



LOCAL PENSION BOARD

19 JULY 2016

REPORT OF THE DIRECTOR OF CORPORATE RESOURCES

ANNUAL BENEFIT STATEMENTS

Purpose of the Report

1. The purpose of this report is to provide the Board with a progress update on the 2015/16 year-end process for the production of annual benefit statements required by 31 August 2016.

Background

2. At the Local Pension Board meeting on 16 June 2016, the Board considered a report which detailed the progress made on the production of 2015/16 annual benefit statements. Since then the position has changed as the Pension Section continues to work through the employer year-end returns and the employers replies to any potential discrepancies. This report reflects the position as at 5 July 2016.
3. As part of the year-end employer pack, the Leicestershire Pension Section issued the 2015/16 year-end layout to employers in December 2015. This followed communication concerning the governance changes and the importance of the year-end data from the Pension Manager and Director of Finance in 2015.
4. In early March 2016 employers were able to provide the Pension Section with an "early" year-end file. Obviously this did not include March 2016 data but it allowed employers to ensure the reports were working correctly and for the Section to start looking for data queries on missing starters or leavers in the period April 2015 to February 2016.
 - As detailed in the Local Pension Board report in June 2016, the position as at 24 May 2016 was;
 - 39 employers had been fully completed and annual benefit statements were ready to be run and issued.
 - 130 employers had provided their year-end data which appeared reasonable.
 - 30 employers had provided data but there were ongoing issues with the content and quality of the information provided.

- 2 employers had not provided their year-end data but both had advised that the data would be sent by 31 May 2016 and they were working hard to resolve this.
5. Once employer returns had been received, the Pension Section carried out a “reasonableness” check. Data queries were then returned back to employers, as the Section worked towards completion of all records by the original year-end timeline. This approach continued until the 11 July 2016.
 6. Following the reminders and the ongoing reasonableness checks, the position as at the 5 July 2016 was;
 - 82 employers had been fully completed and annual benefit statements were ready to be run and issued.
 - 119 employers had provided their year-end data which appeared reasonable and work was ongoing with the employers, resolving any individual member data issues.
 7. Employers have until the 31 July 2016 to resolve the data queries.
 8. The Pension Section will input the pension data to scheme member’s records from 31 July 2016.
 9. Any employer that has failed to resolve any data queries by the 31 July 2016 will have the original data they provided loaded and used in the calculation of their members statements.
 10. The Section will provide on-line statements to scheme members by the 31 August 2016 and paper versions to those members who have still opted for that service.
 11. All the Fund employers provided a year-end return by the 5 July 2016 enabling the Pension Section to provide annual benefit statements by the 31 August 2016 statutory deadline.
 12. During the year-end process the Pension Section has identified approximately 200 potential leavers that employers have not informed the Pension Section about. Employers are actively checking these cases and providing leavers information where applicable, in order for the Pension Section to calculate the members pension benefits.
 13. Annual benefit statements for preserved Councillor Scheme members have been completed. Statements for active Councillor Scheme members are being worked on and will be provided by the 31 August 2016.

Recommendation

14. It is recommended that the Board notes the report.

Background Papers

Report to the Local Pension Board – 16 June 2016 – Request for Admission Body Status

[http://cexmodgov1/Published/C00001122/M00004712/AI00048168/\\$13LOCALPENSIONBOARDChartwells16062016F.docA.ps.pdf](http://cexmodgov1/Published/C00001122/M00004712/AI00048168/$13LOCALPENSIONBOARDChartwells16062016F.docA.ps.pdf)

Equality and Human Rights Implications

None specific

Officers to Contact

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