

**Appendix B**

Date: May 2021  
My Ref: PEN/IH  
Your Ref:  
Contact: Pension Helpdesk  
Phone: 0116 305 7886  
Fax:  
Email: [pensions@leics.gov.uk](mailto:pensions@leics.gov.uk)

Dear

Local Government Pension Scheme (LGPS)  
Prudential – Additional Voluntary Contributions

Officers at the Leicestershire Local Government Pension Section have identified you as an active contributor to the Leicestershire LGPS and paying Additional Voluntary Contributions (AVCs) to the Prudential.

Each Local Government Pension Fund must offer AVCs. Leicestershire use the Prudential and have partnered with them since 1996. This has worked very well for many years, but there has been a recent fall in the Prudential's service standards.

This letter is to inform you about the current service delivery standards at the Prudential, and the action the Fund is taking to address this.

The Prudential implemented a new pensions administration system in November 2020. The new system, compounded by Covid lockdowns, has created delays in processing members pension benefits and investing members contributions.

The delays are causing some members benefits at retirement to be paid late, members complaints are not being resolved in a timely fashion, and some members on-line Prudential accounts are not accurately reflecting the contributions they have paid.

The Prudential have recognised the issues and are actively working hard to resolve these. They wish to apologise to any scheme member that is being impacted by the current fall in their service standards.

The Prudential have assured Leicestershire Pension Fund Officers that all active scheme members AVCs paid will be invested correctly, and any late investments will be backdated to the date the contributions were received, so no member will be negatively financially impacted.

**Corporate Resources**

**Leicestershire County Council, County Hall, Glenfield, Leicestershire LE3 8RB**  
**Email: [resources@leics.gov.uk](mailto:resources@leics.gov.uk)**

**Chris Tambini, Director of Corporate Resources**

**[www.leics.gov.uk](http://www.leics.gov.uk)**



For member's retiring; Prudential's delays in disinvesting the AVCs causes a knock-on impact to the Leicestershire Fund. Unfortunately, without the value of the disinvested AVCs, the Leicestershire Pension Section cannot calculate a member's LGPS retirement benefits, thereby delaying retirement options and payments. Given the serious nature of this issue the Leicestershire Fund has reported the situation to The Pensions Regulator.

The Chair of the Leicestershire Local Pension Board and Senior Officers at Leicestershire are aware of the issues and continue to closely monitor the Prudential's service.

Leicestershire Pension Fund Officers continue to be actively engaged with the Prudential and have requested a clear improvement plan, to satisfactorily resolve this for our scheme members.

If you encounter problems, and the Prudential do not resolve these for you, please inform the Leicestershire Pension Section at [pensions@leics.gov.uk](mailto:pensions@leics.gov.uk) and Fund Officers will try and help resolve these for you.

I also wanted to take this opportunity to remind you that if you haven't already done so, you are able to register for a Pensions Member Self Service account by visiting our website: <https://leicsmss.pensiondetails.co.uk/>. This allows instant access to details of your Local Government Pension benefits (excluding your Prudential AVCs, which you can view separately by registering online with the Prudential), and the ability to receive your Local Government pension documents electronically. Registration with Leicestershire is quick and easy; all you need is your National Insurance number and a personal email address.

I'm sorry for the problems you may be experiencing with your Prudential AVCs, and can assure you, Pension Fund Officers are working very closely with the Prudential to resolve this as quickly as possible for you.

Yours sincerely

*Ian Howe*

Ian Howe  
Pensions Manager

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