

ITB Pension News

A newsletter for members of the ITB Pension Funds

Welcome to the new look 'ITB Pension News'. As you can see we have updated the presentation of the newsletter with a fresher, more contemporary style, which we hope members will find appealing.

This must be the limit

Many of you will be aware of the correspondence between the Funds Office and the Inland Revenue over the past months. This correspondence concerns the question of extending a special concession, which was granted in 1994 to pensioners of the Closed Fund, to pensioners of the Open Fund.

The Inland Revenue appeared to extend the concession. However, after closer examination, they advised the Funds Office that there were no Open Fund members in the same circumstances as those in the Closed Fund and to whom the concession can be applied. Consequently the Revenue's decision to extend the concession would have no impact at all on the benefits that the Open Fund was able to pay.

After so much hard work by the Trustees and the Funds Office, the Revenue's decision was frustrating. It was disappointing also for those pensioners in the Open Fund who believed they were in similar circumstances to pensioners in the Closed Fund.

Earlier this year the Trustees agreed to clear the way for one more approach to the Inland Revenue to get the concession granted to Open Fund pensioners. Assurances were given that all complaints against Inland Revenue staff and others would be dropped. A formal request was then prepared by the Director, that clearly set out the case for granting the concession. This was done in the form of a detailed letter that provided the Revenue with several reasons why it was felt that the concession should apply to Open Fund pensioners.

The letter was sent in early June and the Funds Office received a reply in mid-August. The reply from the Revenue added little to their previous

correspondence. Their letter stated that "it could be construed that the concession had been granted, although no individuals in the Open Fund were in a position to benefit". Commenting on the Inland Revenue's response the Chairman of the Trustees, Norman Dunlop said, "We are all very disappointed with the Revenue's stance on this matter. Our letter was well set out and provided a good rationale for granting the concession. The Revenue did not answer any of the valid and comprehensive points put forward".

At the Trustees meeting on 5 October 2001 it was noted, with regret, the negative answer given by the Inland Revenue. There was a proposal that a further letter should be requested from the Revenue seeking answers to the points raised in the Director's letter. However, after careful consideration and taking advice from the Funds legal advisors, it was decided that nothing further could be gained from pursuing the matter. It is very likely that the Revenue's response had the support of most, if not all, of the Inland Revenue staff and Government parties who would be responsible for dealing with any further correspondence on this subject. In fact, recently in Pensions Update number 107, the Revenue have advised that they will no longer correspond or discuss the affairs of a pension scheme with members or their advisors. This seems to be a step towards putting some distance between the Inland Revenue and requests for relaxation of their discretion and authority on pension schemes.



*Mr Norman
Dunlop CBE*

TrusteeChanges

“It has not always been plain sailing but I wouldn’t have missed it for the world!” said Chris Lang as he retired from his position as the Members’ Deputy Chairman and Joint Members’ Trustee. Chris resigned from both positions on 30th September 2001 on his retirement from the Engineering Construction Industry Training Board.

Chris had been a Trustee for almost ten years and Deputy Chairman for about five years. He always took an active role as a Trustee and was a member of the Investment Committee and was also on the Management Panel. During recent times he became a member of a special committee set up to assist the Chairman at the time to implement rule changes resulting from the Mercer Report. He also helped with negotiations to have an injunction removed that prevented the Trustees from implementing benefit enhancements due to surpluses in the Open Fund in 1995 and 1998.

The Trustees would like to take this opportunity to thank Chris for his commitment, dedication and hard work on behalf of the Funds during his time as a Trustee and to wish him and his wife Angie a long, healthy and happy retirement.

The new Members’ Deputy Chairman is Mr Gordon Eagle of the Construction Industry Training Board. Gordon has been a Member Trustee since 1992 and he is also a member of the Investment Committee. Like Chris, he was also

“confidence in the way the Funds’ business is conducted”

a member of the special committee set up to help implement rule changes and the injunction negotiations. Commenting on that period Gordon said, “I was filled with confidence in the way the Funds’ business is conducted when I saw the professionalism of the Trustees and their advisors. I look forward to serving as the Members’ Deputy Chairman and assisting the ongoing development of the ITB Pension Funds.”

Before joining the construction industry in 1978 Gordon was in the police service in Kent and for some time was based at Chartwell, the country home of Sir Winston Churchill. During this time he got to know Sir Winston and Lady Churchill and remembers some late night conversations with the great man and has some mementoes of his time there. In 1987 Gordon joined CITB where he is the company health and safety manager covering the development of health and safety training materials. He lives with his wife near King’s Lynn in Norfolk where their three grown up children live nearby.

As a result of Chris Lang retiring, there was the need to hold an election among the members of the smaller employers that Chris represented. The result of the election is that Mr John Cushing of the Engineering Construction Industry Training Board was appointed as a Trustee at the Trustees meeting on 5th October.

At the same meeting the Trustees formally approved the appointment of the new Joint Employers Trustee, Mr Jonathan Francis of the Hospitality Training Foundation. Mr Francis replaces Mr Richard Dinkledein also of the Hospitality Training Foundation who recently resigned as a Trustee. The Trustees would like to express their thanks to Richard for his services and wish John and Jonathan a satisfying and successful period as Trustees in the future.



*From Top:
Chris Lang,
Gordon Eagle,
John Cushing.*

The Data Protection Act 1998

THE KEY FEATURES OF THE DATA PROTECTION ACT

Broadly, these are as follows:

- Personal data must be processed fairly and only be used for the specific, lawful purpose for which it is intended.
- Personal data must be relevant and not excessive in relation to what it is being used for.
- Personal data must be accurate and, where necessary, be kept up-to-date.
- Personal data must not be kept for longer than is necessary.
- Personal data must be processed in accordance with the rights of the individual under the Act with procedures in place to deal with requests for access from individuals.
- Personal data of a sensitive nature (e.g. health, religion, sexuality etc) must be dealt with in accordance with the special provisions of the Act dealing with these matters.
- Personal data must be secure and where necessary, the Data Controller must obtain consent from Scheme Members to obtain and hold information about them on file.
- Personal data cannot be transferred to a country or territory outside the European Economic Area unless that country ensures an adequate level of protection for data subjects.

On 1st March 2000 the new Data Protection Act 1998 came into force. The main provisions of this Act apply from 24th October 2001. The 1998 Act has superseded the Data Protection Act 1984 and applies to any personal data held on paper as well as those records held on computer.

The new Act is intended to ensure confidentiality by protecting your personal data. The Act also sets out rules for the use and processing of this personal information.

You have the right to access certain personal data and can insist that your records are corrected if your personal details are recorded incorrectly.

All personal data must be held for a particular reason and be only used for specific purposes to which you have consented.

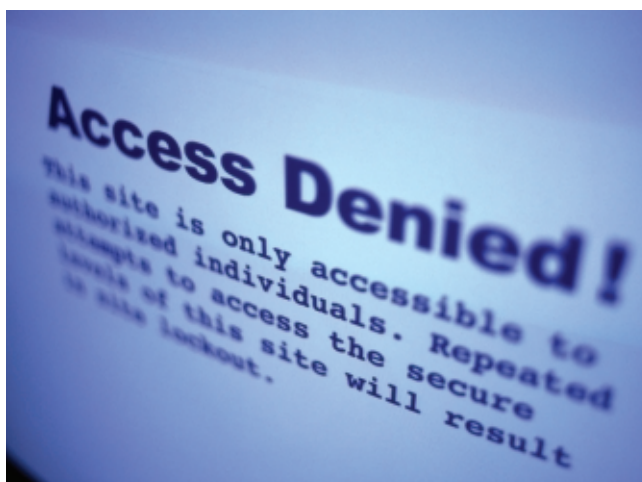
THE ITB PENSION FUNDS' RESPONSE TO THE DATA PROTECTION ACT 1998

The Trustees record and hold data in connection with the provision of benefits under the Scheme rules.

In response to the requirements of the new Act, the Trustees have been registered as Data Controllers for the ITB Pension Funds. The Trustees will ensure that anyone processing data on their behalf complies with the 1998 Act.

Where appropriate, consent is being asked from members to process personal data in line with the legitimate purposes of the Scheme.

Members now have the 'right of access' to their relevant personal data records and in accordance with the terms of the 1998 Act this is subject to a fee of £10. If you wish to exercise this right you should send a cheque for £10 payable to the ITB Pension Funds with your request. The Fund then has a forty-day period to supply the relevant personal data.



Nomination Forms

If you are an active or deferred member, or an Open Fund pensioner retired for less than 5 years, you can help the Trustees decide who will receive the benefits payable on your death by completing a Nomination Form; your instructions will act as a guide for the Trustees, though they are not legally bound by them. You can obtain a Nomination Form from the Funds Office at the address below. You should complete additional Nomination Forms if your wishes or circumstances change.

Please note that the Trustees can only consider this Form if it is held by the Funds Office.

It is essential that you ensure that the Trustees are kept up to date regarding any changes in your personal circumstances. For example if you move house or become divorced.



Pensioner Details

Please note: if, for any reason, your personal details change, such as your address or bank details, you should inform the ITB Funds Office. Changes should be received by the 20th of the current month, at the latest, to allow changes to be included in the payroll run.

When writing please use the address below:

The ITB Pension Funds Office
23 Kings Street
Watford
Hertfordshire
WD18 0BJ

Further Information

If you would like further information on Fund benefits or AVCs you can write to us or, contact the Pensions Helpline on our 24 hour dedicated number which is **01923 801528**. Normally during office hours, someone will be pleased to help you with any queries, outside of office hours an answer service will be available for you to leave a message. If you do leave a message please ensure you leave your full name and phone number so we can return your call.

Stakeholder Deadline Passes

The deadline of 8th October 2001 was the date from which all Employers, unless exempted under the new arrangements, had to offer a Stakeholder scheme, to relevant employees.

This is a legal requirement and Employers who have failed to meet it potentially face heavy fines.

However, most of the Employers participating in the ITB Scheme now have eligibility conditions for membership that exempt them from the requirement to offer a Stakeholder pension. For those not in this position the ITB Pension Funds Office at Watford recognised the need to provide some assistance.

As a result, in the first half of the year the Funds Office commissioned external professional advisers to work with them and a comprehensive Stakeholder report was produced and subsequently issued to Employers. The report identified a number of Stakeholder providers that the professional advisers felt were currently the most suitable in the market.

So to sum up, by the 8th October deadline most of the ITB Pension Funds' Employers had rules for membership of the Scheme that exempted them from the requirement to provide access to a Stakeholder scheme. The other Employers will, where necessary provide access to a suitable Stakeholder for those employees interested.