

**PORT OF LONDON AUTHORITY RETIREMENT BENEFITS SCHEME**  
**Report and Accounts for the year ended 31 March 2020**

The annual report and accounts for the Scheme for the period ended 31 March 2020, have been prepared in accordance with the requirements of the Occupational Pension Schemes Disclosure Regulations, and a summary of the contents is given below. If required, copies of the full report and accounts can be obtained on request to the Scheme Secretary.

Membership as at 31 March 2020 was as follows:-

|                                                 |                                                                                                                                                                 |            |
|-------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| Members on pension                              |                                                                                                                                                                 | <u>210</u> |
| comprising:                                     |                                                                                                                                                                 |            |
| Group A                                         | - Benevolent Allowances                                                                                                                                         | 130        |
|                                                 | Retiring Allowances                                                                                                                                             | 1          |
| Group B                                         | - (Ex-Revenue) Metropolitan<br>Terminals Ltd Retirement &<br>Widows' Pension Scheme                                                                             | 6          |
| Group C                                         | - (Ex-Revenue) PLA Pension Fund<br>Members in receipt of Special<br>Increases                                                                                   | 6          |
| Group D                                         | - Widows Pensions payable in<br>respect of persons who were<br>members of the PLA Pension<br>Fund and who left between 6<br>April 1980 and 30 September<br>1980 | <u>45</u>  |
|                                                 |                                                                                                                                                                 | 188        |
| Members with deferred pensions at 31 March 2020 |                                                                                                                                                                 | <u>0</u>   |
|                                                 | Total                                                                                                                                                           | <u>188</u> |

At that date, pensions from the Scheme totalled £311,827 per annum. At 31 March 2020 net assets of the Scheme amounted to £2,193,000.

The most recent valuation was carried out as at 31 March 2019.

In accordance with the Statutory Funding Objective, as at 31 March 2019, the assets covered 85% of the Scheme's liabilities and the deficit was £400,000 (assets of £2,293,000 being less than liabilities of £2,693,000).

Following the valuation, the Trustees and the Authority put in place a Contribution Schedule with the aim of removing the deficit over the period to 28 February 2021. The Authority will contribute £215,000 per annum towards the deficit until 28 February 2021 in level monthly instalments of £17,917.

The next full valuation must be carried out with an effective date no later than 31 March 2022, although interim reports of the position as at 31 March 2020 and 31 March 2021 will also be required.

**COVID-19**  
**Operations**

The in house pensions & payroll administration team have been working remotely since the government introduced lockdown measures.

One member of the team attends the office once a week to deal with the post.

Work is being processed as normal, however, some case work is taking a few days longer than usual but well within regulatory timeframes.

The Pension Regulator has issued guidance to administrators. Critical processes are as follows:

- Paying benefits
- Retirement processing
- Death casework

Business continuity plans are in place and all these items (and more) are being processed remotely by the team successfully.

In March pensioners were advised that monthly payslips would not be sent during the period of lockdown.

### **Cashflow**

Priority is to ensure pensioner payrolls can be funded without the need to disinvest from any distressed assets. The scheme is holding sufficient cash to pay pension payments until July 2021. The situation is being monitored closely by the Trustees and advisers.

Disinvestments will be made from the most appropriate asset class as advised by the investment consultant

### **Covenant**

The current COVID 19 situation has adversely affected the global economy. The potential impacts, both financial and operational, have been evaluated for the Authority and the financial forecasts have been reviewed to assess the impact on the going concern assessment. The Authority confirmed that they remain a going concern

The Authority has further confirmed that they are in a good position to continue to pay the ongoing deficit payments. They have not requested to defer any payments into the Scheme

### **Pensions Increase**

In accordance with the Rules of the Scheme, an increase of 3% in the allowances of retired members in Group A above was made with effect from 1 December 2019. The increase was also applied to deferred pensions.

Members in Group B received an increase of 3.0% with effect from 1 December 2019, whilst members in Group C received an increase of 2.4% with effect from 6 April 2019 and an increase of 3% payable from the Port of London Authority Pension Fund, with effect from 1 December 2019. This increase for members in Group C was offset against the payments being made, from the Scheme, to these persons. These increase percentages were applied to the total pensions received by the members from all of the Authority's pension schemes.

With effect from 1 December 2019 Members in Group D received an increase of 3% in accordance with the increase granted to the Port of London Authority Pension Fund members.

### **Data Protection Act 2018**

The Trustees and the Employer both have a legal obligation and a legitimate interest to process data relating to members for the purpose of administering and operating the Scheme and paying benefits under it. This may include passing on data about members to the Scheme's actuary, auditor, administrator and such other third parties as may be necessary for the administration and operation of the Scheme.

The Trustees and the Employer are both regarded as 'Data Controllers' (for the purposes of the Data Protection Act 2018) in relation to data processing referred to above and can be contacted at the address shown below:

Scheme Secretary, Port of London Authority, London River House, Royal Pier Road, Gravesend, Kent, DA12 2BG