

Letter from Secretary of APS, sent to APS Member Pensioners 27 April 2011

APS Member Nominated Trustee (MNT) – notification of vacancies

As you are aware, APS pension increases are made by reference to the Pensions Increase (Review) Orders. APS pension increases have therefore been directly affected by the Government's decision to change the basis of the Order from the Retail Prices Index (RPI) to the Consumer Prices Index (CPI). As advised in recent communications the Trustees' work to determine the options available to the Scheme following this change is ongoing. The Trustees have sought advice from a QC specialising in pensions law and this advice will be considered in detail over the coming months.

In the meantime the Trustees have already introduced an amendment to the Scheme Rules which provides flexibility to pay a discretionary increase in excess of that provided in the Order. When exercising this power the Trustees must consider advice and address questions as to the funding level, the progress of APS to full funding and wider issues concerning the security of accrued benefits. In relation to the 2011 pension increase the Trustees have confirmed that they were unable to pay a discretionary increase for the current year but that further reviews would be carried out on a regular basis.

As a consequence of the decision not to pay an increase in excess of that provided for in the Pensions Increase (Review) Order (i.e. a CPI increase), three pensioner elected Trustees, Captain Mike Post, Captain Clifford Pocock and Mr Graham Tomlin, have resigned from their positions as Trustees.

I am therefore writing to all eligible APS pensioners to invite you to stand for the vacancies that have arisen.

Please note this letter has been sent to all eligible Pensioners and you do not need to reply if you are not interested in standing for a vacancy.

APS Pensioners who are in receipt of their pension and have previously been employee Members of the Scheme are entitled to seek election to become a Pensioner Trustee and to vote.

The term of office of a Pensioner Trustee is for a period of between five and five and a half years.

What is the role of a Pensioner Trustee?

The duties of a Trustee are wide ranging and involve considerable responsibility. You would be ultimately responsible for administering the fund in accordance with the Trust Deed & Rules, the law of trusts and Pensions legislation. One of your duties as a Trustee will be to familiarise yourself with the Rules of the Scheme and you would be expected to attend and take part in regular meetings of the Board and Committee meetings. The number of meetings varies from year to year and depending on which Committee being served in some years Trustees could attend an average of 20 meetings. As preparation for each meeting you will be provided with detailed on-line briefing papers and background documentation which will require you to spend some time reading and making sure that you understand the technical material.

To obtain further details of the nature of the role of a Trustee you should refer to the Pensions Regulator's website: www.thepensionsregulator.gov.uk/trustees. This will give you further guidance and an overview on the duties and responsibilities of trustees and the role that you would be expected to undertake as a Trustee.

Training & Support

Newly appointed Trustees will be provided with comprehensive training and support. During the course of your appointment you will be required to participate in the ongoing Trustee training programme. The Pensions Regulator's Code of Practice on Trustee Knowledge and Understanding has formalised knowledge requirements for trustees and you will be encouraged to attend courses leading to qualification for the PMI (The Pensions Management Institute) Award in Pensions Trusteeship.

The Pensions Regulator's website will also provide further information and advice on learning and in particular you may wish to refer to the online e-learning programme which is under the 'Trustee Toolkit' section of the website.

How to Apply

If you are interested in standing as a Pensioner Trustee please contact Monica Gupta at Whitelocke House on 020 8538 2139 to request an application pack, which also includes a nomination form and a declaration of eligibility.

You will need to prepare an election statement, complete a declaration form and nomination form and obtain the signatures of 10 supporters who are eligible to vote in the Pensioner category as described above. Completed election statements, declarations and nomination forms must be returned to Whitelocke House by 5.00 pm on 01 June 2011.

If only three applications are received the nominated persons will be appointed. If more than three applications are received then a postal ballot will take place in which three of the nominees will be chosen to fill the vacancies. If however less than three nominations are received a notice similar to this notice will be re-issued at least once every three years in respect of any remaining vacancy/ies.

Yours sincerely



Teresa Suriyae
Secretary to the Trustees