

Buckinghamshire Pension Board

Title:	Annual Benefits Statements - Administration Year End Update
Date:	Thursday 21 July 2016
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Local members affected:	No

For press enquiries concerning this report, please contact the media office on 01296 382444

Summary

The statutory deadline for issuing 31 March 2015 Annual Benefits Statements (ABSs) was brought forward to 31 August 2015. In common with many LGPS Funds, the Buckinghamshire Fund encountered difficulties meeting this deadline. In order to issue 31 March 2016 ABSs by 31 August 2016 a revised process was implemented. The purpose of this report is to update the Board on progress regarding issuing the 31 March 2016 ABSs.

Recommendation

The Board is asked to NOTE the update on the issuance of Annual Benefits Statements.

Resource implications

Additional temporary resources have been recruited to support the issuance of Annual Benefits Statements, this cost approximately £40,000.

Other implications/issues

- 4 The statutory deadline for issuing 31 March 2015 Annual Benefits Statements (ABSs) was brought forward to 31 August 2015. In common with many LGPS Funds, the Buckinghamshire Fund encountered difficulties meeting this deadline.
- 5 This year we have an earlier deadline for the closure and audit of the Fund's accounts and all Annual Benefit Statements have to be issued by 31 August 2016. In addition, the Fund's triennial valuation is taking place this year and we have to provide our Fund's data to the Actuary by 31 July 2016. Due to this and the requirement to issue ABSs by 31 August 2016 we have had to make a significant change to our year end query process.

- 6 The revised process is summarised below:
- Once we receive the Employer's correctly completed Annual Return for 2015/16, we will complete our financial reconciliation
 - We will upload the data provided by the Employer and run checks. These checks will return queries on some members' records
 - The 2015/16 year end query process:
 1. Pay data as provided by the Employer is posted to members' records by our Systems Team
 2. Employer Liaison Officers (ELOs) use comparison spreadsheets to identify records with queries.
 3. An indicator is added to member records which show a query. The indicator prevents an inaccurate annual benefit statement (ABS) from being produced for that member.
 4. We submit Fund data to the Actuary for valuation purposes by 31 July 2016
 5. ABSs issued for members' records without any queries by 31 August 2016
 6. Once the first run of ABSs have been sent, ELOs will produce query spreadsheets and send these to the Employer for resolution
 7. We will periodically print further ABSs, by Employer, as their outstanding queries are cleared
 - Step 6 and 7 will commence from 1 September 2016; exact timings will depend on the size of the Employer's membership. Employers must reply to outstanding queries promptly so that we can resolve outstanding queries and cleanse our member data.
 - If outstanding queries are not resolved by 28 February 2017, the affected members will not be provided with printed Annual Benefit Statements by 31 March 2017.
- 7 By the 6 July 2016 136 employers had had their staff ABSs printed and sent, a further 16 employers ABSs were ready to print. Annual Returns from 3 employers were outstanding. By the end of this week Thames Valley Police and Buckinghamshire County Council statements will be ready to print. By mid-August, the statements for Milton Keynes Council employees will be ready to print. There are 82 employers where all of the 31 March 2016 year end queries have been resolved, work will continue from mid-August in resolving the queries for the remaining employers. Deferred benefits statements will reach all deferred members, approximately 7,500, for whom we hold a current address by 31 August. This year we worked with seven other LGPS Funds to produce a joint Deferred Benefit Statement mailing.
- 8 Employers were notified of the revised process with the request for the Annual Return data at the end of February. We did not receive any adverse feedback about the revised process from employers. We will closely monitor the year-end procedure and conduct a review in early 2017. Based on the outcome of that review, we may make the change to the year-end process, as detailed above for cleansing 2015/16 data, permanent.

Background Papers

None
