



Westmorland
& Furness
Council

**Cumbria
Pension
Fund**

Cumbria Pensions Forum

19 October 2023

cumbriapensionfund.org

westmorlandandfurness.gov.uk



Housekeeping

**Cumbria
Pension
Fund**



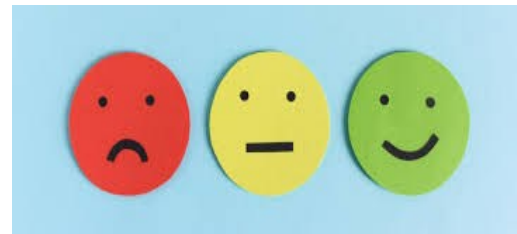
Toilets



Mobile Phones



Fire Alarms



Feedback



Agenda

**Cumbria
Pension
Fund**

Welcome & Introductions	Pam Duke, Director of Resources (S151 Officer)
Pension Fund Overview and 2022/23 Performance	Pete George, Acting Senior Manager
Administration Issues	Allison McGuinness, Finance Manager - Pensions
LPPA Overview and Performance	Jo Derbyshire. Managing Director – LPPA





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**Cumbria
Pension
Fund**

Cumbria Pension Fund Overview and 2022/23 Performance

Pete George, Acting Senior Manager

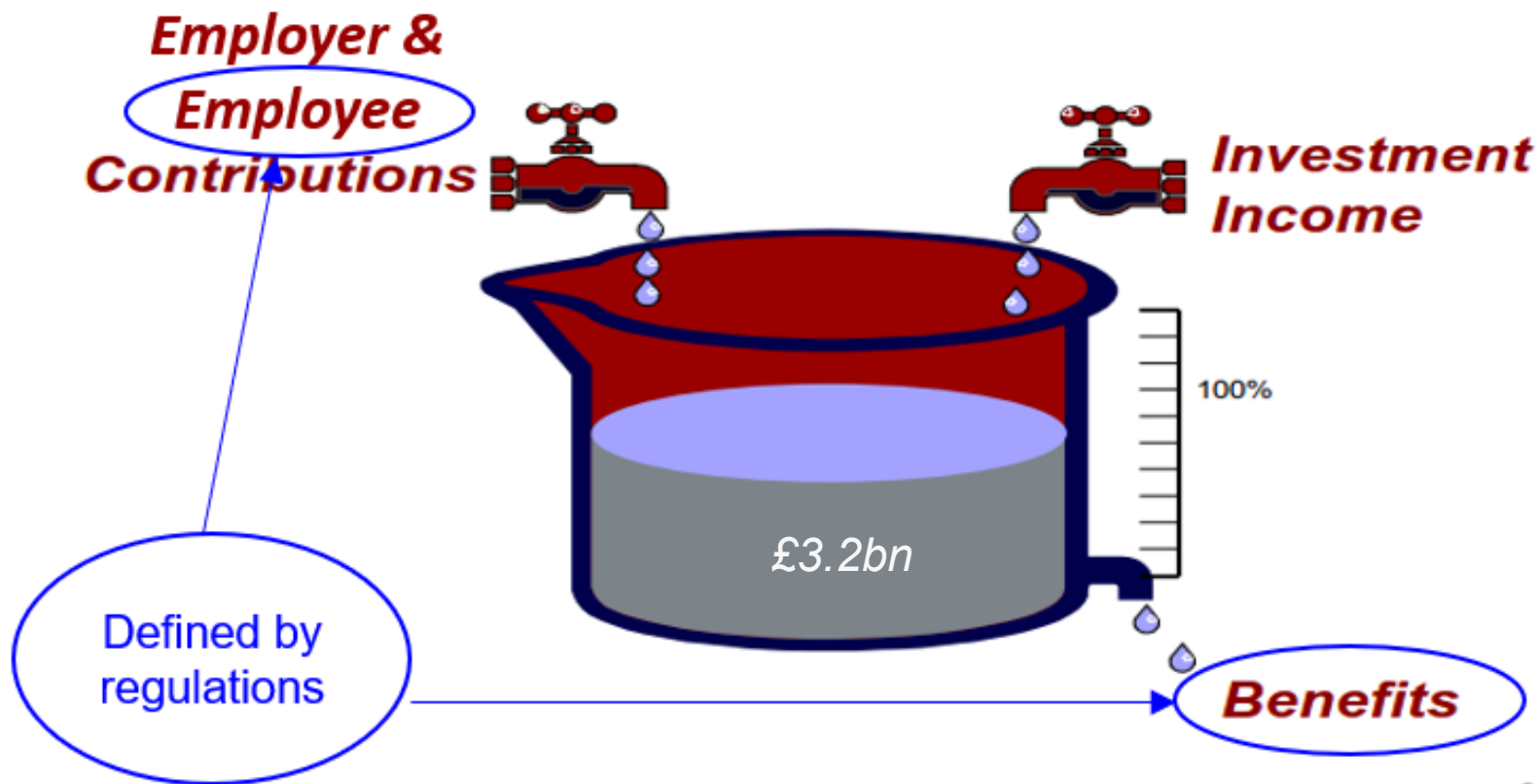
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Reminder – how does the LGPS work?

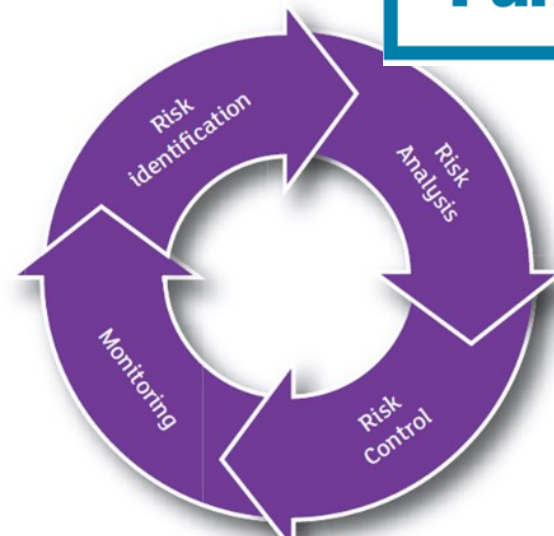
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Investment Approach

Cumbria Pension Fund

- Long term investor
- Diverse portfolio, e.g.
 - Various Asset classes
 - Global investments
 - Public & private markets
- LGPS Investment Pooling
- Responsible asset owner
- Risk monitoring & management.



Stewardship Report
2021/22



This report meets the requirements of the Financial Reporting Council (FRC)'s - UK Stewardship Code 2020 and Cumbria Local Government Pension Scheme is listed as a signatory to the UK Stewardship Code (The Code)



How do we invest our members' £3.2 billion?

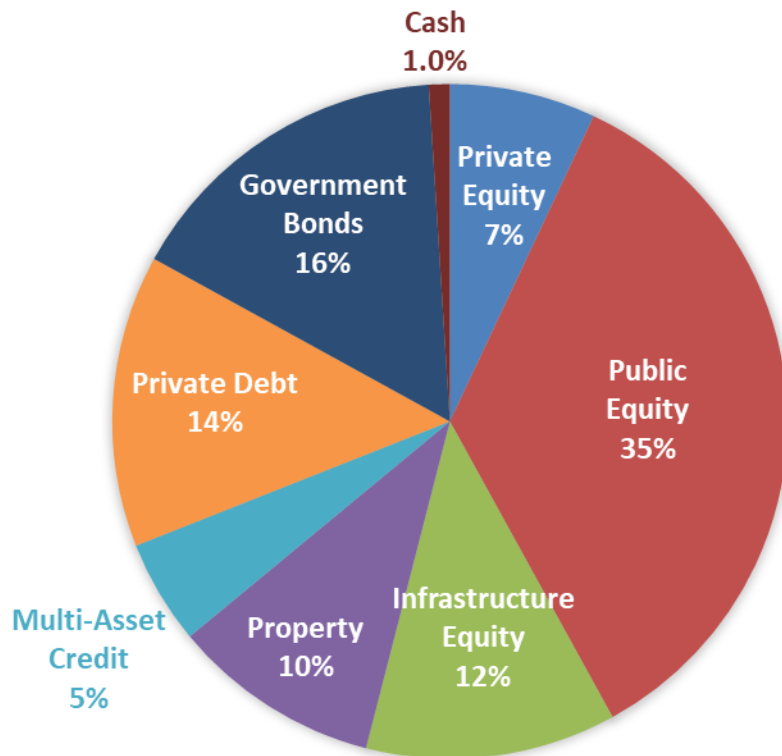
**Cumbria
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Fund**



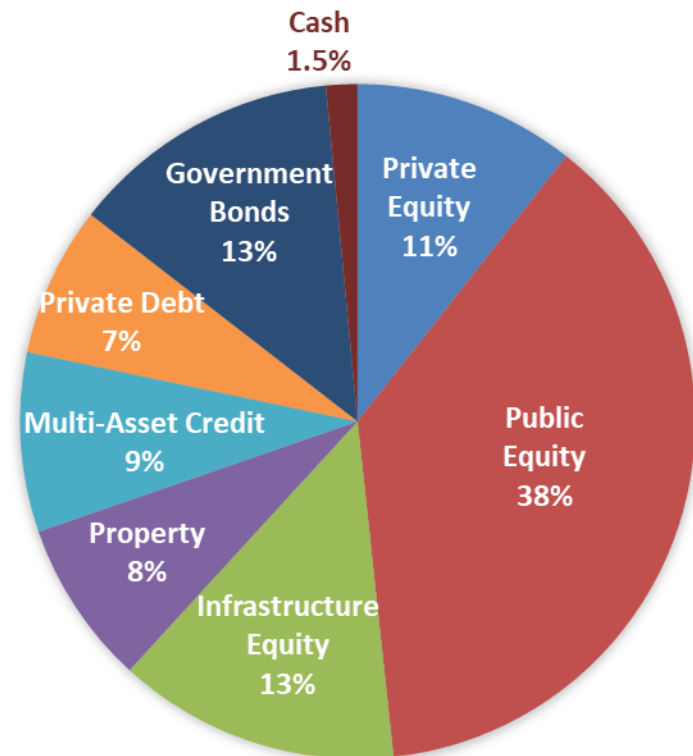
Target Strategy v Actual Investments

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Target Investment Strategy

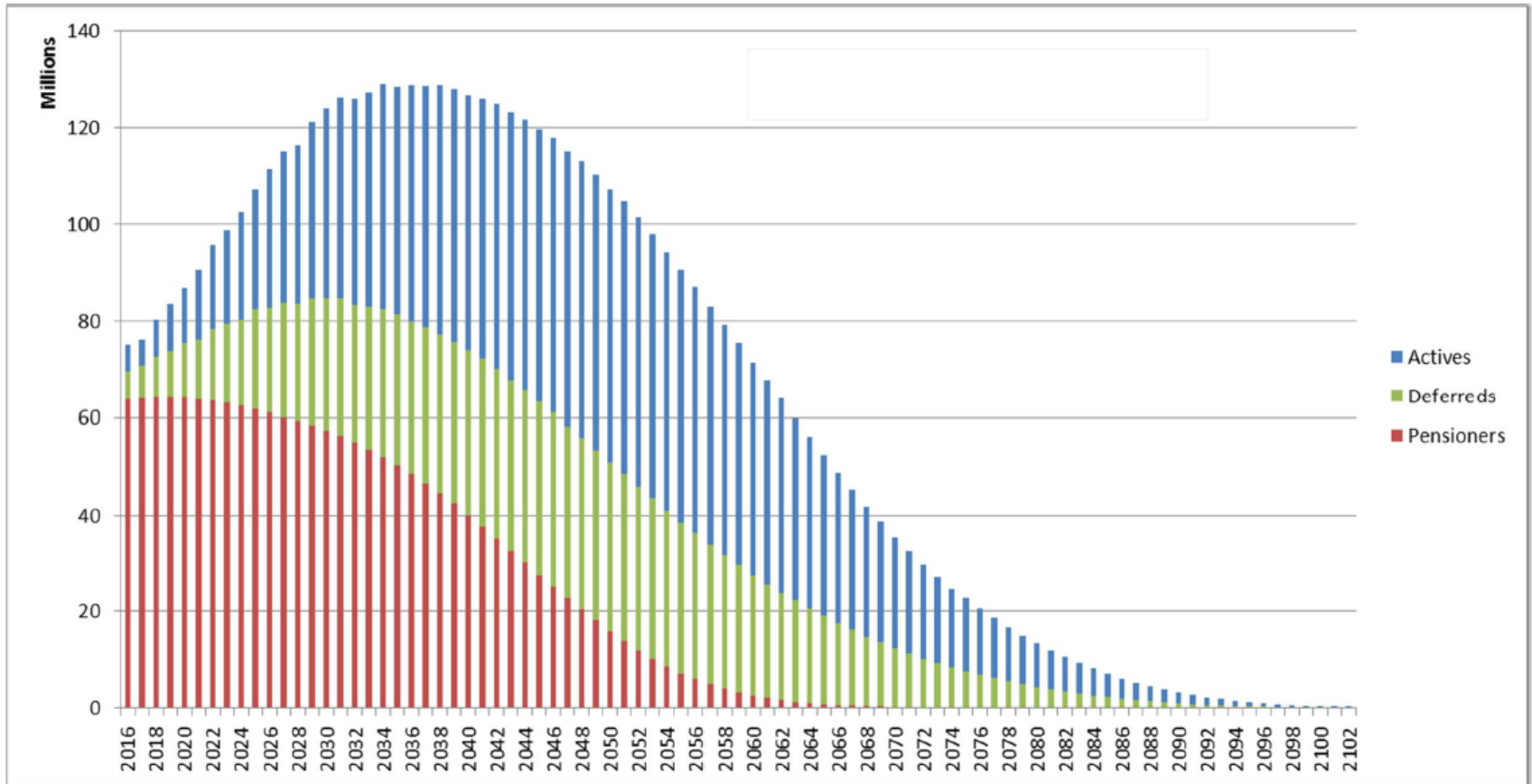


Actual Investments at 30 June 2023



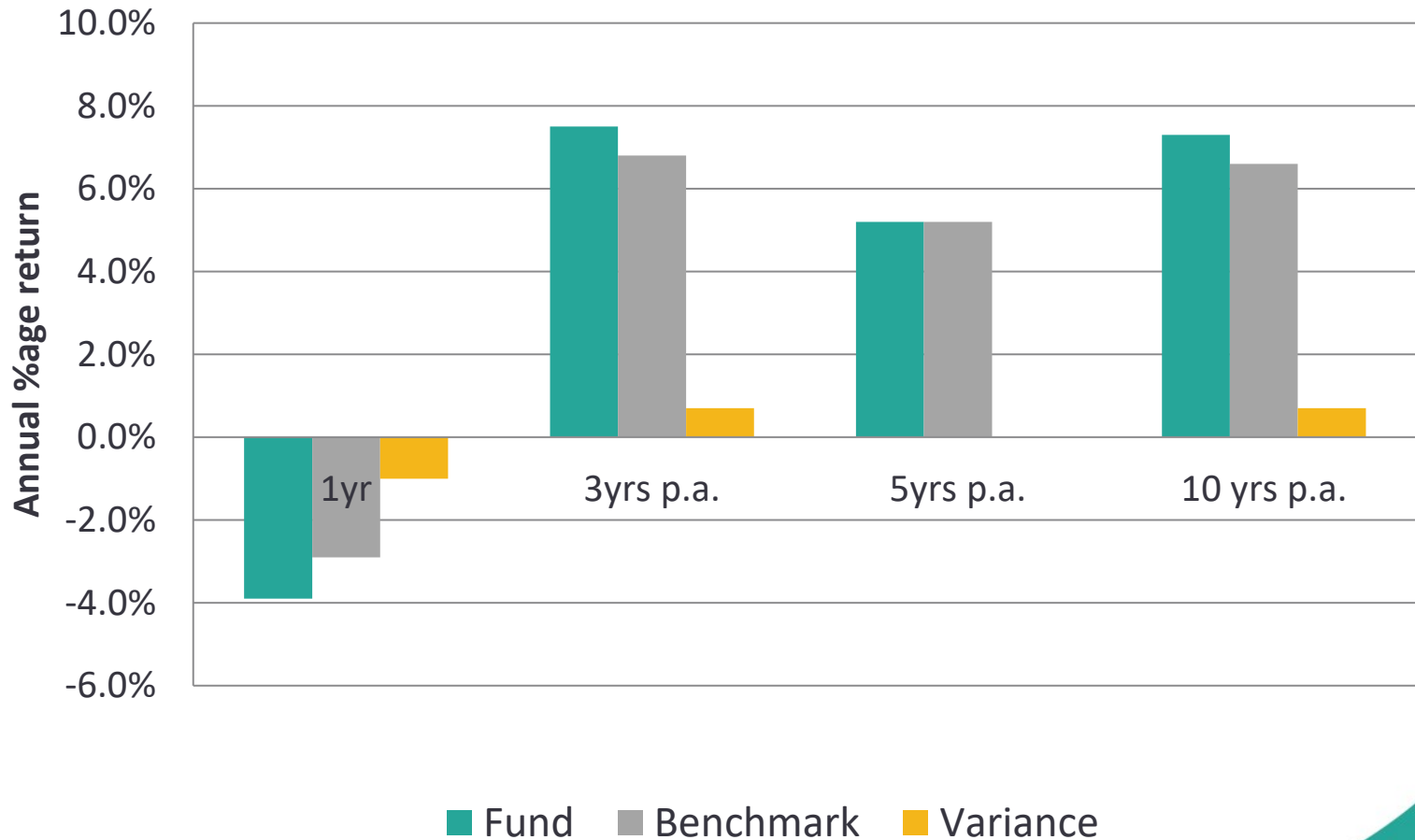
Liability Profile – Why we are a long term investor

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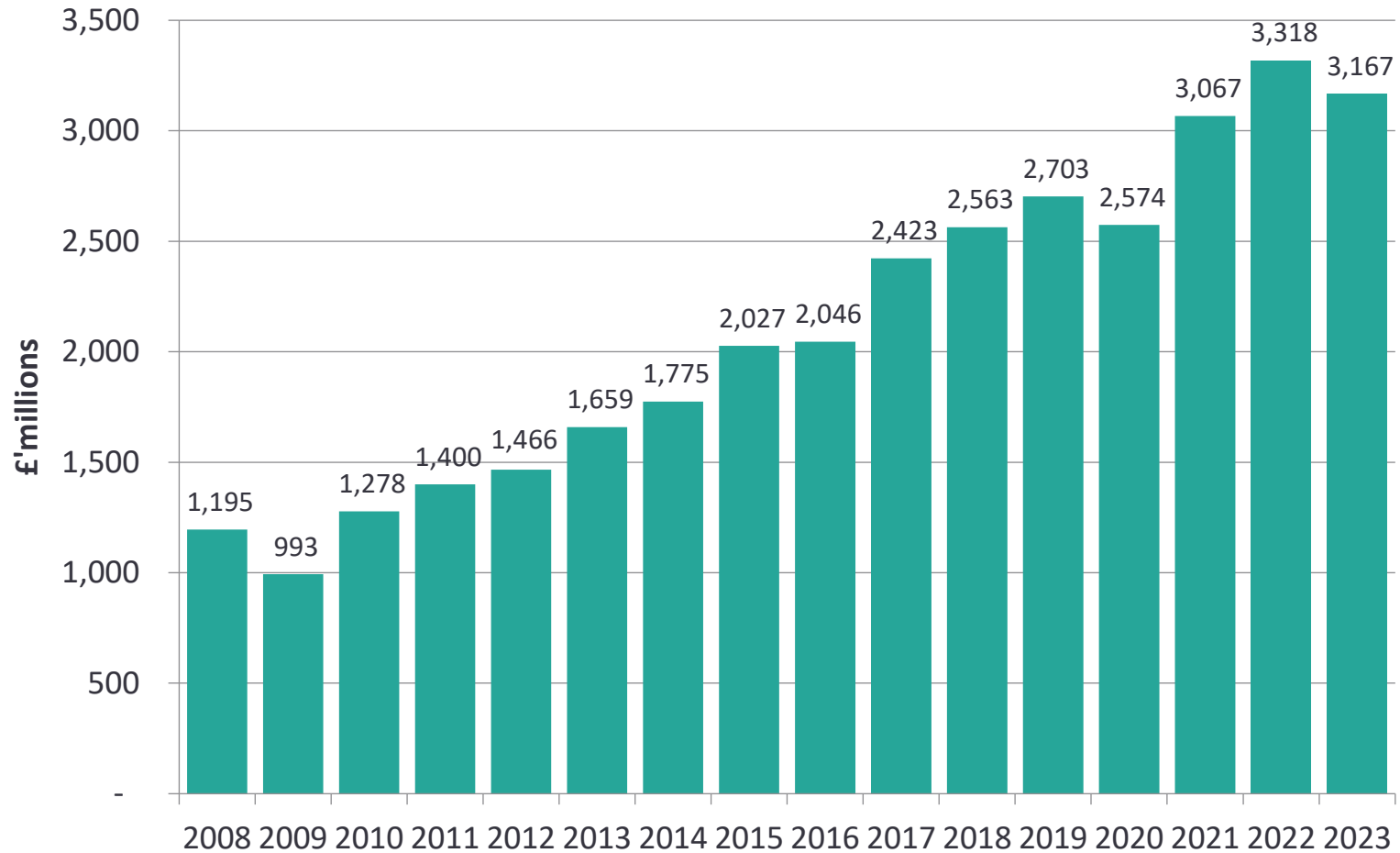
Annual Fund Investment Performance at 31 March 2023

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Value of the Fund's Assets

**Cumbria
Pension
Fund**



Investment Strategy Review

**Cumbria
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- Review of Responsible Investment Policy
 - How we ensure that we invest the Fund's assets responsibly
 - Meeting for interested parties (10 November)
 - Wide engagement with scheme members
- Review of Investment Strategy Statement
 - Investment strategy that outlines the approach for how we intend to invest the Fund's assets
 - Outline of the asset classes that we intend to invest in and why we invest in them
 - Mindful of investment opportunities available from Border to Coast as our pooling partner
 - Detail of weighting to each asset class
 - Scenario planning and risk planning
 - Plan for transitioning (where appropriate) to revised Strategy



Successes & challenges over the past 12 months

**Cumbria
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Fund**

Local
Government
Reorganisation

Triennial
Valuation

Implementation
of UPM in LPPA

Volatile
Investment
Markets

McCloud
Remedy



Challenges and Opportunities over the next 12 months

**Cumbria
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Investment
Strategy Review

Review of
Responsible
Investing Policy

Bedding in of
UPM and
Developments in
LPPA

New “General
Code” from
Pensions
Regulator

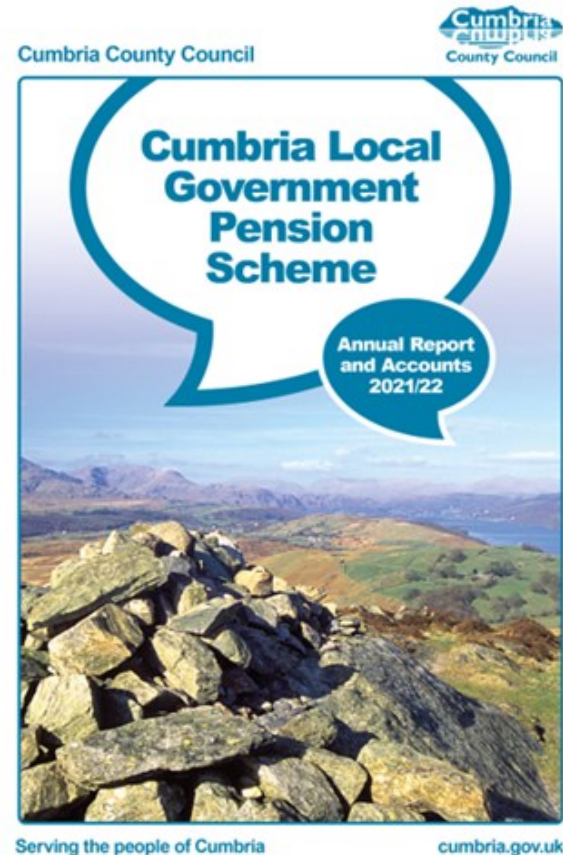
Good
Governance
Review



Accounts and Annual Report

**Cumbria
Pension
Fund**

- 2022/23 Pension Fund Annual Report:
 - To be published before 1 December.
- Pension Fund Accounts:
 - Available online in draft.
 - Audit materially complete.
 - Anticipating an unqualified opinion & no audit recommendations.
- Available at:
cumbriapensionfund.org



Any Questions?





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**Cumbria
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Pensions Administration Performance

Ally McGuinness, Finance Manager – Pensions Administration

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Fund Administration Overview

**Cumbria
Pension
Fund**

At 31 March 2023:

- 62,278 Scheme Member records
 - 17,681 Active Members
 - 25,650 Deferred Members
 - 18,947 Pensioners
- 125 Employers
- Fund Assets totalling £3.2bn



Pensions Administration 2022/23

Performance

**Cumbria
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- Payment of c. 18,900 pensions each month
- 926 scheme members put into pension
- Over 13,200 contacts with LPPA – 84.5% of cases dealt within SLA performance target.
- Approx 1,000 calls a month to the LPPA Helpdesk
- 16 virtual visits to employers for one to one training
- 189 delegates represented employers at LPPA training events
- 289 scheme members attended training provided by LPPA



Pensions Administration Performance

**Cumbria
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Fund**

- Annual Benefit Statements issued to staff by 31 August deadline
- Death grant nominations – more than 40% of active members
- PensionPoint sign ups – 29.6% of members (this is only from January 2023 when it went live for Cumbria)
- Active, Deferred and Pensioner annual newsletters issued during 2023



Data, data, data

Reporting to Pensions Regulator

- Common Data - 97.7% complete (March 2023)
 - Name
 - NI Number
 - Address
 - Date of Birth
 - Sex
 - Date pension started
 - Contributions
 - Last Event Status
 - Expected retirement date
- Conditional Data – 92.8% complete (March 2023)
 - Deferred Benefits
 - Divorce Records
 - AVCs
 - Employer Details
 - Salary
 - Annual Allowances
 - Dependents
 - Transfers in
 - Aggregations



It's all about data

Why do we need good quality data?

- To provide a high quality, accurate pension scheme for our scheme members
- To reduce administration time
- To minimise costs for employers
- To comply with our legal and Regulatory obligations



Any Questions?





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LGPS Administration - Update 19 Oct 2023

Ally McGuinness, Finance Manager – Pensions Administration

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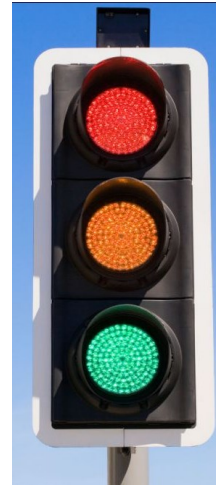


Today's topics

**Cumbria
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**The
McCloud
Remedy**
for the lgps



COST OF LIVING

PensionPoint

A better portal for your pension



McCloud Timeline

**Cumbria
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Court of
Appeal
Ruling

Dec 2018

Bill to amend
Public Service
Pensions Act 2013
July 2021

July 2019

Govt.
Statement

“take steps to
remove
discrimination
”

1 Oct 2023
Revised LGPS
Regulations
come into
force.

McCloud Impact

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Underpin protection will extend to all members in the scheme at 31 March 2012

The changes will also apply retrospectively – pensioner members and deferred members in scope will be included.

Underpin means your pension between 1 April 2014 to 31 March 2022 is the best of 2008 rules (1/60th) and the CARE rules



It'll take some time!

McCloud Update

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DLUHC have been working **with software suppliers** on the changes, and we are expecting this to be operational soon.

LPPA will then **start to work through all the cases** that they have identified as being in scope, including some members that are already retired, death cases, transfer cases, pension sharing on divorce.....

DLUHC have already distributed **an initial prioritisation policy** which will be consulted on before a final version is issued early next year. The policy prioritises new retirements, deaths after 1 October 2023 and transfers

Employers – a few **need to confirm hours** and service breaks still.

It will take a lot of effort and time, and few are expected to benefit from McCloud.....



LGPS Member Site and McCloud

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lgps

lgps

Contact your fund

[Home](#) [About the LGPS >](#) [Your pension >](#) [Help and Support >](#)



For members of the Local Government Pension Scheme in England and Wales

The LGPS is one of the largest pension schemes in the UK with over 6 million members

About the LGPS



[The essentials >](#)
The key features of your pension



[Paying in >](#)
It's your pension – find out how it works



[Planning >](#)
Start thinking about taking your pension



[Leaving >](#)
Leaving the LGPS before you take your pension



**The
McCloud
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for the lgps

Home :: LGPS (lgpsmember.org)



PensionPoint



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This is **Get Online Week** – the UK’s largest digital inclusion campaign

And a well timed moment to encourage members and employers to get everyone to register for PensionPoint, LPPA’s online member portal.

PensionPoint is a secure online portal, available 24/7, to view, update and download personal information about your pension. You can:

- Update your contact details
- Make or change a nomination for your death grant
- Run your own pension benefit statements (active members)
- Access your pension payslips (pensioners only)
- Check and update you bank details (pensioners only)

To sign up: www.lppapensions.co.uk/pensionpoint



The Cost of Living and LGPS contributions

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Members may be trying to reduce their expenditure as a result of increasing costs of fuel, food and other expenses due to higher inflation.

Some of them may consider opting out of the LGPS.

However any member can move into the 50/50 section of the Scheme:

- Pay 50% of the normal employee contributions and build up your pension at 50% the normal rate
- **You retain full life cover and full ill health cover**
- You can move back in to the main section at any time
- There is no limit on the number of times you can elect from the main section to the 50/50 section and back again



COST OF LIVING



Cost of Living – help/advice

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MoneyHelper- provides help and guidance about managing your money in uncertain times – this includes practical advice about living on a squeezed income and help if you're struggling with bills and payments.

www.moneyhelper.org.uk/en/money-troubles/way-forward

Citizens Advice- provide information about what help is available from your local council, the Government and other forms of support.

<https://www.citizensadvice.org.uk/debt-and-money/get-help-with-the-cost-of-living/>



Employers – are you running a red light?

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The Fund sends quarterly “Traffic Light” reports to all employers with active members

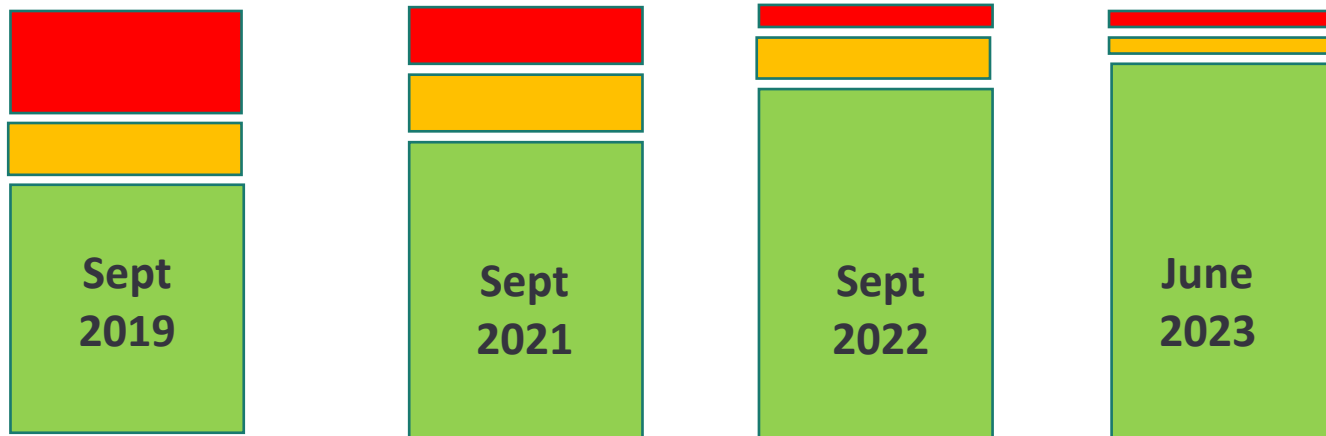
A Traffic Light “scoring” method is used to show how well the employer is meeting Regulatory and Fund policies regarding ***payment of contributions***.

- A **Green Light** means that all deadlines were met
- An **Amber Light** means that one deadline was missed
- A **Red Light** means that more than one deadline was missed within the quarter



Traffic Lights – progress so far

The Traffic Lights system has seen a marked improvement in employers meeting regulatory and Fund policy deadlines for payment of contribution, which can be visually represented as:



Thank you – June 2023 = 91% of Employers on a Green Light



Employers – responsibilities

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Regular Data Required	Deadline
Monthly upload file - to LPPA	By 10th of month following pay period
Monthly Remittance Advice - to Cumbria Pension Fund (Sharepoint)	By 19th of month following pay period
Regular Payments Required	Deadline
Employer and Employee Pensions Contributions	By 19th of month following pay period
Deficit Pension Contributions	One payment on 1 April or in 12 monthly installments, (first payment by 30 April)

If you use a 3rd party payroll or HR provider please note this does not delegate responsibility for the performance of any required actions.



Website 1 year anniversary!

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www.cumbriapensionfund.org



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[About the Scheme](#) [Fund Information](#) [Forms & Publications](#) [Employers](#)



Your LGPS pension made easy

 [Member Self Service Portal](#) 

 [Your pension](#) 

 [Help and Support](#) 



Any questions / comments or suggestions?



LPP

Local Pensions Partnership
Administration

- Then please contact us at:
pensions@westmorlandandfurness.gov.uk
- Or for helpful employer FAQs and LPPA contact details, please see: www.lppapensions.co.uk/contact/

