

POWERHOUSE ESPS GROUP NEWSLETTER

April 2018

Dear Fellow Member

Welcome to our Latest Newsletter. Holding accurate data and holding this securely is a matter that we as Trustees take seriously. As you will see from our Newsletter this has been a focus for us over recent months and we have been taking steps to ensure that we maintain good records and comply with data security standards

You can help us by ensuring you promptly update us when any of your information changes such as address or marital status. 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

CONTENTS

- **GPDR - Privacy Policy**
- **Capita Performance**
- **2018 Pensions Increase**
- **Update on Group Investments**
- **Member Data**
- **2018 Scheme AGM**
- **Annual Meeting of Members**
- **Your Group Trustees**

- **Member Website-Hartlink Online**
- **Lump Sum Death Benefits**
- **Feedback**

➤ **GDPR - PRIVACY POLICY**

On 25 May 2018, new legislation is due to come into force that affects how we use your personal information and keep it secure.

The "General Data Protection Regulation" (GDPR) is an EU regulation that updates and strengthens UK and EU data protection requirements and the Trustees have been working closely with their advisers to ensure that they will be able to comply in full with those requirements when using your personal information to pay the benefits due under the Group.

A copy of the Trustees' updated Privacy Policy is enclosed with this Newsletter. This sets out how we use your personal information, the rights you have in relation to the personal information we hold about you and who you should contact if you have any queries about how your personal information is being used.

➤ **UPDATE ON CAPITA**

Many of you will recall that in January this year Capita Plc issued a profit warning which caused their share price to fall.

A number of members have contacted us to ask whether this news would have any impact on our pensions. The Capita Company which we use is "Capita Employee Solutions" and this provides purely an administrative support service to Hanson and its pension schemes. It has no involvement with, or access to, the funds themselves, which are safe and

secure. The Company and the Trustees will continue to monitor the situation but at this stage we are satisfied that Capita Employee Solutions remains a profitable and robust business within Capita Plc.

We do have some concerns about recent performance levels with the Capita admin as some service levels have fallen below those we would expect. The Company and the Trustees have been carefully monitoring the position and are agreeing a programme for improvement to ensure that members receive the information they need on time. Rest assured that these matters have not impacted pensions in payment.

We will update you in further Newsletters.

➤ **2018 PENSIONS INCREASE**

As mentioned in our last Newsletter the ESPS pension increase which has been applied from 1 April 2018 was be 3.9% (based on the rise in the Retail Prices Index over the 12 months period to September 2017).

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 2017 this was £233.6m compared to £229.0m at 30 September 2017.

Group Investments at 31 December 2017

(held in Legal & General Pooled funds)

	<u>£m</u>	<u>%</u>
World Equity	13.6	5.8
Corporate Bonds	16.6	7.1
Index-Linked Gilts	179.4	76.8
Cash	<u>23.9</u>	<u>10.2</u>
	233.6	100%

Over the one-year and three-year periods the Group's assets have returned 4.1% and 9.7% p.a. respectively

Note:

Above figures may not add up due to rounding.

➤ **MEMBER DATA**

CURRENT MEMBERSHIP OF GROUP

Pensioners: 1,673
 Deferred: 259
 Dependants: 150
 2,082

➤ **COMMON DATA**

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

I am pleased to report that there are very few gaps in the data we hold and where there are these all relate to missing addresses.

The Trustees have now asked the Capita 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 regarding your benefits.

➤ **GMP DATA**

As mentioned in previous Newsletters 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 is that Capita are now doing some further work to try to resolve any GMP discrepancies between the data held by HMRC and the data on the Hartlink system. This will take some months to complete and we will update you in future Newsletters.

➤ **2018 SCHEME AGM**

The 2018 Scheme AGM will be held on **Wednesday 26 November 2018 at 1pm** at the offices of Mayer Brown International, 201, Bishopsgate, London EC2M 3AF.

➤ **ANNUAL MEETING OF MEMBERS**

Due to insufficient interest from members the Group Trustees did not hold a local Meeting of Members during 2017.

As in previous years the Group Trustees are willing to arrange, with your support, an Annual Meeting of Members in November/December 2018 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 15 October 2018 if you would like us to arrange one.**

➤ **YOUR GROUP TRUSTEES**

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

*Howard Whisker
Craig Breeze*

Howard Whisker was returned unopposed in January 2018 and will now serve a further five-year term of office.

In addition, there are two Appointed Group Trustees.

*Nigel Burnett (Chairman)
(In receipt of a pension)*

*Marc Boone
(HeidelbergCement – Treasury Manager)*

Nigel Burnett also serves as an Appointed Director on the Board of EPTL and Howard Whisker is a Reserve Elected Director.

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, Lane Clark & Peacock.

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

Please note that the Group Trustees do not personally hold member data.

➤ **MEMBER WEBSITE-HARTLINK ONLINE**

Hartlink Online, which is Capita's online 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.*

The Hartlink Online website is available at:

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 or via Hanson Schemes admin team on 0345 600 0591 or by post to:

Lee Siddall
Group Administrator
Powerhouse Retail ESPS Group
Capita Employee Solutions Ltd
Hartshead House
2 Cutlers Gate
Sheffield
S4 7TL

➤ **ELECTRONIC COMMUNICATION WITH MEMBERS**

The Trustees have noted that there could be greater efficiencies by Capita and savings on our administrative costs, if we were able to move to electronic communication with members. This would allow Capita to contact you on any queries such as missing data and send Member Newsletters by email.

Currently there are 277 members registered on Hartlink (13% of all members) and it would help us if many more of you were to register for Hartlink Online to allow us to email rather than post Newsletters.

For your information Hanson UK has recently set up a new website for all its various pension schemes which provides Scheme/Group and general pension information. See link below.

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

The Company intends to develop this website over time in discussion with the various trustee bodies.

➤ **LUMP SUM DEATH BENEFITS**

In recent Newsletters we have reminded members that the Group 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.

When the Trustees decide who will receive benefits it is helpful to know how you would like these distributed and you can do this by completing an "Expression of Wish" Form.

There are still some 205 Deferred Members and 90 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

Kind Regards and Best Wishes,

Nigel

Nigel Burnett
Chair of Group Trustees

Powerhouse Retail Group of the Electricity Supply Pension Scheme (the "Group")

Our privacy policy – How we use your personal information

We are sending you this privacy policy to help you understand how we collect, store and use your personal information for the purposes of the Powerhouse Retail Group of the Electricity Supply Pension Scheme (the "**Group**"). **This is for information only – you do not have to take any action in response to this information.**

1. Introduction

The Group Trustees of the Powerhouse Retail Group of the Electricity Supply Pension Scheme (the "**Trustees**" or "**we**" or "**us**") collect and use your personal information in order to administer the Group and to pay benefits due to scheme members and other beneficiaries.

The Trustees are committed to protecting your personal information. This statement tells you more about when, from whom and why the Trustees collect your personal information and how we use it.

The Trustees are the data controller of the personal information to which this notice relates; we can be contacted using the details in section 10.

2. Personal information that we collect

The types of personal information that we may collect and use include:

- Your full name, address and contact details
- Your date of birth
- Your sex/gender
- Your marital (or relationship) status
- Your benefit entitlement under the Group
- Information about your health
- National Insurance Number and/or other evidence of identity
- Details of your salary and other forms of remuneration
- Details of your bank account
- Details of any nominees to be considered for benefits in the event of your death.

3. Where does your personal information come from?

Most of the personal information that we hold is provided by members when they joined the Group or subsequently contact the Trustees (or organisations appointed by the Trustees to help with the running of the Group) about their benefits.

Other information about you may be provided by current and former employers participating in the Group, other pension schemes and pension providers, independent

financial advisers, medical practitioners, other advisers or service providers to the Trustees and Her Majesty's Revenue and Customs (HMRC).

4. What do the Trustees do with your personal information?

The legal basis for us using your personal information is to enable us to comply with our legal obligations as Trustees of the Group, which include paying benefits to you and other beneficiaries in connection with members' employment (or previous employment) with an employer participating in the Group. We also have a legitimate interest in using your personal information to ensure the efficient administration of the Group and to help us and the employers participating in the Group review and manage financial matters relating to the Group, together with our respective advisers.

In some limited circumstances, the Trustees will only collect and use certain special categories of personal information with your express consent. We will make clear to you when your consent is needed.

If we are not provided with the personal information about you that we need, it may not be possible for us to provide some or all of the benefits otherwise payable in respect of you from the Group.

5. Sharing your personal information with other parties

Where the Trustees consider it necessary for the purposes explained in section 4, your personal information may be shared with selected third parties, such as the Trustees' actuarial and financial advisers and other professional services providers, including those who provide data processing, administration and communication services to the Group. The Trustees may also share personal information with regulatory authorities and healthcare practitioners, insurers, AVC providers, financial advisers, annuity brokers, employers participating in the Group, HMRC, the Pensions Regulator and any other third parties with whom we are authorised or required by law to share personal information.

Some of the third parties with whom your personal information is shared may be located outside the European Economic Area (EEA) (for example, this may happen if computer servers used by our providers are located or backed up in a country outside the EEA).

Under data protection legislation, we can allow your personal information to be transferred outside the EEA if:

- (a) the country to which your personal information is being transferred has been confirmed by the European Commission to provide adequate protection for personal information; or
- (b) the entity that is holding your personal information has entered into a written contract which requires it to provide all protections to your personal information required by data protection legislation.

In the event that the UK is no longer part of the EEA, references in this section to the "EEA" should be taken to mean the EEA and the UK.

Further information about transfers of personal data outside the EEA can be obtained by contacting us at the address below.

We will also share personal information with the actuary to the Group. The actuary to the Group is a joint data controller with the Trustees when using personal information held in respect of you for the purposes of assessing, with the Trustees, financial matters affecting the Group. The current actuary to the Group is: David Gardiner FIA, whose address is: Aon Hewitt Limited, Parkside House, Ashley Road, Epsom KT18 5BS.

Please see the Appendix to this policy for further details relating to how the actuary and Aon Hewitt Limited use your personal information.

6. How long do the Trustees keep your personal information for?

The Trustees will keep your personal information in accordance with our data retention policy as it applies from time to time. We will need to keep personal information for as long as is reasonably necessary to determine members' entitlement to benefits from the Group and to comply with our legal obligations in relation to the administration of the Group.

7. Accessing and updating your personal information

Data protection legislation gives individuals the following rights in relation to personal information held about them:

- individuals can ask what personal information is held about them and be provided with a copy;
- if personal information held about an individual is incorrect, he or she can ask for it to be corrected;
- individuals can ask for personal information about them to be deleted or for processing of that personal information to cease in certain circumstances, for example, where that information is no longer needed;
- individuals can request that certain types of personal information held about them is sent to them, or another organisation, in a format that can be read by computer; and
- individuals can withdraw their consent to how their personal information is being processed, where that processing is based on their consent.

Exercising these rights is subject to certain restrictions under data protection legislation. For further information about these rights, you should write to:

Powerhouse Retail ESPS Group
Capita Employee Solutions Ltd
Hartshead House
2 Cutlers Gate
Sheffield
S4 7TL

8. Complaints

If you are unhappy at any stage with how the Trustees are using your personal information in connection with the Group, you have the right to lodge a complaint with The Information Commissioner's Office (www.ico.org.uk).

9. Changes to our privacy policy

This statement is subject to regular review and may be updated from time to time. We will tell you if we make any changes to how we use your personal information.

10. Contact us

If you have any questions about how your personal information is used, including in relation to the arrangements we have in place with the Group Actuary, please feel free to contact us at the following address:

Powerhouse Retail ESPS Group
Capita Employee Solutions Ltd
Hartshead House
2 Cutlers Gate
Sheffield
S4 7TL

The Group Trustees of the Powerhouse Retail Group of the Electricity Supply Pension Scheme

May 2018

Appendix

Aon Hewitt Limited - PRIVACY NOTICE

Aon Hewitt Limited (and, where appointed, the Scheme Actuary - together "**Aon**") has been appointed to provide pensions advisory and calculation services that relate to your membership of the pension scheme. In doing so Aon will use personal information about you, such as your name and contact details, information about your pension contributions, age of retirement, and in some limited circumstances information about your health (where this impacts your retirement age) in order to be able to provide these services. The purposes for which we use personal information will include management of the pension scheme and your membership within it, funding the pension scheme (i.e. helping to ensure that the funds within the pension scheme are sufficient to cover the members who are party to it), liability management (that is to say providing advice on the different ways benefits could be determined, and drawn, from the pension scheme), scheme actuary duties (which include assessing individuals who are members of the pension scheme and assessing how the make-up of the membership may affect the amounts payable and when they become payable so as to manage the pension scheme appropriately), regulatory compliance, process and service improvement and benchmarking.

We may pass your personal information to third parties such as financial advisors and benefits providers, insurers, our affiliates and service providers and to certain regulatory bodies where legally required to do so. Depending on the circumstances, this may involve a transfer of data outside the UK and the European Economic Area to countries that have less robust data protection laws. Any such transfer will be made with appropriate safeguards in place.

More detail about Aon's use of your personal information is set out in our full Privacy Notice. We recommend that you review this notice which is available online at <http://www.aon.com/unitedkingdom/products-and-services/human-capital-consulting/aon-hewitt-actuarial-services-privacy-statement.jsp>, or you can request a copy by contacting us, including reference to the scheme name, at: Data Protection Officer, Aon Hewitt Limited (Retirement and Investment UK), PO Box 730, Redhill, RH1 9FH