



West Yorkshire Pension Fund

N E W S L E T T E R

Book now for our eleventh annual meeting

Cedar Court Hotel Wakefield • 4th November 2011

We'd like to invite you to our 11th annual meeting on 4th November.

Robert Matthews from the Money Advice Service will be our guest speaker at this



year's meeting, offering some topical advice on how to manage your money (read more about their services on page 2).

Rodney Barton, our Director, and our external investment advisers will as usual present a detailed summary of the fund's performance over the year.

Councillor Ian Greenwood, chair of both the West Yorkshire Pension Fund Joint Advisory Group and the Investment Advisory Panel, will chair the meeting.

After the presentations you'll be able to put your questions to our panel of senior managers.

We're very pleased to announce that the National Federation of Occupational Pensioners (NFOP) has agreed to sponsor the refreshments at this year's meeting.

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Annual meeting

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With 180 Branches around the country offering local fellowship and support, the National Federation of Occupational Pensioners is the largest and oldest occupational pensioner organisation in the United Kingdom.

NFOP campaigns and consults with government to improve the lives of its members through improved pensions, health services and transport. You can read more about their work of the NFOP at www.nfop.org.uk

The Money Advice Service is a free, independent service set up by government and funded by a levy on the financial services industry. The service aims to give clear, unbiased money advice to help people make informed choices about their finances. Find out more at www.moneyadvice.org.uk

When and where

The meeting is on 4th November 2011 at the Cedar Court Hotel in Wakefield, which has plenty of car parking.

The meeting starts at 11.00am.

How to book

To book a place, phone **01274 434999**. We'll send you more information about the meeting once you've booked.

So we can help you quickly when you phone, please tell us your WYPF member number if you know it, or your National Insurance number.

Places are limited – please book early!

Keep an eye on your state pension

Did you know you could get a forecast of how much your state pension is likely to be when you qualify for the State Retirement Pension?

There are four ways to get a State Pension forecast:

- Get an instant online pension forecast at:
www.direct.gov.uk/en/Pensionsandretirementplanning/StatePension/StatePensionforecast/
- Print an application form from this website and post it back to them
- Can call the State Pension Forecasting Team on **0845 3000 168** (or +44 191 218 3600 if you live outside the UK) and they will fill in the form with you over the phone. If you use a textphone, call 0845 3000 169
- Write to the Future Pension Centre and ask for a forecast application form (BR19) and a return envelope at:
**State Pension Forecasting Team
The Pension Service
Tyneview Park
Whitley Road
Newcastle upon Tyne NE98 1BA**

If it turns out that your state pension won't be as big as it could be, your forecast will tell you how you can top it up by paying voluntary National Insurance contributions.

Introducing Club Together

We're often asked if we can arrange special offers and discounts for our members, so earlier this year we launched 'Club Together' as a new WYPF service for retired members. The new service was so well received that we are now working with Club Together to launch a similar service for our deferred members and their families.

Who are Club Together?

Club Together is run by Xafinity Paymaster. Their twice-yearly magazine features special offers and discounts for pension-scheme members and their families. The idea behind the club, which already has over one million members from big organisations like the NHS, is that members who 'club together' can share their expertise and have more 'clout'.

The Club Together magazine

Have a look at the enclosed sample **Club Together** magazine to see what you can expect from future issues, which should have around twice as many pages. The magazines will be packed with interesting and useful articles written by members and external experts. And you'll be able to win great prizes in their regular competitions.

Club Together will send you their magazine twice a year along with your West Yorkshire Pension Fund newsletter. You'll also get other offers and discounts from **Club Together** in between the two editions of the magazine.

Club Together is free for you and helps save us a lot of money on postage too.

But if you don't want to get the **Club Together** magazine again or hear about their other discounts and offers, just phone us on 01274 434999 and we'll make sure you don't receive anything else.

We haven't sent you a magazine if you previously told us that you don't want information on discounts and offers. But if you'd like to try **Club Together**, phone 01274 434999 and we'll make sure you get the next edition. It's as easy as that. If you're under 18 we'll start to send you the magazine when you're 18.



Fund report 2011

Introduction by Rodney Barton – Director

The year saw considerable uncertainty on the economic front and consequently on investment markets. For example, the FTSE 100 fell by 12.5% in the first quarter, before recovering to finish the year almost 8% up.

Other markets have behaved in a similar fashion. Against this backdrop I am pleased to report that the value of the Fund had risen to £8.65 billion by the end of the financial year.

The total return on investments in the year was 9.5%, a top quartile performance when compared to the other local government pension funds. This has therefore been a very successful year for the Investment Advisory Panel and our investment managers, and builds on the

long-term success they have had, which is explored a little more in the full Annual Report, which will be on the website once the audit is completed.

The number of active members fell over the year, but total membership continues to rise, as a greater number joined the pensioner payroll than usual, and the number of deferred beneficiaries rose too. The pensions administration section has handled this additional workload efficiently, and, from the comments we receive, we believe to the satisfaction of the members.

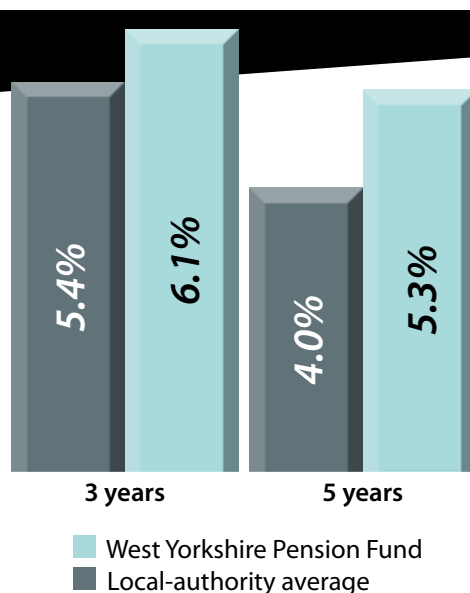
I hope you find the following summary interesting, and encourage you to have a look at the full Annual Report on our website when it is published this autumn.

Performance

Each financial year, our investment performance is measured independently against other local-authority pension funds.

For the year to 31 March 2011, our investment return of 9.5% was slightly above the local-authority pension fund average of 8.2%.

And our average 'annualised' investment return over the last three and five years (shown on the chart) compares favourably with the average for all local-authority pension funds.



Fund account

Opening assets of the fund at 1 April 2010	7,939.5
Investment and income	
Net return on investments	718.2
Income received (including contributions and transfers in)	415.9
Benefits	
Benefits paid (including administrative expenses of £5.3m)	- 423.3
Closing net assets of the fund at 31 March 2011	8,650.3
Closing net assets made up of:	
Market value of fund investment portfolio	8,608.2
Net current assets (debtors, overdraft and creditors)	42.1
Total	8,650.3

at 31 March 2011

Ten biggest equity holdings

	Company	Market value £m	Percentage of total fund
1	BP	191.5	2.2
2	HSBC	171.2	2.0
3	Royal Dutch	165.0	1.9
4	Vodafone	159.2	1.9
5	Rio Tinto	127.0	1.5
6	Glaxo Smithkline	113.4	1.3
7	BHP Billiton	113.1	1.3
8	BG Group	92.8	1.1
9	British American Tobacco	88.6	1.0
10	Astra Zeneca	65.0	0.8

Analysis of investments held at 31 March 2011

		Book cost	Market value	%
United Kingdom				
Quoted				
Fixed interest	Public-sector bonds	351.9	362.4	4.2
	Corporate bonds	210.0	213.1	2.5
Index linked	Public sector	321.0	407.8	4.8
	Corporate	36.4	48.6	0.6
Ordinary and convertible shares (equities)		1,750.5	3,065.7	35.7
Unit trusts – other		32.3	92.9	1.1
Unquoted				
Cash deposits		195.9	195.9	2.3
Unit trusts – property		203.8	281.9	3.3
Fund of hedge funds		299.4	340.2	4.0
Currency funds		149.6	156.4	1.8
Private equity		83.9	105.3	1.2
Sub total UK		3,634.7	5,270.2	61.5
Foreign				
Quoted				
Fixed interest	Public-sector bonds	97.8	111.5	1.3
	Corporate bonds	67.2	68.8	0.8
Index linked	Public sector	91.3	96.1	1.1
Ordinary and convertible shares (equities)		1,417.6	2,231.6	26.0
Unit trusts – other		191.0	500.1	5.8
Unquoted				
Unit trusts – property		25.4	24.8	0.3
Private equity		217.2	272.9	3.2
Sub total foreign		2,107.5	3,305.8	38.5
Total		5,742.2	8,576.0	100.0

Nearly 228,000 members and beneficiaries from 224 employers are part of WYPF

Membership trends

Membership	31 March 2011	31 March 2010
Active members	92,707	95,483
Beneficiaries		
Current pensioners (including widows and children's pensions in payment)	66,546	63,224
Deferred members:		
Deferred pensioners	61,390	58,523
Undecided leavers	3,160	2,883
Frozen refunds	3,985	3,996
Totals	227,788	224,109

Joiners and leavers

Joiners	2010/2011	2009/2010
Employees/councillors joining with no previous membership	7,728	10,858
Employees with transfers from:		
Other local-government funds	68	83
Other pension schemes	105	221
Total joiners	7,901	11,162
Leavers		
Members awarded immediate retirement benefits	3,210	2,559
Benefits awarded on 'death in service'	108	94
Members leaving with entitlement to deferred benefits, transfer of pension rights or a refund.	7,355	7,219
Total leavers	10,673	9,872

We have restated the 2010 numbers because of a change in accounting policy.

Useful to know...

Moving house?

Don't forget to give us a call on 01274 434999 to let us know.

Are we addressing you correctly?

Every home in the UK has a 'complete postal address' that helps Royal Mail deliver mail quickly, accurately and cost effectively.

Starting this month we're checking all our members' addresses against the Royal Mail's **Postcode Address File** database to make sure we're using your complete postal address.

This helps us save money too, by reducing the number of wrongly addressed envelopes we get back and have to send again.

What if my address is wrong?

In a very few cases, Royal Mail may list your address differently to the way you think it should be. We can't change this for you, but you can ask Royal Mail to correct their database. Just e-mail the right details to addressmaintenance@royalmail.com

More at www2.royalmail.com/customer-service/personal-customers/receiving-mail

Thinking of transferring?

Did you know that you could transfer your deferred benefits to another pension scheme?

You'd need to think very carefully about transferring though.

Deferred benefits are a good deal, particularly when you think about the inflation-proofing increases that we add to your benefits every year. Not to mention the full range of benefits we provide for you and your family.

But if you do want to think about transferring, please get in touch.

Protecting your money

Under the National Fraud Initiative, public agencies and local authorities 'share and compare' the information they hold about us. When information doesn't tie up, it's investigated, often by the police. We take part in this initiative too.

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The information in this newsletter relates to WYPF deferred members only and can't be treated as a statement of law.

Please contact us if you would like this newsletter in large type, Braille, on tape or in another language.