Suffolk County Council

PENSIONERS NEWSLETTER

Issue number 41 **October 2013**

PENSION FUND ANNUAL MEETING PENSIONER REPRESENTATIVE REPORT

Your intrepid representative attended this year's Annual Pension Fund Meeting a little unsure about what to expect, having had a fairly gloomy experience last year when all the news seemed to be bad. Mind you, I had had a whole year to get over it.

Well, I was pleasantly surprised. The message from this year's meeting was more:
"*All change*" than "*Got any spare change?*" Cllr Bellfield remarked at the outset: "*This has been a good year for investment funds. I'm much happier than last year*"

Geoff Dobson set the scene. The overall value of your pension fund has grown in the past year to £1.77billion; due to strong investment returns of around 13.1%.
The scheme is still cash flow positive, i.e. more is taken in annually in contributions (£95m) than is paid out in pensions (£89m). Overall the fund has seen a steady positive growth over the past ten years, apart from 2009.
Membership of the scheme over the past year has grown slightly, with more employees than last year, but the overall trend here is for fewer employees and more pensioners-mirroring society in general!

By active management of the fund's investments during the year, the Pensions Committee had sought to mix and diversify where assets were allocated - balancing inflation protecting stabilisers such as property, infrastructure and bonds with diversifiers like hedge funds; return seeking investments such as fixed equity and private equity with insurance like index-linked gilts and cash.

By reducing exposure to equities especially, and by using 14 different fund managers to handle the investments, the strategy had been to diversify to reduce risk. The Pensions Committee used three key principles to guide its work: **prudence**, **stability** and **affordability**.

Karen Thrumble from State Street Investment Analytics confirmed the mood. Local authority pension funds had had a good year, with a weighted average return of 13.8%-very close to the Suffolk fund figure. Comparing Suffolk's overall performance and strategy against local authority pension funds in general, Karen noted that Suffolk is broadly average in all respects - a comfortable place to be.
Taking a long term view over the last 10 years, the fund had an average return of 8.8% typical of most local authority pension funds. Whilst this was slightly behind the benchmark return, it was nevertheless well ahead of inflation, which had averaged 3.3% over the same period.

Lynn Wright, Suffolk's Pensions Manager, reported on the administration of the Suffolk scheme. Legislation changes included the Miscellaneous Amendments Regulations ("*Not too many*" Lynn seemed relieved to report) and she confirmed the pensions increase effective from April 2013 as 2.2%. Whilst the demands on her team posed by retirements and requests for pension estimates had fallen considerably in the last year, the numbers of transfers both in and out had risen substantially. Work was well advanced on the new Local Government Pension Scheme, 2014.
Computer software would be ready to go before the implementation date, and Lynn commented on the high degree of close working between the DCLG and the LGA to ensure a smooth transition, which was welcomed.

Much was being done locally, too, through a comprehensive communication strategy, to ensure that those affected by the changes were kept informed of progress.

Jamie Clark of Hymans Robertson reminded us that 2013 was a valuation year for the Suffolk Fund. In essence, this means that stock is taken at this point about the likely demands on the pension scheme for the medium term so as to ensure that the scheme can meet the pension promises it has made to its members.
Complicated and detailed actuarial work will be undertaken to calculate the current solvency of the fund (referred to as the “funding level”) and to determine the level of contribution rate to meet the future demands on the fund and backfill any deficit to date. Currently the funding level is 74%.

Actuaries will consider the financial assumptions that underlie the fund: things like investment returns, pay growth to retirement, pension increases; and the demographic assumptions, such as life expectancy, the extent to which part of any future pension will be exchanged for a lump sum and the numbers of married scheme members, etc.

Finally, James Sparshott of Legal and General gave us the world view for the coming year. Global growth is expected to remain slow and steady. The Euro zone slump seems to be ending.
The emerging markets (the so-called BRIC economies) will still be a key driver of global growth despite recent disappointment, and UK inflation remains lower than the Bank of England expected. There are signs of increased optimism in Japan and the UK, in the US growth should move above the trend in the autumn and the UK housing market seems to be on the move again at last. Phew!

So, having started on something of a high note, the theme continued right through the meeting to the very end. Certainly the message from this year’s annual meeting was much more upbeat than this time last year.
A stronger economy coupled with evident prudence and active monitoring of performance during the year confirms for me, as your representative, that your scheme remains in good hands, and I fairly skipped out of Endeavour House for the car park.

And a final and very personal comment from me about Suffolk’s pension department. Having had cause very recently to deal with the department over a family bereavement, I am delighted to be able to report that my enquiry was dealt with compassionately and quickly.
Unlike so many other agencies with which you have to deal in these circumstances, matters were resolved with a minimum of fuss and bureaucracy, and I felt throughout that I was being treated with due sympathy and understanding.

Global economics is all very well, but in the end, it all comes down to the personal experiences we enjoy as users when measuring the true worth of any council service. It makes me proud to say: well done, Suffolk.

Ken Seager QFSM
Pension Representative.

WILL AID

Will Aid is a special partnership between the legal profession and nine of the UK's best-loved charities. Every November, participating solicitors waive their fee for writing a basic Will. Instead, they invite their clients to make a donation to Will Aid.

Each year, thousands of people use the Will Aid scheme. They not only gain peace of mind by writing their Will, they help fund life-changing charity work at the same time.

Why you need a Will

In a 2012 Will Aid poll, nearly half of all respondents mistakenly thought their estate would go to their partner when they died.
In fact, the only way to be absolutely certain that your money and possessions go to the people you want is by having an up-to-date Will.

If you have young children, it's even more important to make sure you have a Will so that you can make provision for their guardianship if anything happened to you.

Here's how Will Aid works:

Solicitors across the UK donate their time to support the Will Aid charities.

Instead of paying a fee for writing a basic Will, you are invited to make a donation to the Will Aid charities. Suggested minimum donations are £40 for a codicil, £90 for a single Will or £135 for a pair of mirror Wills.

In other words, Will Aid makes your Will more affordable while helping to raise vital funds for charity.

Once you've taken care of your loved ones, it also gives you a wonderful opportunity to think about leaving a gift to charity in your Will.

Any gift you leave to the Will Aid charities, large or small, can make a lasting impact on the lives of vulnerable people in the UK and around the world.

More Information

If you are interested, please book your Will Aid appointment as soon as possible. Will Aid solicitors are in great demand during November, so the sooner you book the better!

In order to find your nearest participating solicitor visit http://www.willaid.org.uk/ or phone 0300 0300 013

INTRODUCING CAREAWARE

For many people, the funding of long-term care is likely to be one of the biggest financial decisions of their life and therefore it is important that people are provided with the information and advice they need to make informed choices.

In October 2011 an exciting new initiative was launched to support older people and their families who are responsible for paying for their own long term care costs in a care home or care at home.

This specialist information and advice is provided by CareAware, a non-profit making public information and advisory service specialising in the issues relating to the funding of long term care for older people.

Information and support from CareAware includes:

- information on state benefits people may be entitled to and how to claim
- sourcing appropriate care services and support organisations
- guidance on topics such as setting up a Power of Attorney or Will
- access to specialist advice on the best way to pay care fees, protecting assets and funding top-up payments

Even if you are not directly involved with adult social care, please spread the word and tell your friends and family.

CareAware can be contacted as follows:-

Telephone:- 0800 954 0091
Website:- www.careaware.co.uk

SUFFOLK COMMUNITY FOUNDATION'S SURVIVING WINTER APPEAL

Helping alleviate fuel poverty among older people in Suffolk

In Suffolk last year, the Surviving Winter Appeal proved to be a lifeline for those that were struggling to keep their homes warm through the winter.

Suffolk Community Foundation was overwhelmed by the kind generosity that so many people offered during the appeal, with many choosing to donate their own government Winter Fuel Payment allowance to help others.

Working in partnership with Age UK Suffolk and other partners more than 770 grants were distributed in Suffolk, with an average grant awarded of £230.
These grants went a long way in helping the elderly and vulnerable in Suffolk keep warm throughout the winter, contributing towards the cost of heating their homes. Some grants were also used to buy additional mobile heaters and others helped to cover the cost of repairing old heating systems.

As Chief Executive of Suffolk Community Foundation, Stephen Singleton explains "Winter can be a worrying and isolating time for Suffolk's older population, with many people unaware that there are organisations like Age UK Suffolk that can help them. Last year, the Surviving Winter Appeal was a huge success and thanks to the support of the public, local trusts and partners, the campaign raised over £147,000 which was then distributed as grants to vulnerable people in need across Suffolk. But this still wasn't enough, the demand was even higher and we know that we could have helped many more people in need. With the experience and support of Age UK Suffolk and our partners, we want to reach out and help more people this winter."

One beneficiary that received money from the Surviving Winter Appeal last year said, "What a worry off my shoulders - I do indeed feel blessed that there are people out there who care and help others."

With this in mind, Suffolk Community Foundation is calling on anyone that feels they can help.

If you would like to donate your Winter Fuel Payment or make a donation, please call Suffolk Community Foundation directly on 01473 602602 or for further information visit Suffolk Community Foundation's website:-
www.suffolkfoundation.org.uk

To donate online visit:
www.localgiving.com/suffolksurvivingwinter

If you no longer live in Suffolk, you may still make a donation that will be distributed in your local area by visiting:
http://localgiving.com/survivingwinter

NEW WEBSITE FOR SUFFOLK PENSION FUND

Please note the new address for our website:- www.suffolkpensionfund.org.

From now on, this is where you can obtain information on your Suffolk pension as well as forms, guides and previous issues of the Pensioner's Newsletters.

HOW TO NOTIFY US OF CHANGES

Please note that for your protection, if you want to change your bank details, we will only accept your written instructions. Telephone or email instructions to change your bank details will not be accepted.

If you wish to notify us of a change of address, we can accept this by either telephone, email, in writing or in person.

It is important that you keep us updated with your current address because if a payslip is returned to us, payment of your pension could be delayed whilst we try to trace you.

PENSION PAY DAYS

Just a reminder about your pay days:

If you are in receipt of a local government pension or a teachers compensatory pension (your personal number will begin with **S50**) you are paid monthly in arrears.
If you are a fire pensioner (your personal number will begin with **S51**) you are paid in advance.

Your payment dates for the next six months will be as follows:

S50	**S51**
30 November 2013	29 November 2013
31 December 2013	31 December 2013
31 January 2014	31 January 2014
28 February 2014	28 February 2014
31 March 2014	1 April 2014
30 April 2014	1 May 2014

CONTACT DETAILS:
If you have any questions or concerns about the pension you receive from Suffolk County Council, please write to:- The Pensions Team, Finance, Constantine House, 5 Constantine Road, IPSWICH, IP1 2DH. Email: pensions@csduk.com. Telephone: 08456 053000. Or visit our webpages: www.suffolkpensionfund.org