

**Agenda Item No 4(d)**

**DERBYSHIRE COUNTY COUNCIL  
PENSIONS AND INVESTMENTS COMMITTEE**

**7 September 2016**

**Report of the Director of Finance**

**DERBYSHIRE PENSION FUND ANNUAL REPORT**

**1 Purpose of the Report**

To receive the Pension Fund Annual Report for 2015-16.

**2 Information and Analysis**

In accordance with the Local Government Pension Scheme (Administration) Regulations 2008, the Administering Authority must prepare and publish an Annual Report on or before 1 December following the year end.

The full report runs to 150 pages, including Appendices containing previously published (and approved information) and, therefore, has not been attached to this report. Members have received a full copy of the report via email and printed versions are available on request. Attached to this report therefore are only those elements specific to 2015-16.

Section A provides background on the investment elements of the Fund with investment performance for the year in Section B. Section C describes the administration of the Fund with facts and figures in Section D.

Section E of the Report is the Pension Fund's Annual Accounts, which also form part of the County Council's Accounts (which have already been considered and approved by the County Council's Audit Committee on 21 July 2016). Also included is the external auditor's opinion, which confirms that the information contained within the Annual Report is consistent with those audited accounting statements. It also confirms that the statements have been properly prepared in accordance with accounting standards and give a fair view of the Fund's transactions during the year and its assets and liabilities at the year end. Section G is the Actuarial Valuation Report 2013, which contains the Actuary's Statement.

The Appendices set out copies of the Governance Policy Statement, Statement of Investment Principles, Funding Strategy Statement, Schedule of Employees' and Employers' Contributions and Communications Policy Statement.

### **3 Other Considerations**

In preparing this report the relevance of the following factors has been considered: financial, legal and human rights, human resources, equality and diversity, health, environmental, transport, property, social value and prevention of crime and disorder.

### **4 Background Papers**

Working papers held within Finance Division.

### **5 Officer's Recommendation**

That Committee approves publication of the Pension Fund Annual Report as required by the Regulations.

PETER HANDFORD

Director of Finance

**DERBYSHIRE PENSION FUND  
administered by  
DERBYSHIRE COUNTY COUNCIL**

**Pension Fund Annual Report**

**Year ended 31 March 2016**

## **Pension Fund Annual Report for the Year ended 31 March 2016**

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## Introduction

Derbyshire County Council is the administering authority for the Derbyshire Pension Fund (the Fund) under the terms of the Local Government Pension Scheme Regulations 2013 (the Regulations).

This report has been produced in accordance with Section 57 of the Regulations. It aims to set out the way in which the Pension Fund is managed both in relation to the administration of benefits and to the investment of the Fund.

In the 2015 Summer Budget, following a long review into the future structure of LGPS, the Government announced its intention of inviting 89 administering authorities within LGPS to formulate plans for pooling investment assets, with the aim of reducing costs significantly whilst maintaining investment performance. Derbyshire Pension Fund subsequently announced its participation in LGPS Central, a Midlands based collaboration of eight local government pension funds. As a multi-asset manager, utilising both internal and external investment expertise, it is intended that LGPS Central will manage approximately £35bn of assets on behalf of member funds from 2018 onwards, with a strong focus on delivering cost savings within a robust governance structure. Working together with our partners, the development and implementation of LGPS Central will be a major strategic focus for the Fund over the next two years.

Details of investment performance are provided for 2015-16 and over the longer term and these are compared with benchmark index returns and local authority average returns over the same periods.

A new Statement of Investment Principles was approved during the year, incorporating a revised strategic asset allocation (the benchmark). The new benchmark included increased allocations to US Equities, Property, Infrastructure and Private Equity, and reduced allocations to UK Equities, Fixed Income Bonds and Index-Linked Bonds. A new asset class, Multi-Asset Credit, was introduced into the benchmark. Colliers International were appointed as the Fund's discretionary Direct Property investment manager in July 2015.

In terms of administration, the Fund's membership records and subsequent calculations of benefits and other pension matters were transferred to a new software system during 2014. This system was selected after a public procurement exercise. Whilst much of the functionality has been implemented there remain a number of outstanding issues which continue to be worked upon and have led to additional processes being established to ensure the accuracy of pension calculations. Work is continuing to ensure the system operates as intended.

The Fund's accounts for the year are included in section E of the report whilst the Actuary's latest statement under Section 77 of The Local Government Pension Scheme Regulations 1997 is included in the Valuation Report under section G.

Further information relating to the Fund is available on Derbyshire County Council's website at <http://www.derbyshire.gov.uk-working-for-us-pensions->.

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## **A Management and Financial Performance**

### **1 Investments**

Responsibility for the investment of the Pension Fund is delegated to the County Council's Pensions and Investments Committee. The Committee comprises members representing Derby City Council as well as the County Council. Employee representatives attend as non-voting members. During 2015-16, the Committee received advice from the County Council's Director of Finance and one independent Investment Adviser:

Anthony Fletcher

The Fund's independent adviser, Philip Williams, retired in March 2016 and was thanked by the Pensions and Investments Committee for his significant and valuable contribution to the success of the Fund over many years. Anthony Fletcher has been appointed as the Fund's new advisor.

### **Pensions and Investment Committee Membership 2015-16**

#### **As at 31 March 2015**

#### **As at 31 March 2016**

#### **County Councillors**

J Frudd  
P Dunn  
R Davison  
S Ellis  
S Freeborn  
M Longden  
S Marshall-Clarke (Chair)  
D Wilcox

J Innes  
S Brittain  
R Davison  
S Ellis  
S Freeborn  
R Parkinson  
S Marshall-Clarke  
D Wilcox (Chair)

#### **Derby City Council**

#### **Councillors**

D Roberts  
M Tittley

P Hezelgrave  
M Tittley

#### **Employee representatives attend the meetings as non-voting members**

P Beresford (Unison)  
N Read (Unison)

P Beresford (Unison)  
M Wilson (Unison)



## Terms of Reference

With regard to the Fund's Investments, the main powers and duties of the Pensions and Investments Committee are based on the provisions of the Local Government Pension Fund (Management and Investment of Funds) Regulations 2009, and the Local Government Pension Scheme (Management and Investment of Funds) (Amendment) Regulations 2013 which are designed to ensure that the Fund being is properly and effectively managed. The regulations are currently subject to an ongoing consultation process.

The main responsibilities of the Committee are as follows:

### Statutory Duties

- To appoint managers, advisers etc
- To monitor performance
- To determine an investment policy having regard to:

The advisability of investing in a wide variety of investments

The suitability of particular investments and types of investments

The above Regulations require that advice should be taken in carrying out the above duties.

- To produce and publish the Fund's Statement of Investment Principles which sets out the Fund's policy and its compliance with Myners' Principles for Institutional Investment.
- To produce and publish the Fund's Governance Policy Statement
- To produce and publish the Fund's Communications Policy Statement.

**The Statement of Investment Principles, Governance Policy and Communications Statements have been produced by the Pensions and Investment Committee and are included in this report.**

### Other Duties

- Investment decisions relating to unquoted investments such as direct property, private equity and infrastructure.
- Voting decisions not covered by voting guidelines

Committee minutes are reported directly to the Council.

## **Investment Management**

The Fund's investment assets are managed as follows:

- (a) **UK bonds, Sovereign International bonds, Corporate bonds\*, UK equities, Japanese equities\*, Asia Pacific equities\*, Emerging Market equities\*, Multi-Asset Credit\*, Infrastructure\* and Private Equity** (\* through pooled investment funds)

By the in-house team comprising:

**Peter Handford (Director of Finance)**

**Richard Appleby (Assistant Director of Finance)**

### **The Investment Section**

#### **Investment Management**

Dawn Kinley (Head of Investments)

Richard Fanshawe (Fund Manager)

Julian Green (Fund Manager)

David Henry (Fund Manager)

Vanessa Jacka (Fund Manager)

Neil Smith (Fund Manager)

Christopher Gooding (Research Analyst)

Mark Davies (Research Analyst)

Dawn Kinley was appointed as the permanent Head of Investments on 1 May 2016.

#### **Accounts-Treasury Management-Administrative Support**

Rajwant Dosanjh (Pension Fund Accountant)

Jonathan Clarke (Finance Officer (Treasury Management))

Lesley Crowder (Business Services Officer)

Catherine Bedford (Business Services Officer)

- (b) **Direct Property**

Colliers International (Discretionary Manager)

**(c) European Equities**

UBS Global Investment Management (in a passive capacity)

**(d) North American Equities**

Wellington Management International (in a discretionary capacity)

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## 2 Financial Performance

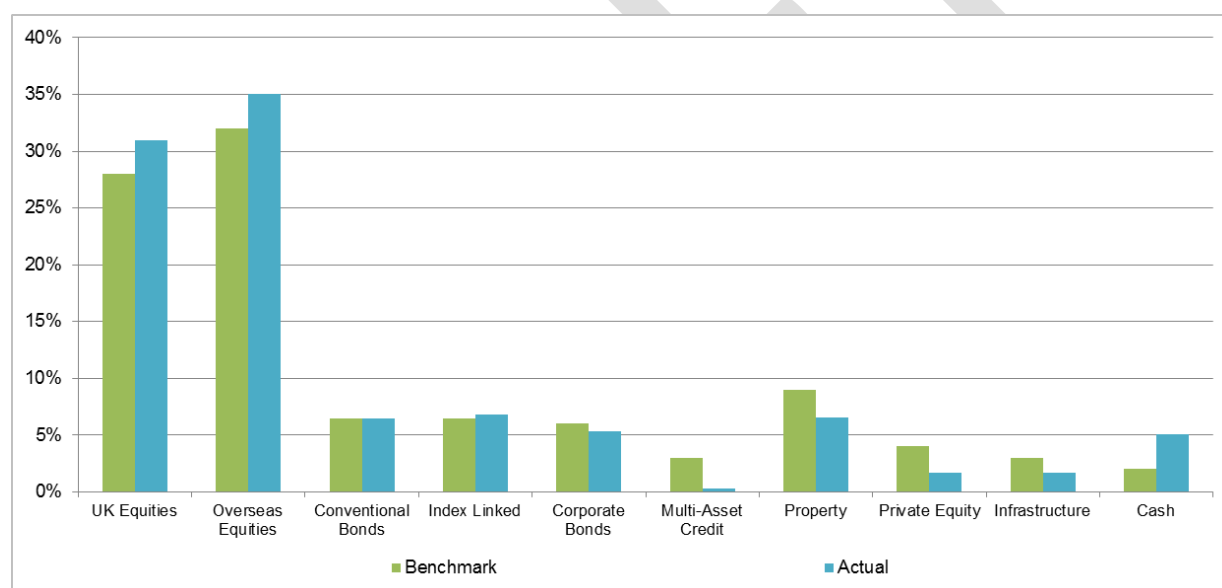
The costs of managing the pension fund in 2015-16 were as follows:

	Cost £000s	Members	Cost per member
Investment Management	15,272	93,892	£162.65
Pensions Administration	1,450	93,892	£15.44
Oversight and Governance*	431	93,892	£4.59

\* Includes Actuarial-Audit fees of £67,000, equivalent to £0.71 per member.

### Asset Allocation 31 March 2016

The Fund's asset allocation as at 31 March 2016 was as follows:



A new Statement of Investment Principles was approved during the year, incorporating a revised strategic asset allocation (the benchmark). The new benchmark included increased allocations to US equities, Property, Infrastructure and Private Equity and reduced allocations to UK equities, Fixed income Bonds and Index-Linked bonds. A new asset class, Multi-Asset Credit, was introduced into the benchmark.

The Pension Fund reduced its weightings in respect of both UK equities (32.4% to 31.0%) and Index-Linked Bonds (7.9% to 6.8%) in 2015-16 reflecting the impact of the new Statement of Investment Principles noted above, and made meaningful increases to the Property (4.9% to 6.6%), Infrastructure (0.9% to 1.7%) and Private Equity (0.7% to 1.7%) weightings.

## **The Fund's targets**

The Fund's targets are as follows:

To beat the actuary's long term assumptions of returns (currently an investment return of 4.6% pa)

To achieve a return within each actively managed asset class greater than the relevant asset class benchmark on an annualised basis over a rolling three year period.

## **Market Background 2015-16**

Equity markets, with the exception of North America, produced negative returns over 2015-16. UK equities fell by -3.9%, reflecting the high exposure to oil and commodity stocks. In sterling terms, North America was the strongest performing region returning 3.6%. The worst performing regions were Emerging Markets and Pacific ex Japan, which fell by -8.9% and -8.2%, respectively. These markets were extremely volatile and were impacted by concerns of a global slowdown, particularly in China, a falling oil price and the impact of a rate rise in the US for the first time in nine years.

Whilst bond returns were lower than in the previous year, they outperformed equities. UK Government bonds returned 3.2%, UK Index-Linked bonds returned 1.7% and Corporate bonds returned 0.2%. Bond returns benefited from concerns about a general slowdown in global growth, geopolitical uncertainties and a lack of inflationary pressure.

Property had another strong year, delivering a return of 11.4%, with yields falling in primary and secondary markets, reflecting low borrowing levels and emerging signs of rental growth in specific regions and sectors.

## B Investment Performance

Investment performance is calculated independently by the WM Company on a quarterly basis. Results are considered by the Pensions and Investment Committees as they become available and are reported to Fund members on an annual basis as part of this report.

Comparative annual returns for the Fund are shown below for 2015-16. Also shown are rolling 3, 5 and 10 year results along with inflation figures to give an indication of real returns.

### 1 April 2015 - 31 March 2016

The Fund's results for 2015-16 are shown below and compared with Benchmark index returns for the same period

	<b>The Fund</b> %	<b>Benchmark Index</b> %
<b>UK Equities</b>	(3.5)	(3.9)
<b>Overseas Equities</b>		
North America	3.2	3.6
Europe	(4.3)	(4.4)
Japan	(3.9)	(3.3)
Pacific ex Japan	(8.1)	(8.2)
Emerging Markets	(7.1)	(8.9)
<b>Fixed Interest</b>		
UK Government Bonds	3.7	3.2
UK Corporate Bonds	0.1	0.2
Index linked	1.0	1.7
<b>Alternatives</b>	14.2	(0.7)
<b>Property</b>	14.6	11.4
<b>Total</b>	<b>(0.7)</b>	<b>(0.7)</b>

The Fund performed in line with its benchmark, returning -0.7%.

Within equities, the Fund outperformed in the UK, Europe, Pacific ex Japan and Emerging Markets and underperformed in North America and Japan.

The Fund outperformed in Conventional bonds and underperformed in Index-Linked and Corporate bonds. Both Alternatives and Property outperformed the benchmark.

### **Longer Term Performance (periods to 31 March 2016)**

Performance for the Fund over 3, 5 and 10 years to 31 March 2016 is shown below.

	<b>3 years</b>	<b>5 years</b>	<b>10 years</b>
	<b>% pa</b>	<b>% pa</b>	<b>% pa</b>
The Fund	5.8	7.0	5.8
Benchmark Returns	5.6	6.8	5.5
Average Local Authority	6.4	7.1	5.6
Consumer Price Index	0.7	1.7	2.4
Retail Price Index	1.6	2.4	3.0

The Fund has outperformed against its benchmark for the three, five and ten year periods, and performed in line for the one year period. It is important to note that the Fund returns were comfortably ahead of inflation, delivering real returns over all periods.

The Fund outperformed the Local Authority Average Fund return over the ten year period but underperformed over the three and five year periods.

### **Costs**

The cost of investing the Fund expressed as a cost per member for the past 3 years was:

	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>
The Fund	£61.94	£148.61	£162.65
Shire County average*	£101.80	£130.05	*

\* Source: Department for Communities & Local Government (CLG) statistics on the Local Government Pension Scheme. The figures for 2015-16 were not available as at July 2016.

As set out in Note 2 of the Pension Fund Statement of Accounts, Administration costs, Investment management expenses, Investment income

and Profits and losses on disposal of investments and changes in value of investments in 2014-15 and 2015-16 have been restated in accordance with CIPFA Guidance 'Accounting for Local Government Pension Scheme Management Costs'. The impact of the changes was sizeable, increasing restated Investment management expenses for 2014-15 from £4.7m to £13.4m. In summary the changes are to:

- introduce a third category of management expenses of Oversight and governance costs;
- include pooled investment vehicle management fees in Investment management expenses, with a deduction for pooled investment vehicle rebates;
- include transaction costs (stamp duty and commission) in Investment management expenses;
- include property refurbishment costs in investment property purchases; and
- deduct irrecoverable property expenses, such as vacant property rates and any difference between recoverable property service charge and insurance income and expense, from direct property rental income.

The costs for 2013-14 have not been restated in accordance with the CIPFA Guidance which is why the costs of investing the Fund is significantly lower than that reported in 2014-15 and 2015-16.

The analysis implies that the Fund's cost of investing per member was higher than the Shire County average in 2014-15. This is unlikely to be the case given the Fund's use of lower cost in-house management and is more likely to reflect the fact that the adoption of the CIPFA Guidance in 2014-15 was mixed and the average is not on a like-for-like basis.



## Largest Holdings

The Fund's 10 largest Equity Investments at 31 March 2016 were as follows:

<b>Name of company</b>	<b>Value of Holding £000s</b>
Royal Dutch Shell plc	60,591
HSBC plc	48,379
GlaxoSmithKline plc	44,517
British American Tobacco plc	41,923
BP plc	40,267
Vodafone plc	35,384
Lloyds Banking Group plc	33,325
AstraZeneca plc	30,244
Mercantile Investment Trust plc	27,732
National Grid plc	29,607

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## **C Arrangements for the Administration of the Fund**

### **Introduction**

As an administering authority under the Local Government Pension Scheme (Administration) Regulations 2013 the Council is responsible for administering the Local Government Pension Scheme for all local authority employers in the County and certain other organisations. Some participate under admission agreements. A full list of employers is given at Appendix 5.

Responsibility for the administration of the Pension Fund is delegated to the County Council's Pensions and Investment Committee. The Committee comprises members representing Derby City Council as well as the County Council. Employee representatives attend as non-voting members. The Committee receives advice from the County Council's Directors of Finance and Legal Services.

### **Pensions and Investment Committee Membership 2015-16**

#### **As at 31 March 2015**

##### **County Councillors**

J Frudd  
P Dunn  
R Davison  
S Ellis  
S Freeborn  
M Longden  
S Marshall-Clarke (Chair)  
D Wilcox

##### **Derby City Council**

##### **Councillors**

D Roberts  
M Tittley

#### **As at 31 March 2016**

J Innes  
S Brittain  
R Davison  
S Ellis  
S Freeborn  
R Parkinson  
S Marshall-Clarke  
D Wilcox (Chair)

P Hezelgrave  
M Tittley

### **The Pension Board**

In line with the requirements of the Public Service Pensions Act 2013, Derbyshire County Council has set up its local Pension Board.

The role of the Pension Board, as defined by Regulation 106 of the Local Government Pension Scheme Regulations 2013, is to:

- Assist the Administering Authority to secure compliance with:
  - the Regulations and any other legislation relating to the governance and administration of the Local Government Pension Scheme (LGPS)
  - requirements imposed in relation to the LGPS by the Pensions Regulator
- Assist the Administering Authority to ensure the effective and efficient governance and administration of the Derbyshire Pension Fund
- Provide the Administering Authority with such information as it requires ensuring that any member of the Pension Board or person to be appointed to the Pension Board does not have a conflict of interest.

The existence of the Pension Board does not change the role of the Administering Authority nor the way it delegates its pension functions to the Pension Committee. The Pension Board only has the power to oversee decisions made by the Administering Authority and to make recommendations to improve the efficient and effective administration and governance of the pension's functions, including funding and investments. The Pension Board will produce an annual report in accordance with any regulatory requirements.

The Pension Board consists of two scheme member and two scheme employer representatives and an Independent Chair.

**Independent Chair** Ronald Graham

**Scheme Member Reps** Karen Gurney  
Nick Read (Trades Union nomination)

**Employer Representatives** Mike Nelson (Arvato)  
James Watson (Pinxton Parish Council)

The Derbyshire Pension Fund is administered in-house on a day to day basis by the Pensions administration team which is part of the Finance Division of the Corporate Resources Department. The officers responsible for administration are:

Peter Handford	Director of Finance
Richard Appleby	Assistant Director of Finance
Nigel Dowey	Pensions Manager

The Local Government Pension Scheme (LGPS) is a statutory scheme with regulations made under the Superannuation Act 1972. The LGPS is a

‘Career Average Revaluated Earnings’ (CARE) scheme that is contracted out of the Second State Pension, therefore, Scheme members pay lower National Insurance contributions.

Scheme members were required during 2015-16 to pay a contribution between 5.5% and 12.5% of their pensionable pay, depending on their pay banding. Each employer had an individual rate of contribution, comprising an amount for the future accrual of benefits. The contribution to past service deficit is expressed as a cash sum.

The tri-annual scheme valuation took place on 31 March 2013 and the Scheme Actuary has assessed the Fund position to determine Employer contribution rates from the three years starting 1 April 2014.

## **Administration**

Pensions administration broadly comprises:

- maintaining a computerised database for:
  1. active members (i.e. contributors)
  2. pensioners, including widows, widowers and dependants
  3. those with deferred benefits that will become payable in the future
- providing annual benefit statements to active and preserved Scheme members
- providing estimates of benefits
- calculation and payment of retirement benefits
- calculation and payment of transfer values to other schemes
- processing transfer values from “club” and local government schemes
- providing valuations and splitting pensions in divorce cases
- communicating with employers and Scheme members on Scheme changes and pensions issues
- training for employers on pensions issues
- providing data for triennial valuations and annual FRS17 disclosures
- reporting to the Pensions and Investment Committee on Scheme changes, discretions, disputes and applications for admission body status
- replying to queries from Scheme members and employers

## **Cost**

There were 35.5 full-time equivalent members of staff and the cost of administration, excluding actuarial and audit fees, was £1.45m comprising staffing costs, IT, central charges and the cost of providing a pensions payroll for pensioners.

The Pension Section has three teams designed to deal with specific areas of pension administration managed by Pension Team Managers:

Scheme Benefits/Administration	Sue Hubbleday
Technical/Financial/Communications	Rachel James
Regulations/Employers/Appeals	Sarah Rex

The cost of administration expressed as a cost per member for the past three years was:

Year	2013-14	2014-15	2015-16
DCC	£15.65	£16.49	£15.44
Shire county average	£23.97	£22.41	*
All English authorities	£26.50	£24.98	*

\* Not available until October 2016

As referred to on page 11 of the Annual Report and as set out in Note 2 of the Pension Fund Statement of Accounts, Administration costs, Investment management expenses, Investment income and Profits and losses on disposal of investments and changes in value of investments in 2014-15 and 2015-16 have been restated in accordance with CIPFA Guidance 'Accounting for Local Government Pension Scheme Management Costs'. In summary the changes are to:

- introduce a third category of management expenses of Oversight and governance costs;
- include pooled investment vehicle management fees in Investment management expenses, with a deduction for pooled investment vehicle rebates;
- include transaction costs (stamp duty and commission) in Investment management expenses;
- include property refurbishment costs in investment property purchases; and
- deduct irrecoverable property expenses, such as vacant property rates and any difference between recoverable property service charge and insurance income and expense, from direct property rental income.

The costs for 2013-14 have not been restated in accordance with the CIPFA Guidance.

## Disputes

If a person is dissatisfied with a decision relating to their pension they can invoke the Applications under the Adjudication of Disagreements procedure, which has replaced the internal dispute resolution procedure (IDRP). This is a two-part process with the complaint being considered in the first instance by a person specified by their Scheme employer or, where the administering authority made the decision, to a person specified by the authority.

If, after receiving the specified person's decision, the Scheme member is still dissatisfied they can refer their complaint to the administering authority for determination. It is the Council's Pensions and Investment Committee that considers such cases and its role is to:

- reconsider the decision taking account of the facts and any evidence submitted by either party for the first stage decision
- ensure that the regulations were applied correctly
- check that impartial procedures were used to arrive at the decision.

If, having exhausted the two stage internal procedure, the applicant is still dissatisfied they can appeal to the Pensions Ombudsman. During the year 2015-16, Pensions and Investment Committee considered one case under stage 2 of the Adjudication of Disagreements Procedure.

## Communications

In line with the Policy Statement on Communications, included as Appendix 5 on page 143, the Pensions Section communicated with employers and Scheme members using DCC's website, benefit statements, employer site visits and publications. Work was also completed on the specific Communications Strategy for 2016-17, which maintains the momentum towards these key aspirations:

- Targeting messages to employers in a timely fashion, rather than waiting for enough information to fill a newsletter
- Collaboration between Fund and employers to communicate effectively and efficiently with Fund members
- Collaboration with LGA and other Funds
- Using the opportunities afforded by technology; specifically looking to develop self-service functionality for members and employers
- Developing feedback channels
- Monitoring cost-effectiveness
- Developing a 'brand identity' for the Fund

## Legislative changes in 2015-16

The Local Government pensions rules have continued to be adapted further to the fundamental changes on 1 April 2014 and continuing changes in the wider 'pensions world'. These changes have continued to put pressure on the administration function to ensure that all members are fully informed and able to make the best choices they can for themselves.

These changes include:

- The Local Government Pension Scheme (Amendment) Regulations 2015, which came into force on 11 April 2015.

These amendment regulations included dozens of changes to be interpreted, incorporated into administration processes, and communicated to stakeholders. Some of the areas impacted were:

- Joiners with employment contracts of less than 3 months
  - Automatic cessation of 50/50 election
  - Reserve Forces service leave
  - Additional Pensions Contributions
  - Opting out and aggregation of benefits
  - Death grants
- The end of contracting-out.

A new single tier, flat rate State Pension was introduced for those reaching State Pension age on or after 6 April 2016. LGPS members had been 'contracted out' of the additional State Pension and therefore received a rebate on their National Insurance (NI) contributions. The Fund worked with the DWP and employing authorities to get the messages out to Fund members that, from 6 April 2016, they would start to pay a higher amount of National Insurance contributions. This change also necessitated changes to standard letters and procedures with the administration team office.

## Web pages

The team has kept the web pages up-to-date throughout with all the information members need, as well as forms and guidance for scheme employing authorities. The Pension Fund web pages are currently hosted on the Derbyshire County Council website at [http://www.derbyshire.gov.uk/working\\_for\\_us/pensions/](http://www.derbyshire.gov.uk/working_for_us/pensions/).

## Achievements during 2015-16

- Making significant progress against the backlogs that resulted from LGPS2014 and the implementation of a new pensions administration system (UPM), and improving data quality as a result



- Developing improved relationships with, and information flow from, the larger employing authorities; supporting all employing authorities with their LGPS responsibilities via regular newsletters and training events
- Providing Fund members with LGPS information sessions, in partnership with employing authorities and Prudential, in line with the Fund's Communications Strategy
- Manually calculating and arranging prompt and accurate payment of benefits and transfer values in cases where complex cases cannot be processed through the UPM system
- Developing the use of barcoding and achieving efficiencies by bringing the scanning of post in-house
- Completing the 2015-16 Pension Fund accounts on target
- Completing the transfer of many of the employer duties traditionally, but inappropriately, undertaken by the Pensions Administration team, to Derbyshire County Council.
- Issuing Annual Benefit Statements to members
- Issuing Pensions Savings Statements to members as appropriate
- Developing a procedure for reporting breaches of the law to the Pensions Regulator
- Implementing the DWP 'Tell Us Once' system to speed up the notification of death of a Fund member, thereby minimising pension overpayments and distress to the bereaved.

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## D Pensions Administration - Facts and Figures

### (a) Membership

	31/03/2014	31/03/2015	31/03/2016
<b>Contributors</b>	35,408	38,230	40,030
<b>Deferred Pensions</b>	26,559	26,030	27,240
<b>Pensioners/Dependants</b>	24,913	25,608	26,622

### (b) Retirements from active status:

	31/03/2014	31/03/2015	31/03/2016
Ill Health	38	29	26
Age retirement	459	524	621
Flexible	58	56	59
Redundancy	121	108	119
Efficiency	15	51	53
Employer Consent	8	0	0
<b>Total</b>	<b>699</b>	<b>768</b>	<b>878</b>

### (c) Retirements from deferred status

	31/03/2014	31/03/2015	31/03/2016
Ill Health	15	5	16
Age retirement	447	450	423
Employer Consent	7	0	0
<b>Total</b>	<b>469</b>	<b>455</b>	<b>439</b>

### (d) Deaths in service

	31/03/2014	31/03/2015	31/03/2016
Deaths in service	22	30	30

### (e) Deaths of deferred pensioners

	31/03/2014	31/03/2015	31/03/2016
Deaths of deferred pensioners	20	15	26

### (f) Deaths of pensioners/dependants

	31/03/2014	31/03/2015	31/03/2016
Deaths of pensioners & dependants	679	655	554

**(g) Transfers-in**

	<b>31/03/2014</b>	<b>31/03/2015</b>	<b>31/03/2016</b>
Interfund Transfers (from the Local Government Pension Scheme)	93	54	26
Club Transfer (Public Sector Transfer Club)	17	11	2
Non Club	2	0	0
Personal Pension	-	0	0
<b>Total</b>	<b>112</b>	<b>65</b>	<b>28</b>

**(h) Transfers-out**

	<b>31/03/2014</b>	<b>31/03/2015</b>	<b>31/03/2016</b>
Interfund Transfers (from the Local Government Pension Scheme)	90	33	45
Club Transfer (Public Sector Transfer Club)	50	20	37
Non Club	16	10	12
Personal Pension	1	0	2
Overseas	6	4	0
<b>Total</b>	<b>163</b>	<b>67</b>	<b>96</b>

**(i) Trivials**

	<b>31/03/2014</b>	<b>31/03/2015</b>	<b>31/03/2016</b>
From active status	32	1	7
From deferred status	94	3	13
From pension in payment	142	9	1
<b>Total</b>	<b>268</b>	<b>13</b>	<b>21</b>

Trivials are payment of small pensions via a single one-off lump sum.

**(j) Schedule of Contributions**

A schedule of contributions for the year showing the amounts paid by individual employers and their employees is given at Appendix 5.

**(k) Arrears of Contributions**

Employers are required to collect contributions from active Scheme members and pay these together with their employer's contribution to the County Council not later than the 19<sup>th</sup> of the following month to which the contributions relate.