/scamsmart

*FCA Financial Lives



➤ Pensioners living abroad

Our auditors have recommended that we issue a Proof of Life Certificate to our retired members living overseas.

Your Proof of Life Certificate will be emailed to you where you have supplied us your email address, or sent to your home address. You will need to complete this and return to our office.

We can now pay your pension into a Western Union account, if you are living overseas and your pension is being paid into a British bank account and you would like to change to a Western Union account please contact us by email and we will send you the appropriate form.

➤ Changed your bank account?

Please remember that your bank or building society will not inform us of any changes. You will need to inform us in writing at the address shown in the 'Contacting us' section of this newsletter.

➤ Keep in Touch

Ragged Staff is your newsletter and we want to hear from you.

Please remember to send us articles or ideas for articles that are of interest to you and you think our readers will be interested in, and keep sending in your poems.

➤ Moving House



It is important that you keep us updated with any change to your address. If your pay advice slip is returned to us marked 'gone away' we will automatically suspend your pension until we have made contact with you.

We protect the data we hold for you and are unable to take change of address details by telephone, you will need to send this information in writing to the address shown in the 'Contacting us' section of this newsletter.

Contacting Us

There are various ways you can contact our office.

Write to us at:

Warwickshire Pension Fund,
Warwickshire County Council,
Shire Hall,
Warwick CV34 4RL

Email: pensions@warwickshire.gov.uk

Fax: 01926 412962

Pension Benefit Enquiries:

Telephone: 01926 412234

Articles or feedback about communications:

Telephone: 01926 476898

Email: pensions@warwickshire.gov.uk

Payroll Queries:

Telephone: 01926 412687

Email: payroll@warwickshire.gov.uk

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