



## **OPA Chairman's Annual Report for the year 2019**

We have again completed another challenging year in our short history mainly caused by the confusion 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 various problems together with lack of Government direction continues to be confuse. Consequently this continuing saga and weakness has affected substantially any review of our own strategy. Also further crises in very large and major Pension Schemes continue such as BHS and Arcadia and awaiting the Carrillion outcome have dominated the reporting.

The Pensions Regulator's new Senior Management has decided to use and strengthen its additional powers to ensure more stability in governance and regard of Regulations which will be supported by Legislation in 2020. We were fortunate to have a presentation by Erica Carroll the new Director of Enforcement in October which outlined the new Powers subject to proposed legislation being enacted hopefully in early 2020.

The Pensions Protection Fund is continuing with more successful recoveries from failing defined benefit schemes. Its Chief Actuary and a Senior Policy Manager gave an excellent presentation recently in February 2019 at Lower Sunbury supplemented by content and graphs from the 2018 Red Book publication. The Pensions Ombudsman Service gave an initial presentation in 2018 July and which was supplemented in May 2019 AGM. We continue to provide information and advice to Member Associations like Halcrow & others. A recent Membership addition is Sotheby's from the Art World and we look forward its involvement and how we can advise and assist their pensioners. Our Reserves have continued to increase.

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 2018 at Lower Sunbury with the assistance of Robert Gibson of Barnett Waddingham. There were follow-up briefings at our Council Meetings by Tony Cox who is the Chair of the RPI/CPI working party in December 2018 and then March in 2019. Though findings were published in January 2019 recommending that RPI should continue however since that time with a new Government under Boris Johnson the Treasury and National Statistician views have changed. The recommendation suggests that there should only be one National Statistic and that any planned changes should take place as early as 2025 and no later than 2030. We intend to clarify the situation when further Meetings can take place but already one important one has been cancelled due to the Current Lockdown.

Our OPA Website continues to be maintained and hosted by Cyber Central in Broadstairs and records our Meeting details as well as Regional events and Presentations 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 2017 by ONS and we await further progress about the proposed Household Cost Index which is still under review.

I have to thank our Council members for their continued contributions and support which have helped to make our efforts worthwhile during 2019. Bill Berentemfel has now joined us representing The Mirror Pensioners Association following Dennis Tinker's departure.

Currently we are expecting Malcolm Booth's retirement from NFOP in April and the nomination of Eamonn Donaghy as his replacement. Also Alan Bilyard is standing down as the BBC representative and being replaced by David Allen who has recently attended our seminars and meetings. Alan has been a great help in drafting and circulating our Minutes in recent times.

Mike Moriarty has continued 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 six years and leading to the introduction of the new CPI(H) index.

My personal thanks again to John Scholey our Treasurer and Chair of Unilever Pensioners who maintains our Finances and Membership Records. Also to Malcolm Booth who has continued as OPA Executive Officer for more than five years providing very helpful advice on several occasions whilst also undertaking onerous duties as Chief Executive of NFOP until early 2020.

Peter Austin

Chair OPA April 2020