

Q & A : EPN 296

Q. When should the Disclosure Exercise begin?

A. You should send the Annex A to your pensions administrator before 31 March 2010. Please note that your pensions administrator cannot start the calculations until after 31 March. They may have to deal with a number of employers and as a result they cannot guarantee the information will be returned within a specific timescale. You must complete Annex 13A accurately to help your pensions administrator complete the calculations as quickly as possible. If you have any doubts on how to complete the Annex 13A contact the employer helpdesk immediately for advice.

Q. Who is covered by the disclosure arrangements?

A. Senior management (i.e. Board members) who are reported in your departmental remuneration report.

Q. Is there anything new this year?

A. Yes, there are two main changes as follows:

- a. Bonuses now need to be reported as a separate figure rather than included in the salary figure.
- b. Exit packages for all staff need to be reported in a note to the accounts

Q. Is there anything else we should be aware of for this year?

A. The factors used in the CETV calculation have been revised during this year, mainly to account for the change from the use of RPI to CPI to calculate future pensions increase. This means that the opening CETV value shown in this year's report will differ to the amount shown as the closing CETV value in last years report. You will need to include a note in your report to explain this.

Q. Do you need permission to disclose information?

A. No, but you should show the individual what you plan to disclose. If a member wishes to refuse disclosure they must do so under section 10 of the Data Protection Act 1998 (see paragraph 5.2.18 of the Government Financial Reporting Manual (FRM)). You should take legal advice where an individual refuses permission.

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Q. Should we disclose information in compromise agreements?

A. The member in question will have to give their permission to disclose. Furthermore as most compromise agreements contain confidentiality clauses it will be necessary to seek legal advice.

Q. A member is subject to a pension debit, do we disclose the pension figures before the debit has been applied or do we use the post debit figures?

A. If the pension share took effect after the financial year being reported, you disclose the full pension figure before the debit is applied. If it has taken place during the financial year being reported you would need to get the member's approval to disclose the figure as the accounts would need to refer to the reason for the change.

Q. A Board member was overpaid an allowance which resulted in his gross salary figure being higher than it should have been. The guidance notes for the Remuneration report state that we should show gross salary received. However this would show an incorrect and inflated figure which may be open to question.

A. You should report the actual salary paid and then mention in a footnote that an overpayment has occurred and the amount which is to be recovered.

Q. What do we do if a member has taken partial retirement?

A. Information on how to deal with partial retirement is laid out in the EPN.

Q. We have a **classic** member over the age of 60. Why is the real increase in the CETV less at the age of 62 than a year ago?

A. The member factors assume that the pension will be drawn at pension age – i.e. 60 for classic, classic plus and premium. Each birthday there is a step change in the factors which increase up to the age of 60. From the age of 61 the factors decrease.