

Pension Fund Board

Title: GMP reconciliation

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Local members affected:

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

Summary

The end of contracting-out of the Additional State Pension from April 2016 triggered a GMP reconciliation exercise which was initially required to be completed by 31 December 2018. This deadline has not been met due to HMRC amending the date for reporting final queries. The final extract is now expected to be received in late 2020.

The purpose of the exercise is to ensure that the information held by the Fund in relation to periods of Pension Fund members' contracted out employment correctly matches the data held by HMRC. Where information is incorrect and outside agreed tolerances, a rectification exercise will be undertaken which was scheduled for completion by autumn 2020 but will now take place once the final extract is received from HMRC which has been delayed.

The Fund engaged ITM to undertake the reconciliation and subsequent rectification exercise. ITM expect to complete the whole project by the end of 2020, subject to receipt of the final extract from HMRC.

Data from HMRC was expected in November/December 2019 with ITM and the Pensions & Investments team having agreed that rectification of pensioner records would occur in June/July 2020. HMRC have now indicated that this data will be delayed although will likely be issued this year. In the meantime, the Pensions & Investments team have continued liaising with ITM regarding test cases and have agreed the calculation methodology that ITM will apply to correct pensioner records.

GMP reconciliation project has been paused until the final data from HMRC is received.

Recommendation

The Board is asked to NOTE the report.

Supporting information to include the following if a decision is being requested:

Resource implications

Not applicable

Legal implications

Not applicable

Other implications/issues

Not applicable

Feedback from consultation, Local Area Forums and Local Member views (if relevant)

Not applicable

Background Papers

Not applicable
