During the last year and a half of COVID restrictions we have had to make frequent changes to the way we deliver our service. At times this has been quite challenging for us. But it shouldn’t really matter to you, our members. The service you receive should be as good as ever, even if we are still working from our kitchens and bedrooms. Since long before COVID, we have been working to make as much as possible available online. That’s still the best way to get in touch.

**IF YOU NEED INFORMATION:**
- Our website has lots of general information. Our Frequently Asked Questions (FAQs) section for active members is a good starting point. You should be able to find most answers there.
- You can use SPFOnline to view your own pension updates, carry out calculations and update your personal details.
- The news area of our website www.spfo.org.uk is updated regularly with any important changes.

**IF YOU NEED TO CONTACT US:**
- Email us at spfo@glasgow.gov.uk
- Or phone us on 0345 890 8999

**FUND NEWS 2021**
In spite of the difficulties and disruption caused by COVID, the Fund had a very good year. It increased in value by more than +25% - see the highlights from our annual report on p.3.

To make the most of your pension, you should:
- beware of scammers – see p.5
- make sure your nominations are up to date – see p.6
- use SPFOnline to check your annual pension update and other details – see p.11

**AGM-2021**
We held our annual general meeting for employers of the scheme online on the 23/06/2021. Slide presentations and recording of the event can be found in the news section of our website.
Strathclyde Pension Fund (SPF) is part of the Local Government Pension Scheme (LGPS).

It is one of 11 LGPS funds in Scotland and around 100 in the UK.

Strathclyde is the second largest of the UK LGPS funds.

The LGPS is a statutory scheme established under primary legislation – the Superannuation Act 1972 and Public Service Pensions Act 2013. That means your scheme benefits are set out and protected by law.

The scheme rules take the form of a series of regulations – the Local Government Pension Scheme (Scotland) Regulations. The regulations are Scottish Statutory Instruments (SSIs).

There are separate sets of regulations to set out the scheme benefits, investment arrangements and governance requirements.

The LGPS is a multi-employer, defined benefit scheme. The benefits are based on final salary for all service to 31st March 2015 and career average earnings for benefits from 1st April 2015.

The Strathclyde Pension Fund was created in 1974. It has been managed by Glasgow City Council since 1996.

The Fund is a pool into which member and employer contributions are paid. The money is invested so that pension benefits can be paid as they fall due.

Participating employers include the 12 local authorities in the west of Scotland; Police Scotland, Scottish Fire and Rescue, and Scottish Water; a number of universities and colleges; local authority subsidiary companies and contractors; and a wide range of other organisations with funding or service links to the local government sector.

As at 31st March 2021 the Strathclyde Pension Fund had 258,000 members, 164 participating employers and investment assets of £26.3 billion.

**WHO MANAGES THE STRATHCLYDE PENSION FUND?**

Glasgow City Council’s Strathclyde Pension Fund Committee is the main decision-making body for the Fund. But a lot of other people are involved. You can find out more in the Governance section of our website or Annual/Committee Reports.

**FUND FACTS**

**FAQs**

When can I retire?

I want to take my benefits between age 55 and 60. How do I inform Strathclyde Pension Fund Office?

Can I give up pension for lump sum?

Can I convert my lump sum to annual pension?

What is my State Pension Age?

Answers to these and many other Frequently Asked Questions are provided in the FAQs area of our website.
Some key figures and messages from this year’s report:

- **+25.1%** investment return for the year
- **+£5.6 billion** investment gain for the year
- **£26.3 billion** closing value of the Fund as at 31st March 2021
- **+10.8% p.a.** investment return over last 5 years
- More than **£500 million** total pensions paid over the year
- **£135 million** of lump sum payments over the year
- Total membership increased to **258,000**
- **A+** rating for responsible investment (PRI)


Looking ahead, as COP 26 comes to Glasgow later this year, we have set a net-zero target for the Fund and published our climate change strategy – also in our annual report.

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</thead>
<tbody>
<tr>
<td>CONTRIBUTIONS RECEIVED</td>
<td>£520m</td>
<td>£542m</td>
<td>£569m</td>
<td>£632m</td>
<td>£644m</td>
</tr>
<tr>
<td>PENSIONS PAID</td>
<td>£411m</td>
<td>£423m</td>
<td>£452m</td>
<td>£479m</td>
<td>£507m</td>
</tr>
<tr>
<td>TAX FREE LUMP SUMS PAID</td>
<td>£121m</td>
<td>£125m</td>
<td>£138m</td>
<td>£170m</td>
<td>£135m</td>
</tr>
<tr>
<td>OTHER PAYMENTS</td>
<td>£120m</td>
<td>£139m</td>
<td>£156m</td>
<td>£127m</td>
<td>£231m</td>
</tr>
<tr>
<td>INVESTMENT INCOME</td>
<td>£252m</td>
<td>£285m</td>
<td>£282m</td>
<td>£332m</td>
<td>£327m</td>
</tr>
<tr>
<td>INVESTMENT GROWTH</td>
<td>£3,520m</td>
<td>£967m</td>
<td>£1,025m</td>
<td>-£1,185m</td>
<td>£5,315m</td>
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<tr>
<td>CLOSING VALUE</td>
<td>£19,699m</td>
<td>£20,806m</td>
<td>£21,936m</td>
<td>£20,941m</td>
<td>£26,354m</td>
</tr>
</tbody>
</table>
PICTURE YOUR FUTURE

Your annual pension update shows how much your pension from Strathclyde Pension Fund will be.

Your pension update shows the personal details we hold for you and the pension you earned in 2020/2021.

You should check it, as this is the amount that we will adjust for inflation until you retire and it is important that we have the right personal details to allow us to pay your pension benefits when they become due.

This year’s inflation increase for career average benefits was 0.5%, added to your pension account on 1st April 2021.

Final salary benefits increase in line with your current salary. Your 2021 pension update is available from SPFOnline.

WHAT STANDARD OF LIVING COULD YOU HAVE?

You will also have a state pension and you might have other pension arrangements. But how much will you need? What’s the minimum you can get by on in retirement? How much would make you comfortable?

If you don’t know, you’re not alone. Research shows that 77% of savers don’t know how much they’ll need in retirement.

Last year the PLSA launched the Retirement Living Standards to help answer those questions: https://www.retirementlivingstandards.org.uk/

The standards show you what life in retirement looks like at three different levels, and what a range of common goods and services would cost for each level.

They are designed to help everyone to plan ahead for their retirement.

WHAT STANDARD OF LIVING COULD YOU HAVE?

HOLIDAY & LEISURE

MINIMUM

A week and a long weekend in the UK every year.

MODERATE

2 weeks in Europe and a long weekend in the UK every year.

COMFORTABLE

3 weeks in Europe every year.

#PICTUREYOURFUTURE

WWW.RETIREMENTLIVINGSTANDARDS.ORG.UK
Fraudsters are singling out people like you and claiming that they can:

• help you access your pension fund
• offer immediate access to cash
• provide a pension loan.

DONT BE SCAMMED

Keep your pension safe.

IF YOU ARE COLD-CALLED OR TEXT MESSAGED WITH A DEAL TO UNLOCK OR REVIEW YOUR PENSION, DON’T TOUCH IT.

For more information about the dangers of pension scams view the pension consumer leaflet here

Please also visit the Pension Regulator website for more information at: https://www.thepensionsregulator.gov.uk/en/pension-scams

MCLOUD JUDGEMENT

When the LGPS changed from a final salary to a career average pension scheme in 2015, protections for older scheme members were introduced. Similar protections were provided in other public sector pension schemes.

The Court of Appeal ruled that younger members of the Judges’ and Firefighters’ Pension schemes have been discriminated against because the protections do not apply to them.

The Government has confirmed that there will be changes to all main public sector schemes, including the LGPS, to remove this age discrimination. This ruling is often called the ‘McCloud judgement’.

The Government have consulted on the proposed changes required to remove the discrimination from the LGPS. The Latest position is that we are waiting for legislation to come into force. This means that is has not been possible to reflect the impact of the judgement in your pension update this year.

If you qualify for protection it will apply automatically- you do not need to make a claim. For more information, see the frequently asked questions on the national LGPS website.

Note that career average benefits apply from April 2015 in Scotland.
PROTECTING YOUR FAMILY

Our Guide to the LGPS is available from our website. It details what we would pay if you die before receiving your benefits.

WHO WOULD WE MAKE A PAYMENT TO?
The LGPS regulations do not specify who a lump sum is paid to on death, and the lump sum does not form part of your estate even if you have made a will. However, by completing a nomination form you can help us to pay any lump sum quickly and in line with your wishes. Your current nomination is shown on your 2021 pension update.

Remember to update it if your circumstances change or have already changed. Our nomination form is available from the Publications > Members > Forms area of our website and you can change your nomination using SPFOnline.

HOW MUCH?
If you die in service, a death grant of at least 3 times your pay is paid.

COHABITING PARTNERS’ PENSIONS
If you are living with someone that you are not married to, we may pay a cohabiting partner’s pension. At your date of death, you and your partner must have been free to marry or form a civil partnership. In addition your partner will need to provide evidence for at least 2 continuous years prior to your date of death that:

• You were living together as husband and wife or civil partners
• Your partner was financially dependent on you or you were financially interdependent

THE TYPES OF DOCUMENTARY EVIDENCE THAT WE WOULD ACCEPT ARE:

• Joint tenancy or mortgage arrangement
• Joint council tax bill
• Joint utilities
• Joint bank accounts or proof of a transfer of funds between your individual bank accounts
• Joint savings accounts or investments
• Joint credit arrangements
• Beneficiaries of your partner’s will or life insurance

AUTOMATIC SPOUSE’S / CHILDREN’S PENSIONS
There is no need to nominate your husband, wife, civil partner or dependent children for a pension payable on your death, but you should make a nomination for the lump sum.
ACCESSING YOUR BENEFITS FROM 55

Members can choose to access their benefits from age 55. However, if you access your benefits before normal pension age, your benefits are reduced for being paid longer. When you do access your benefits, you will still have the option to take tax free cash. Being signed up for SPFOnline will allow you to calculate your potential benefits. Pensions are still index linked with continuing pensions for your spouse/eligible partners after your death.

FREEDOM & CHOICE AVCs

With our AVC provider Prudential, we have added flexibility to our in-house AVC facility. It is now possible to take all or part of your AVC fund from age 55 as a lump sum without taking your LGPS benefits at the same time. You can contact Prudential about this. Only 25% of such lump sum withdrawals is likely to be tax-free.

TRANSFERS

Before retiring, members usually have the right to transfer all of their pension rights out of the LGPS to a DC arrangement offering ‘flexible benefits’ to then access their benefits from 55. If you are contacted by a legitimate pensions company about taking more of your benefits as a lump sum, don’t give up your benefits lightly. A transfer out of the LGPS is a major financial decision. It needs careful consideration and can only be done after taking advice. We suggest that any members considering this course of action should first read our Freedom and Choice Q&A for LGPS members from the FAQ area on the homepage of our website.

GDPR

Strathclyde Pension Fund is administered by Glasgow City Council. Glasgow City Council is a Data Controller under the General Data Protection Regulation (GDPR). We store, hold and manage your personal data in line with statutory requirements to enable us to provide you with pension administration services. To enable us to carry out our statutory duty, we are required to share your information with certain bodies, but will only do so in limited circumstances.

To find out more visit our website’s privacy notice
Our membership continues to grow. The total membership figure has increased in each of the last 5 years.

**FUNDING**

Our [Funding Strategy](#) makes sure we always have enough money in the Fund to pay all pensions as they become due. We check this every 3 years with an Actuarial Valuation of the Fund.

The most recent fund valuation was carried out as at 31st March 2020 and was completed in March 2021. Our [Funding Strategy](#) and [Valuation Reports](#) are published in the [Publications](#) area of our website.

The funding target is 100% (assets/liabilities). Recent results are:

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<thead>
<tr>
<th></th>
<th>2017/18</th>
<th>2018/19</th>
<th>2019/20</th>
<th>2020/21</th>
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<tbody>
<tr>
<td>Employee Members</td>
<td>94,647</td>
<td>98,870</td>
<td>100,441</td>
<td>107,677</td>
</tr>
<tr>
<td>Deferred Members</td>
<td>53,465</td>
<td>57,759</td>
<td>62,599</td>
<td>64,677</td>
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<tr>
<td>Pensioners</td>
<td>74,748</td>
<td>76,683</td>
<td>79,234</td>
<td>80,668</td>
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<tr>
<td>Total Members</td>
<td>222,860</td>
<td>233,312</td>
<td>242,274</td>
<td>253,022</td>
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<tr>
<td></td>
<td>183</td>
<td>178</td>
<td>172</td>
<td>168</td>
<td>164</td>
</tr>
</tbody>
</table>

![Logo](image)
The Fund’s strategy uses many different types of investment to generate returns and spread risk.

**OUR INVESTMENTS INCLUDE:**

- **770** Shares in different companies in more than 50 countries
- **150** Pooled funds which own shares in thousands more companies
- **57** UK properties including shops, offices, warehouses, housing and leisure

And our Strathclyde Direct Investment Portfolio which target Scottish and UK investments with a positive environmental, social or governance impact.

**LARGEST SHAREHOLDINGS**

As at 31st March 2021

<table>
<thead>
<tr>
<th>Company</th>
<th>£m</th>
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<tbody>
<tr>
<td>Taiwan Semiconductor</td>
<td>100</td>
</tr>
<tr>
<td>Samsung Electronics</td>
<td>80</td>
</tr>
<tr>
<td>Mercadolibre Inc.</td>
<td>60</td>
</tr>
<tr>
<td>Alphabet Inc.</td>
<td>57</td>
</tr>
<tr>
<td>Tencent Holdings</td>
<td>40</td>
</tr>
<tr>
<td>Nestle SA</td>
<td>35</td>
</tr>
<tr>
<td>AIA Group Ltd</td>
<td>20</td>
</tr>
<tr>
<td>Alibaba Group</td>
<td>15</td>
</tr>
<tr>
<td>Scout24</td>
<td>10</td>
</tr>
<tr>
<td>Prudential PLC</td>
<td>5</td>
</tr>
</tbody>
</table>

**INVESTMENT PERFORMANCE**

To 31st March 2021
We have set a target of net-zero carbon emissions across our portfolios by 2050.

More details of SPF’s responsible investment and climate change strategies are available on our website and in our Annual Report.
With over 96,000 of our members registered, our member self-service platform has been available since long before COVID. During the last year and a half there has been a demand to do more online and an additional 12,500 members signed up.

Like most businesses we have adapted some of our processes to meet your needs and expectations.

You can now securely:

- View your pension updates online
- View your retirement calculation documents online
- Calculate your benefits at your chosen retirement date
- See how much pension you could exchange for extra tax free cash at retirement
- Update your Contact and nomination details

To access your account sign up for SPFOnline here: [https://www.spfonline.org.uk/home/registration/sign-up.html](https://www.spfonline.org.uk/home/registration/sign-up.html)