



## **OPA Chairman's Annual Report for the year 2018**

We have again completed another challenging year in our short history mainly caused by the uncertainty arising from the Brexit negotiations as well as the rapid changes in the global markets and certain political forces. In the Financial Service areas including Occupational Defined Benefit Pensions the impact of major changes and lack of Government direction continues to be difficult to anticipate and this weakness has affected substantially any review of our own strategy and especially whilst further crises in very large and major Pension Schemes continue such as BHS and now Carillion have dominated the reporting.

Fortunately, The Pensions Regulator past and new Senior Management has decided to use and strengthen its additional powers to ensure more stability in governance and regard of Regulations with the likelihood of more proposed Legislation by 2020. In addition, also The Pensions Protection Fund is continuing with more successful recoveries of failing defined benefit schemes. Its Chief Actuary and a Senior Policy Manager gave an excellent presentation recently in February at Lower Sunbury supplemented by content and graphs from the 2018 Red Book publication. The Pensions Ombudsman Service gave an initial presentation last July and which we look forward to this being supplemented at the forthcoming AGM. We continue to provide information and advice to Member Associations like Halcrow & others where help is needed. Some cases are still unresolved. Our Reserves have increased.

As a result of the Inquiry by the House of Lords Economic Select Committee into the status of the RPI Index and its various uses last Summer we held a seminar on the subject in October at Lower Sunbury with the assistance of Robert Gibson of Barnett Waddingham and a follow-up briefing at our Council Meetings by Tony Cox who is the Chair of the RPI/CPI working party in December 2018 and March this year. Findings were published in January 2019 recommending that RPI should continue. However, the UK Treasury views are still awaited. Our Website continues to be maintained and hosted by Cyber Central in Broadstairs and records our Meeting details and their service and advice is highly regarded.

We have finally seen some real progress after Five years consultation in identifying suitable indices to record more accurately consumer and domestic inflation changes and revise RPI and its CPI successor. CPI(H) was finally published in March 2017 by ONS and we await further progress about the proposed Household Cost Index which

I have to thank our Council members for their continued contributions and support which have helped to make our efforts worthwhile during 2018. Dennis Tinker of the Mirror

Pensioners Association has indicated at our recent Council Meeting in March that he will be standing down and therefore we await the nomination of his successor shortly.

Mike Moriarty continues to remain as Principal representative of the Electricity Supply Pensioner Associations on the OPA Council and as our representative on RPI/CPI working party which monitors the proposed statistical index changes for over the last five years and leading to the introduction of the new CPI(H) index from 2017/18.

My personal thanks again to John Scholey our Treasurer and Chair of Unilever Pensioners who maintains our Finances and Membership Records. Finally, to Malcolm Booth serving as OPA Executive Officer for more than five years whilst also undertaking onerous duties as Chief Executive of NFOP a post from which he retires next year. Caroline Doyle has also provided administrative support at NFOP which has been much appreciated.

Peter Austin

Chair OPA April 2019