

# POWERHOUSE ESPS GROUP NEWSLETTER

**March 2017**

Dear Fellow Member

Welcome to our Latest Newsletter. If you have not already done so, we would encourage you to register for Hartlink Online, Capita's online portal, which allows real time access to your pension record and other relevant information.

Please visit

[www.hartlinkonline.co.uk/powerhouse](http://www.hartlinkonline.co.uk/powerhouse)

## CONTENTS

- **2017 Pensions Increase**
- **Update on Group Investments**
- **Group Funding and 2016 Actuarial Valuation**
- **Member Data**
- **2016 Scheme AGM**
- **Annual Meeting of Members**
- **Your Group Trustees**
- **Member Website-Hartlink Online**
- **Lump Sum Death Benefits**
- **Feedback**

---

## ➤ **2017 PENSIONS INCREASE**

The ESPS pension increase which will be applied from 1 April 2017 will be 2% (based on the rise in the Retail Prices

Index over the 12 month period to September 2016).

Where part of your pension is derived from contracting out of the State Earnings Pension Scheme then different increases are applied after State Pension Age.

## ➤ **UPDATE ON INVESTMENTS**

### **Value of Group Net Assets**

At 31 December 2016 this was £232.4m compared to £237.2m at 30 September 2016.

### **Group Investments at 31 December 2016**

(held in Legal & General Pooled funds)

	<u>£m</u>	<u>%</u>
World Equity	39.2	16.9
Corporate Bonds	16.5	7.1
Index-Linked Gilts	163.5	70.4
Cash	13.1	5.6
	<b>232.4</b>	<b>100%</b>

Over the one-year and three-year periods the Group's assets have returned 25.6% and 14.2% respectively

### **Notes:**

- Above figures may not add up due to rounding.
- In January 2017 L&G was instructed to re-organise the Group's index-linked gilts (using some of the surplus cash in the portfolio) to reduce the risks associated with the Group's liabilities.
- On 9 March 2017, the Trustees reduced the Group's equity benchmark holding from 15% to 5% and made a 10% strategic allocation to L&G's cash fund based on advice from LCP, its Investment Adviser. This was taken to reduce risk within the Group's investment strategy.
- Based on the information from the Group Actuary, the Group's surplus increased over the quarter by £7m (from £2m to £9m) at 31 December 2016.

## ➤ **GROUP FUNDING AND MARCH 2016 ACTUARIAL VALUATION**

The actuarial valuation as at 31 March 2016 is currently being finalised and the Group Trustees are discussing and agreeing the final arrangements with the Group Actuary and the Company. The results of the valuation should be finalised by 30 June 2017.

The Group has over many years continued to receive valuable support from Hanson and HeidelbergCement AG which have continued to pay contributions of £3.2m a year to the Group since the last valuation on 31 March 2013.

In view of the Group's current improved and positive funding position the contributions are likely to cease shortly. A summary of the valuation results will be made in the next Member Newsletter.

## ➤ **MEMBER DATA**

### **CURRENT MEMBERSHIP OF GROUP**

Pensioners:	1,677
Deferred:	289
Dependants:	<u>141</u>
	2,107

### **COMMON DATA**

Capita have now completed the annual test of the common member data based on the 11 items as prescribed by the Pensions Regulator.

Our score was 99.23% for Legacy data (records before 2010) and 96.88% for New Data (against a target pass rate of 95% for Legacy data and 100% for new Data).

The gaps in the data all relate to incorrect addresses held - Legacy data (16 errors) and New data (1 error).

The Trustees have now asked the Capita Tracing team to attempt to rectify these errors as soon as possible.

***May we remind you to tell Capita of any changes in your address as this ensures that we are able to contact you promptly if needed.***

### **CONDITIONAL DATA**

Capita has also recently prepared a data analysis for the Trustees on Conditional data held on members i.e. items which are essential for the effective administration of the Scheme, e.g. accurate employment records, status history, contribution history. These have been assessed on a priority system based on criticality and prevalence.

The Trustees have noted that the data failures are mainly in the non-critical category and the gaps do not prevent us calculating accurate pension information for members.

Most of our data failures relate to missing personal details held, such as spouse name/dob etc. Capita now plan to undertake a data capture exercise by writing to members affected requesting confirmation of the missing data.

For other details required Capita will review members records and update accordingly. Some of the data failures relate to the GMP Data review (see below)

### **GMP DATA**

As mentioned in the last Newsletter Capita have been liaising with HMRC over the past two years to reconcile Guaranteed Minimum Pension (GMP) data held on our system to ensure the Trustee records are as accurate as possible and correspond to those held by the National Insurance Contribution Office ("NICO").

The current position confirmed by NICO is that there are now only 49 discrepancies outstanding.

Capita and the Trustees are now looking at the best way to resolve these queries and fill the gaps in data.

As always we would like to take this opportunity to remind you to let Capita know should you have any changes to your personal details now or in the future, such as a change of address/marital status etc.

### ➤ **2017 SCHEME AGM**

The 2017 Scheme AGM will be held on **Wednesday 29 November 2017 at 1pm** at the offices of Herbert Smith LLP, Exchange House, Primrose Street, London EC2A 2HS.

### ➤ **ANNUAL MEETING OF MEMBERS**

Due to insufficient interest from members the Group Trustees did not hold a local Meeting of Members during 2016.

As in previous years the Group Trustees are willing to arrange, with your support, an Annual Meeting of Members in November/December 2017 at a venue to be arranged in the High Wycombe, Buckinghamshire area.

As you know the Trustees will only arrange a meeting if at least 25 members express an interest in attending, **so please do let the Group Administrator know by Monday 2 October 2017 if you would like us to arrange one.**

### ➤ **YOUR GROUP TRUSTEES**

Your Group Trustees currently consist of three Elected Group Trustees who are in receipt of a pension from the Group:

*Howard Whisker  
Ann Watson  
Craig Breeze*

In addition, there are now three Appointed Group Trustees.

*Nigel Burnett (Chairman)*

*Marc Boone  
(HeidelbergCement – Treasury Manager)*

*Asha Magnus  
(Hanson UK – Assistant Company Secretary) replacing Roger Tyson, former Company Secretary who retired last year*

Howard Whisker and Nigel Burnett also serve as Directors on the Board of EPTL.

The Group Trustees have scheduled quarterly meetings at which they deal with the day to day administration of the Group, assisted by Susan Smith (Pi Consulting) who provides secretariat services. They also determine the Group's investment strategy and monitor performance of the Group's assets. The Group Trustees receive regular fund management presentations and reports and are assisted by their investment adviser LCP.

You can contact the Group Trustees direct, or through Susan Smith (Pi Consulting) on 020 8879 6525 or through James Chilton (Capita) the Group Administrator.

### ➤ **MEMBER WEBSITE-HARTLINK ONLINE**

Hartlink Online, which is Capita's portal, allows real-time access to your pension record. This will enable you to:

- *view Payslip and P60 information (Pensioners only)*
- *amend personal details*
- *complete your Beneficiary Nomination online (see **Lump Sum Death Benefits** item below)*
- *access a range of Group/Scheme documents*
- *access links to relevant websites helping you to better understand your benefit entitlement.*
- *check that the information we hold for you is accurate and up to date.*

In addition you will get early details of scheme communications and additional pensions updates.

*The Hartlink website is available at:*

[www.hartlinkonline.co.uk/powerhouse](http://www.hartlinkonline.co.uk/powerhouse)

To access the site please enter this web address into the address bar of your web browser.

If you have any problems with the registration process, please use the 'Contact us' button on the site. Alternatively, you can contact our Group Administrator at [hanson@capita.co.uk](mailto:hanson@capita.co.uk) or 0345 600 0591 or by post to:

James Chilton  
Group Administrator  
Powerhouse Retail ESPS Group  
Capita  
Hartshead House  
2 Cutlers Gate  
Sheffield  
S4 7TL

### ➤ **ELECTRONIC COMMUNICATION WITH MEMBERS**

The Trustees have been significantly improving the information available to you on your Powerhouse pension. As mentioned above two-way information exchange is now available on Capita's Hartlink site.

This is where you can see your membership data and you can update your details should they change. Along with this access to your personal details, generic scheme and pensions data is now available at the following:

<http://www.hansonpensions.co.uk>

This new and simple to use website gives you access to your scheme details, advises you on pensions generally and keeps you updated with the most recent developments and issues.

### ➤ **LUMP SUM DEATH BENEFITS**

In recent Newsletters we have reminded members that the Scheme provides for the payment of a lump sum death benefit in the event of a member's death. This will apply:

- a. if you are a Deferred Member and your pension is not yet in payment, or
- b. if you are a Pensioner Member within the first five years of retirement.

We wrote to all affected members and a number returned their completed "Expression of Wish" Form.

There are still 230 Deferred Members and 105 Pensioner Members (who retired in the last 5 years) who have not completed a form. You can complete this on line by accessing the Member Website (see above).

### ➤ **FEEDBACK**

If you have any queries or comments on any items covered in our Newsletter or ideas for items in future Newsletters please let me know by emailing me as below.

[nigel.p.burnett@gmail.com](mailto:nigel.p.burnett@gmail.com)

Kind Regards and Best Wishes,  
Nigel

**Nigel Burnett**  
**Chair of Group Trustees**