

AVON PENSION news



THE NEWSLETTER FOR AVON PENSION FUND MEMBERS

Coronavirus (COVID-19) - Update for Members

Dear Member,

In these unprecedented times I have taken this opportunity to write to you, to assure you that we are doing all that is possible to mitigate against the effects of the Coronavirus (COVID-19) pandemic on the Avon Pension Fund.

As with most similar organisations, we have had to close our office and our staff are now homeworking. We have adapted our processes and the way that we engage with our scheme employers to maintain as normal a service as possible.

Our focus has and will continue to be on the payment of all pension benefits to our members and their dependants.

Over the past few months there have been falls in global stock market values due to the pandemic, but this will not affect your pension from the Avon Pension Fund. As with other Public Service Pension Schemes the Local Government Pension Scheme (LGPS) is a defined benefit scheme which means your pension is guaranteed and has been calculated based on your salary and how long you pay in while you are an active member. Your pension is not linked to stock market performance, so it will be unaffected.

We have produced a set of Coronavirus FAQs in conjunction with the Local Government Association, which will hopefully answer any questions that you may have relating to your LGPS pension.

This document can be accessed from the news section of our website at the following location: <https://www.avonpensionfund.org.uk/coronavirus-covid-19-faqs-for-lgps-members>

The FAQs contains a section on pension scams which we have reproduced in this newsletter, as during the Coronavirus pandemic there has been a reported increase in pension scams and fraud.

If you need to get in touch with us, I would ask you wherever possible to use email. Please send any enquiries to avonpensionfund@bathnes.gov.uk. There is also a full section later in this newsletter detailing other ways in which you can contact us.

We will keep updating our member website regularly as the situation changes.

We appreciate your understanding during this difficult time and hope that you and your loved ones remain safe.

Yours faithfully

Tony Bartlett

Head of Business Finance and Pensions
Bath & North East Somerset Council

National Fraud Initiative

The Avon Pension Fund participates in the government's National Fraud Initiative (NFI) run by the Cabinet Office. We may have to provide member details to other bodies responsible for auditing or administering public funds, for comparison. If you would like to know more about the NFI there is an article on our website at: www.avonpensionfund.org.uk/national-fraud-initiative

AVON PENSION FUND IS ADMINISTERED BY BATH & NORTH EAST SOMERSET COUNCIL

Welcome to Avon Pension News

New LGPS employee pay bands and contribution rates from April 2020

Contribution table 2020/21			
Pay band	Actual pensionable pay	Contribution rate	
		Main section	50/50 section
1	Up to £14,600	5.5%	2.75%
2	£14,601 to £22,800	5.8%	2.9%
3	£22,801 to £37,100	6.5%	3.25%
4	£37,101 to £46,900	6.8%	3.4%
5	£46,901 to £65,600	8.5%	4.25%
6	£65,601 to £93,000	9.9%	4.95%
7	£93,001 to £109,500	10.5%	5.25%
8	£109,501 to £164,200	11.4%	5.7%
9	164,201 or more	12.5%	6.25%

The rate of contributions you pay into the LGPS is based on how much you are paid. There are nine different pay bands with contribution rates ranging from 5.5% to 12.5% of your pensionable pay. If you elect for the 50/50 section of the scheme you would pay half the Main section rate. The rate you pay depends on which pay band you fall into.

When you join, and every April afterwards, your employer will decide your contribution rate and they should let you know what it is. If your pay changes throughout the year, your employer may decide to review your contribution rate.

How to get in contact

If you need to get in touch with us, wherever possible please use email. If you have an enquiry, please email: avonpensionfund@bathnes.gov.uk

You can also use the 'Contact us' facility on our website, to send your enquiry with your contact details by visiting the following webpage: <https://www.avonpensionfund.org.uk/contact-us>

As we currently have limited access to both our building and incoming post, we have introduced two new online services which will help with processing the payment of retirement benefits for example.

Sending and receiving documents electronically

SecureShare is a secure portal which allows you to safely receive and then return your completed documentation, forms and certificates electronically.

Identity Checking

We have also introduced a secure electronic identity checking service operated by LexisNexis. Using this service will enable us to carry out any necessary identification checks online rather than requiring the original certificates or documents.

Full details on how to use both new services are available in the news section of our member website.

If you are not able to communicate digitally you can send the documents to the Avon Pension Fund at the usual address, however, incoming post is currently retrieved on a limited basis, and as such there may be a significant delay in our ability to retrieve your documents for action.

You can also access your pension account using our secure self-service website my pension online. Where you can view your pension details, access your annual benefit statement, perform estimates and update your expression of wish nominations and contact details.

If you have not already signed up for the service, it's a simple process, visit the registration webpage <https://myaccount.avonpensionfund.org.uk> with your National Insurance number, click on 'Register' and follow the instructions.

You can still contact us by telephone if your enquiry is urgent, please call 01225 395100. Our telephone service is operating weekdays, between 10am and 3pm.

Transforming our portfolio for a lower carbon world



We are all witnessing the impact of climate change on our lives and many of our employers have declared climate emergencies in recent months. The current global health crisis underscores the importance of mitigating such risks on a global scale. Climate change, in particular, represents a systemic risk to people, the planet, and to the investment returns which are necessary to enable payment of pensions. The need for action on the climate crisis is more critical now than ever before.

Avon Pension Fund, already recognised as a leader in Responsible Investment, has recently reviewed its investment strategy to support the transition to a greatly reduced carbon economy. The changes we have made will enable us to lower our carbon footprint and invest more capital in renewables, while preserving our ability to guarantee pension payments to beneficiaries.

In each of the following areas, we have set clear targets and milestones to ensure that our portfolios are aligned with the Paris Agreement ambition to limit global warming to below 2°C.

1. Reduce carbon exposure:

We aim to be 30% less carbon intensive than our benchmark by 2022 by reducing our carbon exposure across all our equity holdings. We already invest £490m in Low Carbon global equities. As such our equity portfolio is 22% less carbon intensive than a mainstream portfolio, reducing the potential financial impact from assets with a higher exposure to carbon.

2. Invest sustainably:

We aim to invest at least 30% of our portfolio in sustainable and low carbon assets by 2025

or earlier. We are doubling our allocation to renewable energy infrastructure projects such as clean energy and social infrastructure projects, to £225m or 5% of our assets. In addition, we are investing at least £450m or 10% of assets in companies that are responding positively to the challenges of climate change, environmental sustainability or making a positive commitment to social well-being.

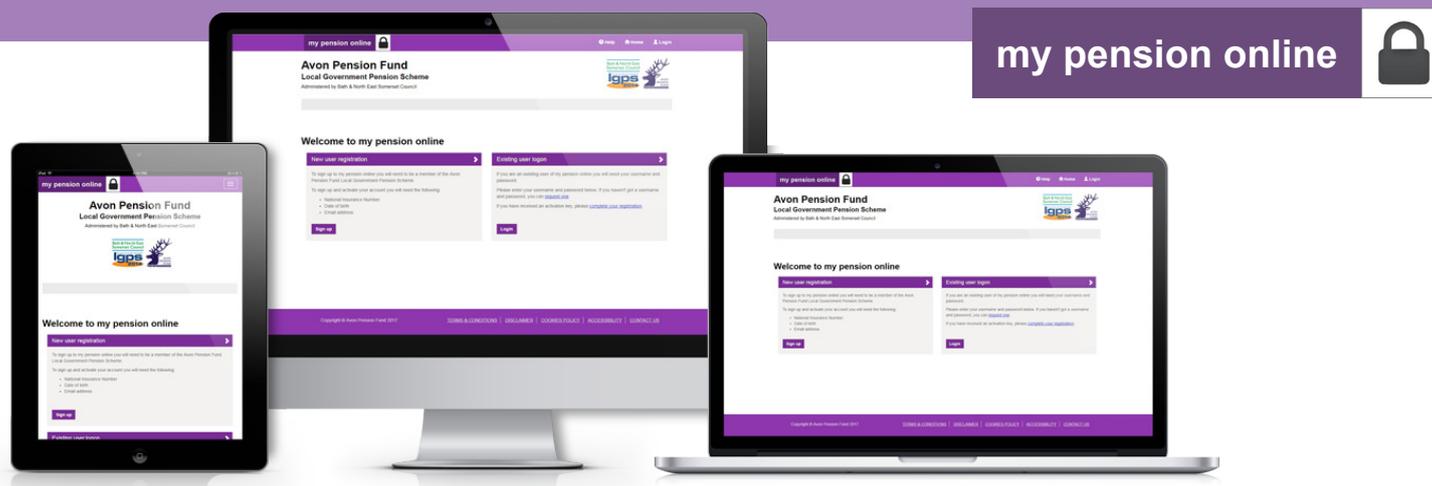
3. Engage:

We use our influence as part of the £30bn Brunel Pension Partnership to encourage change in the wider industry. Engaging collaboratively as a pool amplifies our voice in persuading companies and fund managers to adapt their business models to align with the Paris Agreement. For example, as part of Brunel we recently co-filed the first shareholder resolution at a European bank, calling for Barclays to phase out lending to non-Paris aligned companies. We also lobbied BlackRock on its climate change position and actively voted against the management of Exxon Mobil and BHP Billiton on climate related disclosures.

We also support investor led initiatives such as ClimateAction100+ and Institutional Investors Group on Climate Change to increase pressure on companies and governments to align with the Paris goals. In 2023, ahead of the Paris Stocktake, we will review the effectiveness of our engagement strategy and consider whether selective divestment is necessary.

The Fund will be giving an update on our climate emergency strategy later in the summer and full details will be available on the Avon Pension Fund members' website www.avonpensionfund.org.uk

Check your pension account online today!



The quick way to access details about your own pension is through **my pension online** the member self-service facility on the Avon Pension Fund website.

Sign up today at www.avonpensionfund.org.uk

These are some of the things you can do on my pension online:

- Do estimates on your pension with the pension calculators – you can see what your pension could be if you were to stay paying into the scheme until you retire or if you were to leave the scheme
- Update your contact details – address, telephone and email details can all be updated
- Update your expression of wish form for the death grant
- Calculate how much tax-free cash lump sum you could get using the conversion graph
- See the current value of your pension and view your pension account history year-by-year
- View your annual pension statements
- View your personal, employment and financial details – showing your current and previous employment as well as the contribution rate you pay into the pension fund
- Submit online enquiries or requests for services to us – such as name changes, requests for formal estimates or divorce quotes

Could pension scams increase during the Coronavirus (COVID-19) outbreak?

Yes, watch out for scams related to coronavirus (COVID-19). These scams take many forms and could be about insurance policies, pensions transfers, or high-return investment opportunities, including investments in crypto assets.

Scammers are sophisticated, opportunistic and will try many things. They're also very likely to target the vulnerable. Beware of investments that appear to be too good to be true.

To help protect yourself you should:

- reject offers that come out of the blue
- beware of adverts on social media channels and paid for/sponsored adverts online
- use the Financial Services Register and Warning List to check who you're dealing with
- do not click links or open emails from senders you don't already know

ActionFraud
National Fraud & Cyber Crime Reporting Centre
0300 123 2040

- avoid being rushed or pressured into making a decision
- if a firm calls you unexpectedly, use the contact details on the Register to check that you're dealing with the genuine firm
- not give out personal details (bank details, address, existing insurance/pensions/investment details)

If you suspect a scam, call Action Fraud straight away on 0300 123 2040.

There is additional information about pension scams which has been updated recently in relation to the coronavirus as well as more general guidance, available on the Financial Conduct Authority website: www.fca.org.uk/scamsmart