

MEETING	Pensions Committee
DATE	9 November 2017
TITLE	Guaranteed Minimum Pension (GMP) Reconciliation
PURPOSE FOR THE REPORT	To seek Committee approval to extend the existence of the GMP reconciliation team.
AUTHOR	Nicholas Hopkins – Pensions Manager
RECOMMENDATION	Approve extending the GMP reconciliation team to 31 December 2018.

1. Background

1.1 In its meeting of 10 November 2015 this Committee approved a recommendation to establish an in-house team to reconcile Guaranteed Minimum Pensions in line with HMRC recommendations.

2. Update

2.1 On 13th September Gwynedd Pension Fund, as part of a response to the Local Government Pension Committee request for a progress report, submitted the following statistical data.

	Active	Deferred	Pensions	Total
Total number of cases to be reconciled	15,007	6,559	9,571	31,137
Total number of cases that have been reconciled	11,092	5,083	7,679	23,854
Total number of cases for which the administering authority holds a record on the pensions system, yet to be reconciled	3,833	1,308	2,048	7,189
Total number of cases for which the administering authority does not hold a record on their system, yet to be reconciled	82	4	8	94

2.2 The number shown as 'yet to be reconciled' will be problem cases, requiring some discussions between the Fund and HMRC regarding periods of contracted out history.

2.3 HMRC intend to close all reconciliation work on 31 December 2018 with GMP notices being sent to members soon after. With a number of queries still outstanding (as well as further queries to come) completing the work by March 2018 will not be possible.

2.4 I request extending the GMP reconciliation team until December 2018, a period of nine months, at the following additional costs based on the 2017/18 pay scale (including on-costs).

Details / Job title	Grade	Annual f/t eq salary	Total additional cost to Dec 2018
Senior Pensions Officer P/T 16 hrs for 9 months	S3	£27,668	£ 9,127
Reconciliation Team Leader F/T for 9 months	S2	£24,964	£24,764
Reconciliation Assistant F/T for 9 months	GS5	£17,772	£17,103
Total			£50,994

3. Recommendation

3.1 Committee members are asked to approve an additional budget of £ 50,994 to the Pensions Administration Unit, in order to fund the project team until 31 December 2018 (the HMRC deadline).