

ITEM NO: 5(a)

GREATER MANCHESTER PENSION FUND INFORMATION SERVICES WORKING GROUP

21 January 2011

Commenced: 9.15am

Terminated: 9.45am

Present: **Councillor Middleton (Chair)**
 Councillor Beeley
 Peter Morris **Executive Director of Pensions**
 Ged Dale **Head of Pension Fund Administration**
 Malcolm Tyrer **Communications Manager**

Apologies for absence: **Councillors Harrison and Pantall**

27. **DECLARATIONS OF INTEREST**

There were no declarations of interest submitted by members of the Working Group.

28. **MINUTES**

The Minutes of the proceedings of the Information Services Working Group meeting held on 22 October 2010 were approved as a correct record.

29. **MEMBERSHIP STATISTICS**

Consideration was given to a report of the Executive Director of Pensions which was the annual report advising on membership amongst the ten local authority employers as at 1 September 2010. Membership of the Fund continued to be popular, with four out of the ten local authorities recording take up rates of 90% or more. As was the case in previous years, part time take up was lower and the Fund was seeing a greater variance in part time membership between authorities, with the extremes being an 86% part time take up in one authority and a 57% take up in another.

The Executive Director of Pensions advised that there were challenging and changing times ahead highlighting the Independent Public Service Pensions Commission's review of public service pension provision and chaired by Lord Hutton. The Commission had published its interim report and details of the GMPF's submission to the call for evidence with the aim of helping to inform the debate was circulated and discussed. He also made reference to the Department for Communities and Local Government forthcoming consultation with local authorities on revised employee contribution rates.

He continued by stating that the forecast reductions in public expenditure would mean that tough choices would need to be made and a number of local authorities had already indicated that the scale of the savings required would inevitably lead to job losses. It was also anticipated that the pressures on contributors from rising prices, VAT increases and the public sector pay freeze would generate enquiries about 'opting out' of the pension fund and a dedicated employer team had been

created in order to provide more resources and support to employers and employees over the coming months.

RECOMMENDED

That the content of the report be noted.

30. THE OCCUPATIONAL, PERSONAL AND STAKEHOLDER PENSION SCHEMES (DISCLOSURE OF INFORMATION) REGULATIONS 2010

The Executive Director of Pensions submitted a report which advised that traditionally pensions schemes had communicated with their members via paper and the Royal Mail but increasingly people were using electronic methods of communications in their daily lives. The new Disclosure Regulations which came into force on 1 December 2010 now allowed pension schemes also to communicate electronically with their members, subject to prescribed methods.

In summary, a pension scheme could now satisfy its disclosure requirements by sending information to a member's:

- (i) last known postal address;
- (ii) last known electronic address; or
- (iii) by making it available on the website.

However, it was noted that before electronic communications could be used a written notice must be sent by post to the member stating that the scheme proposed to provide information electronically and that also notifies the member that (s)he can opt to receive information through the post. If information was to be disclosed via a website, a notification must be sent to the member stating where the information was available.

The Regulations would now be examined in detail to identify what changes were desirable and how they might be best achieved. A further report would be submitted to the Working Group once this work had been completed.

RECOMMENDATION

That the content of the report be noted.

31. PENSION POWER

The Head of Pensions Administration briefly outlined the content of the December 2010 issue of Pension Power, which had been recently circulated to all contributors. In particular, he highlighted articles advising members with deferred benefits of how earlier membership could be linked with current employments, and final salary and pension build-up schemes.

32. OPTIONS TO MEET HIGH ANNUAL ALLOWANCE CHARGES FROM PENSION BENEFITS

The Head of Pensions Administration circulated the Fund's response to consultation for information.