

WILTSHIRE COUNCIL

WILTSHIRE PENSION FUND COMMITTEE

29 September 2016

Update on Annual Benefits Statements

Purpose of the Report

1. The purpose of this report is to update the Committee on the production of the Annual Benefit Statements (ABSs) to its active and deferred members. These statements provide members with an estimated position of their pension at retirement age, based on the data currently held by the fund. This year around 20,000 active members' statements and 26,000 deferred members' statements have been produced and mailed.

Background

2. The Public Service Pensions Acts 2013 introduced the requirement to produce ABSs by the 31 August each year, five months following year end. Last year, was the first time this deadline was in force. Significant changes were required to accommodate the 2014 scheme changes within the statements and the Fund managed to produce and deliver the majority within the first week of September. This was reported to both the Wiltshire Pension Committee and Local Pension Board (LPB) whom agreed was not a material breach that needed reporting to the Pensions Regulator (tPR).
3. This year unforeseen issues have again resulted in minor delays (1 to 2 weeks) in the delivery of ABSs.

Key Considerations for the Committee

4. A delay in the final sign off and subsequent lead time for the printers meant the active members' statements were posted out on Friday 9 September, with the deferred statements being sent on Tuesday, 13 September.
5. The failure to issue the ABSs in line with the statutory regulations was reported to the Section 151 officer and Chairman of the LPB at the start of September outlining the reason for the breach and the updated delivery date. Officers' view is this isn't a material breach. In line with the Breaches Reporting Framework, this is now reported to this Committee and considered by the LPB at its next meeting on 20 October 2016.
6. A post project review was undertaken by officers and measures to prevent a recurrence identified. A revised project plan is being developed in line with the latest tPR guidance issued this year, to ensure sufficient contingency time is allowed in the production of future statements to meet the statutory deadline.

Financial Considerations & Risk Assessment

7. There was no additional financial cost from this delay. There have to date been no complaints or queries from Fund members in relation to the delay in them receiving their annual statements.
8. The risk is covered elsewhere on this agenda under *PEN08: Failure to comply with LGPS and other regulations*. Reputational risk is the main concern to the Fund for non-compliance.

Legal Implications and Environmental Impact of the Proposal

9. If this breach was felt to be material and reported to tPR, they may use their powers under the Pension Act 2004 to ensure this requirement is met in future.
10. There is no environmental impact from the proposals.

Safeguarding Considerations/Public Health Implications/Equalities Impact

11. There are no known implications at this time.

Reasons for Proposals

12. It's a requirement of the reporting framework to inform this Committee of any breach in the regulations.

Proposals

13. The Committee is asked to note this report.

MICHAEL HUDSON
Treasurer to the Pension Fund

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Unpublished documents relied upon in the production of this report: